



Microsoft Open License

TABLE OF CONTENTS

Microsoft Open License Overview	3
Benefits	3
Open License for Public Sector Organizations	4
Government Organizations	4
Academic Organizations	4
Charitable Organizations.....	4
Other Program Benefits	6
Additional Volume Discount	6
Software Assurance	7
Purchasing Software Assurance	8
Opening an Open License Agreement.....	8
Open License Agreement Process	8
Agreement Process	8
Accessing License Information	9
Determining the Licenses You Need	9
Product Pool.....	9
Minimum Initial Purchase	9
Pricing	9
Agreement Term Length	10
Managing Your Licenses.....	10
Making Copies	10
Languages	10
Media	11
Additional Resources	11
Glossary.....	12

MICROSOFT OPEN LICENSE OVERVIEW

The Microsoft® Open License program is for corporate, academic, charity, and government organizations that want to initially purchase only five software licenses. This program is ideal if you prefer to pay as you go so that your organization can adapt its licensing to how much it grows and how its business needs change. The Open License program gives small and midsize organizations a convenient and simple way to acquire licenses for the latest Microsoft technology.

Volume discounts for minimal up-front purchases are available through a broad worldwide reseller channel. You can acquire additional software products through Open License in any quantity, at any time during a two-year period, giving you the flexibility to deploy what you want when you want it.

Managing software licenses is easier with the VLSC Web site (<http://www.microsoft.com/licensing/servicecenter>). This online tool offers an easy, online way for you to electronically manage your license orders, purchase history, track compliance, and receive order confirmation. Managing your licenses through this online service is easy and helps you reduce the time you spend tracking paper copies of your software licenses.

Benefits

The Open License program offers many benefits, including the following:

Manage Your Licenses More Easily

- Place an order and start using Microsoft licensed products immediately through a flexible pay as you go model, eliminating the need for forecasting.
- Once an order is placed, receive a single Authorization Identification Number that you can reuse and share with qualified affiliates used when placing future orders to ensure the two-year price level throughout the two-year agreement.
- Manage licenses easily and conveniently through online tracking tools. With VLSC, you can electronically manage your license orders, review purchase history, download Volume License Keys (VLKs) for software product installation, track compliance, and receive order confirmation information.

Take Control of Your IT Investment

- You can upgrade licensed product organization-wide while staying within your budget.
- Pay at the time you acquire software licenses with a one-time transaction.
- License and deploy software products as you need with a flexible purchasing process.

Have More Licensing Flexibility

- Because you pay for licenses as you need them, you get maximum flexibility to grow with your organization's increasing and changing business needs.
- You have easy access to the latest Microsoft technology through a broad worldwide reseller channel, helping ensure that you have convenient and fast access to thousands of software titles.

- You have the option to purchase Software Assurance.
- 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, and Windows Server® Enterprise Edition Client Access License (CAL) are now available.

Manage Your Software Costs More Efficiently

- Offers discounts off the retail price of software product licenses to stretch software procurement budgets farther.
- With a simple one-time transaction, you can pay for what you need when you need it, giving you flexibility in managing your software needs.

Open License for Public Sector Organizations

Government Organizations

Open License for Government is for eligible government organizations that want an easy, one-time transaction process with special government pricing and the flexibility of acquiring licenses from a broad reseller channel.

You can review government eligibility requirements at:

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

Academic Organizations

Open License for Academic is a flexible, cost-effective way for schools or colleges of any size to acquire software licenses, starting with as few as five licenses. It is for academic institutions of any size that want easy, one-time transactions and the flexibility of acquiring licenses in small quantities.

You can review academic eligibility requirements at:

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

Charitable Organizations

With the Microsoft Open License for Charities program, eligible nonprofit organizations can acquire multiple software licenses—rather than multiple software packages—at reduced prices. An organization needs to purchase only one complete software package and enough licenses to cover the remaining number of their desktop PCs.

You can review charity eligibility requirements for countries where Open License for Charities is available at:

<http://www.microsoftvolumelicensing.com/userights/DocumentSearch.aspx?Mode=3&DocumentTypeId=19>

	Open License	Open Value and Open Value Company-wide Option	Open Value Subscription
Agreement Term	<ul style="list-style-type: none"> Two-year agreement term, with perpetual licenses. May open new agreement at any time. 	<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. One-year option for government customers. Open Value Subscription Agreements are extensible for an additional three years. Customer may “buy out” perpetual licenses when agreement ends or after three years for government customers on one-year term. May make incremental license purchase at any time during the agreement term.
Initial Purchase	<ul style="list-style-type: none"> Five licenses or one server processor license. Licenses may be added at any time. A 500-point minimum within a specific product pool (applications, systems, and servers) needed on an initial order to be eligible for an additional volume discount; each license carries a point value. 	<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.
Single Agreement for Multiple Entities	No ¹	Yes ²	Yes ⁴
Install Before You Order	No	Yes. Monthly ordering.	Yes
Payment	<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 resellers. 	<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 resellers. 	<ul style="list-style-type: none"> Subscription payments are due in three annual payments. Does not apply to the one-year government option. Open Value is ordered through authorized resellers.
Spread	No	Yes. Optional ³ .	Yes. Optional.

¹ Affiliates in the same region may place orders.

² Limited to entities in the same region.

³ Open Value Subscription only offers annual spread payments.

Payments			
Price Protection	No	Yes ⁴	Yes ⁴
Software Assurance	Optional	Included	Included
Web-based License Management	Yes. Through Microsoft Volume Licensing Service Center (VLSC) Web site https://www.microsoft.com/licensing/servicecenter .	Yes. Through VLSC Web site https://www.microsoft.com/licensing/servicecenter .	Yes. Through VLSC Web site https://www.microsoft.com/licensing/servicecenter .
Media Included	No. Media is ordered separately.	Yes. Also for new versions.	Yes. Also for new versions.
Reordering	Yes. Until two years after the initial agreement.	Yes. Until three years after the initial agreement	Yes. Until three years after the initial agreement. Does not apply to one-year government option.

OTHER PROGRAM BENEFITS

Additional Volume Discount

If you are a small- or medium-sized organization that wants to boost your up-front purchase to receive greater savings for your organization, an additional price discount is available for large up-front purchases of 500 points in any product pool. This volume discount option uses product pools and points to establish the entry minimum for discount price levels. You also receive an authorization number the first time you place an order and can use it when placing future orders under a two-year price level.

The volume discount option incorporates product pools and points to determine eligibility. Licensed products are grouped into three separate product pools; applications pool, systems pool, and server pool. Product pools group similar Microsoft licensed products to achieve greater volume pricing discounts. The applications pool includes products such as Microsoft Office, Microsoft Project, Microsoft Visio® drawing and diagramming software, and the Microsoft Visual Studio® development system. The systems pool contains Windows operating system upgrades such as Windows XP Professional Edition. Examples of products offered within the server pool include the Windows SQL Server® Standard Edition operating system and Microsoft Exchange Server.

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

If you are purchasing larger volumes of Microsoft software licenses, the additional price discount with product pools and points may be the best Open License solution for you. If you choose the additional price discount option, you should determine the software product mix and license

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.

quantity you plan to purchase to determine the applicable product pool and price level. If your purchases within a single product pool total more than 500 points, you should initiate an order with the additional price discount option.

Reorders are for a minimum of one point and must be made within the same product pool as the original Open License Agreement. Microsoft assigns a separate authorization number for each product pool where licenses are purchased.

Software Assurance

Software Assurance can help you get the most out of your software investment by giving you access to valuable benefits such as training, deployment planning, software upgrades, and software product support, which can help you increase your entire organization's productivity. You can also transition new original equipment manufacturer (OEM) licenses onto your agreement by purchasing Software Assurance.

Open License benefits under Software Assurance are New Version Rights, Windows Vista® Enterprise operating system upgrade rights, Home Use Program (HUP), 24x7 Problem Resolution Support, "Cold" Backups for Disaster Recovery, TechNet Subscription through Software Assurance, and Extended Hotfix Support.

- With the Software Assurance New Version Rights benefit, you receive rights to new versions of licensed products to deploy at your convenience.
- Windows Vista Enterprise is the premium edition of Windows Vista for businesses and is available exclusively to Microsoft Software Assurance customers. It helps global organizations and businesses that have complex IT infrastructures lower IT costs, reduce risk, and stay connected.
- With the Home Use Program, eligible employees can obtain a licensed copy of most Microsoft Office 2007 suites for the desktop PC to install and use on a home PC. Employees pay only for media (CDs), shipping, and handling. When your employees take advantage of this program, your organization's bottom line benefits too.
- 24x7 Problem Resolution Support provides phone support 24 hours a day, 7 days a week. The direct connection to Microsoft any time a support need arises for any covered product can help you lower support costs and free up IT resources to deploy additional products.
- The Microsoft Software Assurance "Cold" Backups for Disaster Recovery benefit helps your organization be prepared when disaster strikes by protecting and preserving mission-critical IT solutions in disaster recovery situations.
- TechNet Subscription through Software Assurance provides IT professionals with three distinct TechNet Plus benefits: TechNet Online Concierge Chat, TechNet Managed Newsgroups, and TechNet Plus Direct.
- The Extended Hotfix Support benefit available through Microsoft Software Assurance helps make it easier for customers with a Premier or Essential Support contract to get the support they need as their software transitions from Mainstream Support to Extended Support.

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

Purchasing Software Assurance

You may purchase Software Assurance with the license through Licenses and Software Assurance. Software Assurance coverage runs for the remaining balance of the term of the Open License authorization number. You must always pay for Software Assurance in two-year increments, regardless of when you purchased it. In cases where time has passed after the initiation of an Open License, it may be advantageous for you to open a new Open License to receive the most value from your Software Assurance purchase.

A period of 90 days is required from the purchase of a full-packaged product (FPP) license in retail or from the purchase of a license from an OEM manufacturer to enroll that product in Software Assurance.

Additionally, Microsoft Office 2007 suite licenses that you purchase through an OEM may be enrolled in Software Assurance within 90 days of the license purchase date. All other application product licenses purchased in retail or from an OEM may not be enrolled in Software Assurance.

OPENING AN OPEN LICENSE AGREEMENT

Authorized resellers worldwide offer Open License and can help you evaluate your needs and select the right Microsoft licensed products for your organization.

Open License Agreement Process

You can review the Open License terms and conditions and pricing and payment terms with the reseller during the sales process. After an Open License is initiated, Microsoft validates and processes your order, creating a unique authorization number that authenticates an initial license order. Please see the Product List at <http://www.microsoftvolumelicensing.com/> for minimum license requirements to start an Open License Agreement.

Agreement Process

Your reseller counsels you and processes your Open License 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.
- 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 VLKs.

Accessing License Information

When Microsoft processes an Open License order, it creates the authorization number and license number are created and posted to VLSC within 24 hours reflecting the updated license status. Once you have placed an order, access to the following information will be available, including:

- Authorization number
- License number
- Name and address of purchaser
- Date of initial order
- Expiration of authorization number (last day to reorder)
- Products and quantity ordered

Microsoft electronically delivers Open Licenses in most countries through the VLSC, where you can view information about the Open License online. You need a Windows Live™ ID, an Open License authorization number, and a license number corresponding to that authorization number to access this Web site.

Determining the Licenses You Need

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

Product Pool

Microsoft software programs fall under one of the following three product pools:

1. **Applications:** Examples of Microsoft applications include Microsoft Office 2007 suites, Microsoft Visio, and Microsoft Project. Developer tools and utilities, such as Visual Studio are also part of the Microsoft applications pool.
2. **Systems:** Examples of Microsoft desktop PC operating system software programs are Microsoft Windows 2000 Professional.
3. **Servers:** Examples of Microsoft server software programs are Microsoft Exchange 2000 Server, Microsoft SQL Server 2000, and Windows 2000 Server.

Minimum Initial Purchase

The minimum purchase level for Open License is five licenses, with Software Assurance as an option. Renewing customers may open an Open License Agreement for five licenses. Reordering is allowed until two years after the date the authorization number was created.

License, License and Software Assurance, and Software Assurance are available for renewals for eligible OEM and full-packaged product (FPP) licenses. To qualify for an additional price discount, you need an order size of 500 points in any given pool. For information of product point value, please refer to the Product List.

Pricing

One price level is available in an Open License standard agreement, with a minimum purchase of five licenses. The volume option in Open License offers an additional price discount available

for large up-front purchases. It also incorporates product pools and points to establish the entry minimum for discount price levels. Microsoft offers an additional price point for organizations that purchase 500 points or more in a single product pool.

Agreement Term Length

Open License Agreements have a two-year agreement term and are non-renewable. At the end of your two-year agreement, you must sign another Open License agreement. A new Open License Agreement is opened automatically if your order does not reference an existing authorization number.

MANAGING YOUR LICENSES

Managing software licenses is made easy through VLSC. VLSC is an online tool that helps you electronically manage your license orders, purchase history, track compliance, and receive order confirmation, giving you the flexibility to manage licenses more effectively. VLSC offers benefits that include:

- Online access to license agreement and Product Use Rights (PUR)
- Easy access to transaction history, including acquisitions, reorders, and returns
- Access to Volume License Product Keys to install your software products
- Online updates of license contact information
- Reduced administrative costs for manually tracking license certificates and software compliance

Making Copies

Following the initiation of the Open License, the exact number of copies of product licensed through the Open License program may be run. Use legally acquired media kits to install licensed software across multiple workstations or servers, which may reduce the volume of media per desktop PC maintained as a result of retail software license purchases.

Languages

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

Worldwide

(Except EMEA 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	Romanian and Bulgarian Languages

Languages (RAB)	
-----------------	--

Language versions through Open License depend 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.

With cross-language use rights, you can 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.

Media

Media is available for download free of charge from the VLSC Web Site. If physical media is needed, you can obtain it for a fee from Microsoft Worldwide Fulfillment. Physical media is also available for purchase by resellers in some regions.

ADDITIONAL RESOURCES

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

For details about Open License:

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

For additional information on Open Value:

<http://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/default.aspx>

Volume Licensing for Charitable organizations:

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

To determine the right Volume Licensing program for your organization, try the Microsoft Product Licensing Advisor tool at <http://www.microsoft.com/licensing/mplahome.aspx>.

GLOSSARY

Affiliate

Commercial Affiliate

Any legal entity that you own, which owns you, or which is under common ownership with you, and (ii) with regard to Microsoft, any legal entity that we own, which owns Microsoft, or which is under common ownership with Microsoft. “**Ownership**” means, for purposes of this definition, more than 50 percent ownership.

Academic Affiliate

[Academic non-U.S.] means (a) with regard to you, any eligible education customer that you own and/or control, that owns you and/or controls you, or that is under common ownership and/or control with you, and (b) with regard to Microsoft, any legal entity that we own, that owns Microsoft, or that is under common ownership with Microsoft; “ownership” means, for purposes of this definition, more than 50 percent ownership;

[Academic U.S.] means (a) with regard to you, (i) if you are a non-public entity, any eligible education customer that you own and/or control, that owns you and/or controls you, or that is under common ownership and/or control with you; “ownership” means, for purposes of the definition, more than 50 percent ownership, and (ii) if you are a state or local government entity, any other eligible education customer that is an agency, department, office, bureau, division, or other entity of your state or local government, and any other eligible education customer expressly authorized by the laws of your state to purchase under state education contracts; provided that your state and its affiliates shall not, for purposes of this definition, be considered to be affiliates of the federal government and its affiliates, and (b) with regard to Microsoft, any legal entity that Microsoft owns, that owns Microsoft, or that is under common ownership with Microsoft.

Charity Affiliate

Any legal entity that a party owns, that owns a party or that is under its common ownership. Ownership means control of more than a 50 percent interest in an entity.

Government Affiliate

An Eligible Entity, as defined at <http://www.microsoft.com/licensing/contracts/>, that is located in the defined region where the customer is located.

Authorization Number

An authorization number is the unique number assigned to the customer by Microsoft after receiving an initial order in a Microsoft Volume Licensing program. Within Open License, this number allows reorders for two years from the initial order 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.

Customer

A customer is the organization or entity signing an Open License Agreement.

Effective Date

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

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 and Software Assurance

Licenses and 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 VLSC, 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.

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.

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 out 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 are governed by the PUR 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

Software Assurance is Microsoft's comprehensive maintenance program that provides the right to run the latest version of a licensed product and the ability to spread out 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.

© 2008 Microsoft Corporation. All rights reserved.

This document is for informational purposes only. MICROSOFT MAKES NO WARRANTIES, EXPRESS OR IMPLIED, IN THIS SUMMARY.

Microsoft provides this material solely for informational and marketing purposes. Customers should refer to their agreements for a full understanding of their rights and obligations under Microsoft's Volume Licensing programs. Microsoft software is licensed not sold. The value and benefit gained through use of Microsoft software and services may vary by customer. Customers with questions about differences between this material and the agreements should contact their reseller or Microsoft account manager.

The contents of this guide are subject to change. Please contact your Microsoft account manager or reseller for the most current version of this guide.

Microsoft®

1108