

# Microsoft Select License

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## MICROSOFT SELECT LICENSE OVERVIEW

The Microsoft® Select License program was designed specifically for medium and large organizations with 250 desktop PCs or more that have mixed software requirements and want a simple, flexible, and affordable way to purchase the latest Microsoft technology on a “pay as you go” basis.

Select License offers the option to add Software Assurance to your licensing agreement at the time of purchase to maximize your return on investment. Software Assurance is Microsoft's enhanced maintenance program that helps you get the most out of your software through each phase of software management. Access to valuable benefits such as training, deployment planning, software upgrades, and product support help you increase the productivity of your entire organization.

If you would like more information regarding Volume Licensing offerings designed for a government organization or academic institution please see [www.microsoft.com/licensing](http://www.microsoft.com/licensing).

## SELECT LICENSE BENEFITS

The Microsoft Select License program offers many benefits that make it easier to do business by providing you more value, a flexible purchasing process, and accelerated deployment, helping you to realize the value of your software investments.

### **Affordable**

- Select License offers incentive-based pricing based on your technology needs and purchasing volume. Select License helps you reduce up-front software costs and enable predictable budgeting by amortizing your payments through our annual payment option when Software Assurance is included at the time of purchase. Evaluate before you deploy with training and evaluation license use rights to ensure the right choice for your business needs.

### **Flexible Purchasing Process**

- Tailored to the size and purchasing preference of your organization, Select License offers a flexible “pay as you go” purchasing model allowing you the freedom to purchase the software licenses you need, when you need them, so you can start using the software immediately. Access to the Microsoft Volume Licensing Services (MVLS) password-protected, secure website offers electronic access to purchase history, order confirmations, and other helpful resources helping you manage your licenses with ease and confidence.

### **Accelerates Deployment**

- Select License provides instant access to hundreds of software titles via media kits, making it easier to evaluate, deploy, and train employees, helping your organization stay competitive and productive. Accelerate your organizations deployment with re-imaging rights, downgrade rights, cross language use rights, and training usage, all available to help shorten the time frame when you realize the true value of your software investments.

## Establishing Price Levels

The Select License categorizes software products into three distinct product pools: applications, systems, and servers. Your price level for each pool will be based on product points that you forecast over the term of your agreement. The points you forecast will apply to all enrollments under the agreement.

Examples of software products in the applications pool are Microsoft Office, Microsoft Office Excel®, and Microsoft Office Project. The Systems pool contains Microsoft Windows® desktop operating system upgrade such as Windows Professional. Examples of software products offered within the Servers pool include Microsoft Windows Server® and associated Client Access Licenses.

Each licensed product carries a point value. For example, Office Professional is two points, and Windows Server Standard is 15 points. The Software Assurance component of License and Software Assurance is worth half the total point value of its accompanying license annually. So for example, if Office is worth two points, Software Assurance is worth one point for each year it is maintained during the term of the Select License agreement.

Three options are available to acquire points for each product pool:

- Acquire new Licenses.
- Acquire License and Software Assurance.
- Acquire Software Assurance alone for software products already covered with Licenses and Software Assurance from a previous order or where Software Assurance is purchased based on the eligibility rules.

Applications Pool	Points	Systems Pool	Points	Servers Pool	Points
Microsoft Office Professional Edition	2	Microsoft Windows XP Professional Upgrade	2	Microsoft Windows Server Standard	15
Microsoft Excel	1			Microsoft Windows Server Client Access License	1
Microsoft Project	1				

## How Select License Works

With Select License, a “forecast” is based on your best estimate of the total number of points per product pool you think you will reasonably purchase over a three-year period. Product pools enable you to combine a variety of similar Microsoft software licenses to achieve higher volume pricing levels.

A forecast of 1,500 points for each product pool over a three-year agreement term is required to qualify for the minimum volume price level. There are four price levels. The points for each price level are listed below.



Select License Price Level	Point Minimums for a Three-Year Forecast/Acquisition per Pool
A	1,500
B	12,000
C	30,000
D	75,000

The initial price level is established according to the total number of points you forecast in each pool over a three-year period. For example, in order to qualify for the Level B Price for the applications pool, a forecast of 12,000 points is required over a three-year period.

## Price Level Adjustment

An annual price level adjustment is part of the Select License to ensure that price levels fairly reflect actual software license acquisitions. Price levels for each product pool may be increased, decreased, or remain the same based on a review conducted each year.

The following table shows the minimum points required for each price level throughout the three-year forecasted term.

Levels	End of Year 1	End of Year 2	End of Year 3
A	500	1,000	1,500
B	4,000	8,000	12,000
C	10,000	20,000	30,000
D	25,000	50,000	75,000

If points totaling one-third or two-thirds of a higher pricing level at the 12-month and 24-month checks are acquired for any given product pool, Microsoft will adjust the price level for those product pools upward. As a result, orders for software licenses in the product pools with adjusted price levels will cost less. If total points acquired per product pool are less than the milestone quantity of the three-year forecast, the price level is adjusted downward (meaning your future license acquisitions will cost more).

## SOFTWARE ASSURANCE IN SELECT LICENSE

Software Assurance can help you get the most value from the latest Microsoft technology with several key benefits that can save time and money. With Software Assurance's powerful combination of productivity benefits, support, tools, and training, your company can gain the flexibility it needs to keep your business edge. For information about Software Assurance benefits available through Select License, please visit <http://www.microsoft.com/licensing>.

## How Software Assurance Works

Software Assurance can be purchased with the purchase of a new License. The combined purchase can be spread over the term of your Select License enrollment. This can help reduce initial up-front costs and provide a framework for annual budget predictability. Software Assurance is always purchased for the term or remaining term of the enrollment.

Software Assurance expires at the end of the Select License term and may be renewed either through a one time renewal of the existing Select License agreement, or at the signing of a new Select License agreement. Software Assurance may also be purchased standalone when:

- Systems or servers software products are purchased either through retail full packaged product (FPP) or from an Original Equipment Manufacturer (OEM). There is a period of 90 days to enroll that product in Software Assurance.
- For Office 2003 or newer version licenses purchased through OEM within 90 days of purchase of the OEM license.

## Software Assurance Renewal

It is easy to continue the benefits enjoyed through Software Assurance at the expiration of a Select License agreement. To ensure that upgrade protection remains uninterrupted through Software Assurance, simply re-enroll all Software Assurance-covered software products when renewing an existing agreement, or by signing a new Select License agreement within 30 days of the previous Select License agreement expiration.

If Software Assurance coverage lapses, new License and Software Assurance purchases are required before Software Assurance may be acquired again.

To learn more about Software Assurance, visit <http://www.microsoft.com/licensing/programs/sa/>.

## ADDITIONAL SELECT LICENSE FEATURES

Beyond merely reducing the price organizations pay for software licenses over full packaged product prices, Select License offers organizations many other opportunities to maximize the value they receive by simply participating in the program.

Cross Language Use Rights can enhance an organizations ability to have a global presence and helps ensure that staff located internationally can communicate easily.

Training and Evaluation Licenses helps budget for software training and evaluation purposes go farther by offering a limited number of training and evaluation software license use grants.

- 20 copies per software title for use in dedicated training facility, and
- 10 copies per software title for 60-day evaluation

Downgrade Rights provide businesses with version standardization considerations and the flexibility necessary to purchase the latest software version available, but run a previous version.

Re-Imaging Rights allow the use of certain software media for re-imaging to provide added convenience during product rollouts.

Secondary Use Rights allow employees who are primary users of a licensed PC to be more productive by sharing the same application license on the work PC as well as a portable PC for work-related purposes only.

**NOTE:** For full details, please reference the Select License agreement.

## AGREEMENT STRUCTURE

The laborious process of negotiating terms and conditions common to multiple agreements is streamlined through Microsoft's Volume Licensing agreement structure.

A perpetual Microsoft Business and Services Agreement (MBSA) defines general terms and conditions common to the Select License and Microsoft Services. A separate license or agreement services work order is signed to cover the specific terms of the Select License or Services programs. This structure allows for flexible contract maintenance in the renewing of contracts and licensing Microsoft software products. A key benefit to this structure is that the contract terms common to Microsoft licensing, service and support agreements are signed once.

Microsoft Business and Services Agreement (MBSA) is a perpetual agreement between the customer and Microsoft. It contains high-level terms and conditions that are applicable to all agreements signed under it. Terms and conditions such as use and ownership, confidentiality, warranties, and others can be found in the MBSA. It must be signed either in conjunction with or prior to the Select License agreement.

The Select License agreement establishes the details of your organization's purchase needs, like forecast levels and product pools.

The Select License enrollment supplies the basic information for affiliates to acquire software product licenses under the Select License agreement. A Large Account Resellers is also identified on the Select License enrollment. Having a separate Select License agreement and Select License enrollment structure allows greater flexibility for enrolled affiliates located in different countries and regions. Purchasing is independent, yet consolidated under one master program.

A Select License agreement cannot be initiated without an MBSA, and a Select License enrollment cannot be initiated without a Select License agreement.

## CHOOSING A SELECT LICENSE AGREEMENT

The Microsoft Select License is offered through our Large Account Resellers (LARs) who can help you evaluate your organization's needs to make the right choice for your business. For more information regarding worldwide reseller locations, please refer to the reseller locator tool at

<http://www.microsoft.com/products/info/render.aspx?view=22&type=mn&content=22/licensing>.

## PRODUCT FULFILLMENT

### Volume Licensing Product Fulfillment (Media kit)

Customized according to the languages and product pools specified on the Select License enrollment, the Welcome Kit and subsequent Update Kits offer convenience and access to a

broad range of business software titles. The Welcome Kits and Update Kits are automatically provided to the contacts specified on each Select License enrollment. Additional media kits may be ordered from your reseller for an additional charge. Media download is also available from the Microsoft Volume License Services Center (MVLS) if you do not wish to acquire physical media.

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.

## Making Copies

Select License allows for the immediate reproduction and use of Microsoft software products, as long as licenses are ordered for all copies of the deployed software products by the end of the month for which they were installed.

## Ordering Media, Disks, and Documentation

The media kits contain only the groups and languages specified on the Select License enrollment. The three product pools (applications, systems, and servers) are divided into seven groupings and are color coded to make them easier to organize.

The following chart shows the groups and colors.

Pool	Group	Color Code	Examples
Applications	<b>Microsoft Office Family</b>	Blue	Microsoft Office suites and individual applications such as Microsoft Project, Microsoft Visio®, etc.
	<b>Developer Tools</b>	Gold	Visual Studio®, SQL Server™ Developer Edition, Office Developer, etc.
	<b>Training and Learning</b>	Purple	Microsoft Press® titles (Step by Step, Mastering, etc.), Microsoft Encarta®, etc.
	<b>Products for Macintosh</b>	Olive	Microsoft Office suites and individual applications for Macintosh
Systems	<b>Windows Client: Business</b>	Green	Windows NT® Workstation, Windows 2000 Professional, Windows XP Professional
Servers	<b>Server Applications</b>	Red	SNA Server, Proxy Server, Site Server, etc.
	<b>Windows Servers</b>	Aqua	Windows 2000 Server and Windows NT Server

Use the Product Fulfillment User's Guide website to help you manage the media kit. Access these site features via the link on <http://licensing.microsoft.com/>.

## MICROSOFT VOLUME LICENSING SERVICES WEB SITE

Online tracking through the Microsoft Volume Licensing Services (MVLS) Web site (<https://licensing.microsoft.com>) makes managing your licenses easier. Information that



traditionally has only been available in hard copy form is brought to your fingertips electronically. MVLS online offers secure, personalized access to details about your license agreements, including Volume License Product Keys, agreement status, and purchase order information. For more information, visit <http://licensing.microsoft.com/>.

Software Assurance benefit entitlements are also managed on the MVLS Website.

## **AGREEMENT RENEWAL**

It is easy to renew an expiring Select License agreement. You have the option to renew your agreement one time for an additional one or three years, or to sign a new Select License agreement. Renewal helps to ensure the continued savings on software license purchases over multiple years without interruption.

## **ADDITIONAL RESOURCES**

Microsoft offers a variety of information about the Select License program and other Volume Licensing programs on the Microsoft Volume Licensing Web site at <http://www.microsoft.com/licensing>.

## APPENDIX A—WHAT IS A SOFTWARE LICENSE?

Purchasing software licenses through Volume Licensing is different than purchasing retail boxed software licenses. A retail software license is usually sold in a box and contains media (floppy disk, CD, or DVD format), a users' guide, access to product support, and Microsoft Software License Terms, formerly known as the end user license agreement or EULA. The Software License Terms dictate how the software may and may not be used.

Software purchased through Volume Licensing is a software license only. A software license provides the right to run a Microsoft software product. A license acquired through volume licensing does not include an individual disk, CD, or DVD users' guides, or product support.

Savings over retail boxed software prices can be realized by participating in Microsoft's volume licensing programs. By purchasing software licenses through Volume Licensing, customers only pay for the software license and have the option to acquire media (or supplemental media in the case of Select License), documentation, and product support separately as needed at less cost.

There are three basic steps required to purchase a software license:

1. Determine the license you need.
2. Decide the best purchase option.
3. Determine where you should purchase.

### Determining the License You Need

A software product license can be broken into five main elements: product pool, product, version, edition, and license type.

#### Product Pool

Microsoft software products fall into one of the following three product pools:

- **Applications:** Examples of Microsoft applications include Microsoft Office, Microsoft Visio, and Microsoft Project. Developer tools and utilities, such as Microsoft Visual Studio are also part of the Microsoft applications pool.
- **Systems:** An example of a Microsoft desktop operating system software program is Microsoft Windows Professional.
- **Servers:** Examples of Microsoft server software programs are Microsoft Exchange Server, Microsoft SQL Server, and Windows Server.

#### Product

This is the actual product itself, for example, Microsoft Office, Visual Studio, Windows operating system, or SQL Server.

#### Version

Differentiates between various releases of the product (e.g., Microsoft Office XP and 2007 Microsoft Office).

### Edition

Specifies the level of features and/or applications included in a product (i.e., Microsoft Office 2007 Standard includes Microsoft Word, Excel, Microsoft Outlook®, and Microsoft PowerPoint®, while Office Professional 2007 includes Word, Excel, Outlook, PowerPoint, Microsoft Publisher, Microsoft Accounting Express, and Microsoft Access).

### Product Type

Product type refers to the kind of license it is—for example, whether it's a full license that is required at the initial product purchase, or whether it's a kind of upgrade license.

### Software Assurance

A simpler way of obtaining the latest version of Microsoft software products, which replaces the array of upgrade licenses previously offered. Software Assurance also helps your organization maintain a business edge with a wide array of tools, resources, training, and other benefits. Software Assurance is automatically included in the Enterprise Agreement and the Enterprise Agreement Subscription.

**Note:** Options and rules differ across software products.

## Deciding the Best Purchase Option and Determining Where to Purchase

### Original Equipment Manufacturer (OEM)

You may license software products through an Original Equipment Manufacturer. These are software products (e.g., Windows Professional operating system) that come pre-installed when you purchase a new computer.

### Full Packaged Product (FPP) Retail

Physical, shrink-wrapped boxes of product can be purchased in a local retail store.

### Volume Licensing for Organizations

If you require multiple software licenses, you could potentially realize a significant savings off the FPP price of Microsoft software by purchasing your software through a volume licensing program such as Select License.

## APPENDIX B—SOFTWARE ASSURANCE MEMBERSHIP & SUPPORT OFFERINGS WORLDWIDE

Microsoft has expanded our support offerings to design a new support program as part of Software Assurance Membership. This support offering will be specific to Software Assurance Members. This support offering includes high-value features such as enhanced resolution services, global support access, and fixed-rate consulting services. This support offering is tightly integrated with volume licensing.

It is not necessary to have Software Assurance Membership in order to be eligible for the existing Premier Support offerings. However, the option to select this new higher support offering will become a feature of Software Assurance Membership.

Offering this new higher level of support for Software Assurance Members will provide customers with greater choice and flexibility in choosing support offerings based on their enterprise scale of product deployment. It is about integrating services with volume licenses.

If you have...	You are entitled to receive...
A License (L)	Hotfixes and service packs
Software Assurance (SA)	Upgrades to the most current product released during your enrollment term
Software Assurance Membership	L and SA benefits, plus the eligibility for a higher level of support
All customers are entitled to purchase Premier Support.	

### Questions & Answers

**Q: Why has Microsoft provided an additional support feature?**

A: Microsoft has added support as a feature of the Software Assurance Membership program design in order to offer you a complete software solution.

**Q: What are the special needs unique to Software Assurance Members?**

A: Software Assurance Members' needs relate to the rapid adoption of new technology and the fast pace changes that result. Software Assurance Membership, with its feature-rich support programs, will greatly assist these customers.

**Q: How does this affect me?**

A: First, you should determine the value of Software Assurance to your organization and whether you want to become a Software Assurance Member. By becoming a Software Assurance Member, you will receive the benefits of Software Assurance Membership in addition to being eligible for the higher level of support.

**Q: How do I get Premier Support, now and in the future?**

A: Obtaining Premier Support has not changed. You may contact your Microsoft account manager to sign up for Premier Support or call 800-936-3200.

**Q: What support offerings do Software Assurance Members get?**

A: Software Assurance Members have all the current Premier Support offerings available to them; plus they are entitled to a higher-level support offering as part of SAM.

**Q: Do customers without Software Assurance Members get support?**

A: Without Software Assurance Membership, customers are still entitled to purchase the currently available Premier Support offerings.



## GLOSSARY

### **Affiliate**

A company or legal entity which owns and controls, is owned and controlled by, or is under common ownership and control with, the customer signing the agreement. Ownership is defined as more than 50% ownership. For an academic customer, their affiliate must be an eligible education customer.

### **Agreement Term**

A Microsoft Select License agreement term consists of 36 full calendar months from the Select License agreement effective date. So, if an enrolled affiliate's effective date falls in the middle of the calendar month (for example, January 20th), the agreement term will include a partial month (January 20th to January 31st), plus the upcoming 36 months. The terms of all enrollments are tied to the Select License agreement and end simultaneously.

### **Annual Adjustment Process**

Annual Microsoft review of Select License enrolled affiliates' actual aggregated purchase history against the forecasted price level. The price level will either be adjusted up, down or remain the same depending on the enrolled affiliates' actual consumption.

### **Effective Date**

The agreement or enrollment start date. For a Select License agreement this is the date Microsoft signs it, or if an enrollment under it has an earlier effective date, then it is that earlier date. For a Select License enrollment, this is either the date that Microsoft signs it, or the date immediately following the expiration of Software Assurance being rolled over from another agreement.

### **Enterprise Agreement**

Enterprise Agreement refers to Microsoft's Volume Licensing offering as described in the Enterprise Agreement Sales Reference Guide.

### **Enrollment**

A Microsoft document that allows qualifying affiliates to sign up for Select License under an existing Select License agreement and acquire licenses for Microsoft software products. An enrollment permits business units, divisions, or subsidiaries to acquire software under the terms of the Select License agreement; an outsourcer enrollment permits a third party to act on behalf of the enrolled affiliate. Enrolling affiliates must commit to ordering a minimum of 750 points during the initial term.

### **FPP**

Full Package Product that is sold through the retail distribution channel and contains one license per box.

### **Large Account Reseller (LAR)**

Any authorized reseller or distributor that Microsoft permits to distribute the Select License to customers.

**License**

Any one of those offerings identified in the Product List (including standard licenses, and upgrades for desktop operating systems) that provides the right to run the version of the product for which it is ordered.

**L&SA**

See License & Software Assurance.

**License & Software Assurance**

The combination of both a License and Software Assurance under a single SKU.

**Media**

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.

**Microsoft**

Microsoft Corporation or any of its affiliates that have executed the Microsoft Business Agreement, Select License agreement, or enrollments.

**Microsoft Business and Services Agreement (MBSA)**

The MBSA agreement entered into at the beginning of a volume license relationship to cover common terms that do not have to be changed throughout the duration of the customer's volume licensing relationship with Microsoft. The term of the agreement is perpetual in order to eliminate administration time spent in negotiating the same terms multiple times.

**OEM**

Original Equipment Manufacturer is a company that pre-loads Microsoft software products onto computers prior to shipment to the customer.

**Pools**

Microsoft software products available through Select License are categorized as applications, systems, or server software products. Prices are established according to the volume levels acquired in each category or "pool," also referred to as the applications pool, systems pool, and servers pool.

**Product List**

The statement published by Microsoft from time to time (which statement may vary by region) that identifies the software products available under the program and any product-specific conditions or limitations on the acquisition of licenses for the product.

**Renewal Period**

Upon expiration of the agreement, the customer has the options to renew for one or three additional years.

**Software Assurance (SA)**

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. It includes additional benefits such as tools, support, and training. For any underlying licensed product for which it is ordered, the right to run the latest version and the ability to spread payments annually.

**Select License**

Select License refers to the Microsoft Select License offerings as described in this program guide.

**Select License agreement**

A Microsoft document that, when signed by the customer and Microsoft, legally binds all applicable parties to a three-year agreement and sets the framework for the acquisition of Microsoft licenses under corresponding Select License enrollments.

**Software Assurance Membership (SAM)**

Select License customers who have chosen SAM for one or more product pools on their Select License enrollment. In addition to new version benefits, SAM is designed to help customers more successfully deploy the software they've licensed with training and other offerings.

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