

The background of the cover features a photograph of two men in business suits standing on a balcony or high-rise edge, looking out over a city skyline. The man on the left is smiling and has his hands clasped, while the man on the right is looking forward with a serious expression. The image is overlaid with large, flowing blue and white abstract shapes that create a sense of movement and depth.

Microsoft® Open License Program Guide

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Microsoft Open License Overview

Open License is a good volume licensing option if you are a corporate, academic, charitable, or government organization that wants to pay as you go. Because you pay for licenses as you need them, you get maximum flexibility to grow with your organization's increasing and changing business needs.

The Open License agreement requires a minimum initial purchase of five software licenses, but you can acquire additional licensed products through Open License in any quantity at any time during the two-year agreement term. Microsoft® Software Assurance for Volume Licensing can be purchased at the time of the license purchase to help you get the most out of your software investment.

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 the Volume Licensing Service Center (VLSC), you can electronically manage your license orders, review purchase history, download purchased software, obtain Volume License Keys (VLKs) to activate software, and track compliance.

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.
- If your organization requires Microsoft's enterprise solutions, Microsoft Office Professional Plus 2010, Enterprise CAL, and Microsoft® Desktop Optimization Pack (MDOP) 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 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 software licenses at reduced prices.

You can review charity eligibility requirements, as well as the list of countries where Open License for Charities is available, at: <http://www.microsoftvolumelicensing.com/userights/DocumentSearch.aspx?Mode=3&DocumentTypeId=19>.

Open Programs Comparison Chart

	Open License	Open Value	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. • 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. • Customer may “buy out” perpetual licenses when agreement. • May make incremental license purchase at any time during the agreement term.

	Open License	Open Value	Open Value Subscription
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. • Organization-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	Yes ¹	Yes ¹	Yes ¹
Install Before You Order	No	Yes	Yes ⁴
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 distributors. 	<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. Does not apply to the one-year government option. • Open Value is ordered through authorized distributors.
Spread Payments	No	Yes ³ Optional	Yes
Price Protection	No	Yes ²	Yes ²
Software Assurance	Optional	Included	Included
Web-based License Management	Yes through VLSC website https://licensing.microsoft.com/licensing/servicecenter	Yes through VLSC website https://licensing.microsoft.com/licensing/servicecenter	Yes through VLSC website https://licensing.microsoft.com/licensing/servicecenter

	Open License	Open Value	Open Value Subscription
Media Included	No. Default media delivery method is the online download via VLSC at no extra charge. Physical Media can be ordered separately for a small fee.	Yes. Also for new versions. Default media delivery method is the online download via VLSC at no extra charge. Physical Media can be requested at no extra charge.	Yes. Also for new versions. Default media delivery method is the online download via VLSC at no extra charge. Physical Media can be requested at no extra charge.
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.

¹ Limited to affiliates within the same defined region. For more details, refer to <http://www.microsoft.com/licensing/licensing-options/open-regional.aspx>

² Price Protection is provided for subsequent payments. Open Value Organization-Wide also provides price protection for subsequent orders for Organization-Wide products. Price protection applies to list prices and not promotional prices. Open Value Subscription provides price protection for all previously ordered products.

³ Open Value Subscription only offers annual spread payments.

⁴ Product is available for trial, but ordering is required at the time of production use.

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®, and the Microsoft Visual Studio® 2010 development system. The systems pool contains Windows operating system upgrades such as Windows 7 Professional Upgrade. Examples of products offered within the server pool include the Windows SQL Server® Standard Edition and Microsoft Exchange Server.

Each licensed product carries a point value. For example, the Office Professional Edition is worth four (4) points with Software Assurance and Windows Server 2008 is worth twenty (20) points with Software Assurance. 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 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.

Software Assurance

Microsoft Software Assurance for Volume Licensing helps boost productivity across your organization by enabling you to get the most out of your Microsoft software with 24x7 support, deployment planning services, end-user and technical training, and the latest software releases and unique technologies, all in one cost-effective program. Open License benefits under Software Assurance include:

- The Software Assurance New Product Versions benefit provides new software version releases so you have access to the latest technology.
- Windows 7 Enterprise Upgrade is the premium edition of Windows 7 Professional 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.
- The Home Use Program provides employees with the latest version of Microsoft Office for their home computer, via low-cost download.
- 24x7 Problem Resolution Support provides around-the-clock phone and Web incident support for Microsoft server and desktop products.
- The Microsoft Software Assurance Cold Backups for Disaster Recovery benefit provides licensing for servers used as offline ("cold") backups for disaster recovery purposes.
- TechNet Subscription through Software Assurance gives IT staff access to experts, technical information, plus beta and final versions of products for testing and evaluation.
- The Extended Hotfix Support benefit provides specific product fixes on a per customer incident basis, beyond the standard product support terms and releases.

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

Purchasing Software Assurance

Open License customers may purchase Software Assurance at any time during their agreement term. However, Software Assurance coverage runs only 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 up to 90 days is allowed 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 2010 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 Agreement 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, affiliate information, and languages required.
- Your reseller either provides the information directly to Microsoft or works with a Microsoft distributor to complete the process.
- Once Microsoft processes the order from authorized partner, you will receive an e-mail with instructions on to access the VLSC website at <https://www.microsoft.com/licensing/servicecenter>.
- When you first log on to the VLSC, you will be asked to sign the online version of the agreement before accessing the product download and other functionalities of the website.

Accessing License Information

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

- Authorization number
- License number
- Name and address of purchaser
- Date of initial order
- Expiration of authorization number (Software Assurance expiration date)
- Products and quantity ordered

Microsoft electronically delivers Open Licenses 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 website.

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 2010, Microsoft Visio, and Microsoft Project. Developer tools and utilities, such as Visual Studio 2010 are also part of the Microsoft applications pool.
2. **Systems:** An example of Microsoft desktop PC operating system software programs is Windows 7 Professional Upgrade.
3. **Servers:** Examples of Microsoft server software programs are Microsoft Exchange Server 2010, Microsoft SQL Server 2008 R2, and Windows Server® 2008.

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.

Software Assurance is available to be added 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

Two price levels are available in Open License programs for commercial customers. Customers need to purchase at least five licenses to qualify for the entry-level price. Microsoft offers an additional price point for organizations that purchase 500 points or more in a single product pool in their initial order.

Agreement Term Length

Open License Agreements have a two-year agreement term. At the end of your two-year agreement, you must sign another Open License agreement to renew Software Assurance coverage. 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 the Volume Licensing Service Center (VLSC). The VLSC is an online resource 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.

Software Languages

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

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

For details about Open License:

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

For additional information on Open Value and Open Value Subscriptions:

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

To learn more about Software Assurance:

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

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 License Advisor tool at

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

Glossary

Affiliate

- **Commercial Affiliate**

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

- **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% ownership.

- *[Academic U.S.]* means (a) with regard to Institution, (i) for a non-public entity, any qualified educational user identified at <http://www.microsoft.com/licensing/contracts> that Institution owns and/or controls, that owns and/or controls Institution, or that is under common ownership and/or control; "ownership" means, for purposes of the definition, more than 50% ownership, and (ii) for a state or local government entity, any other qualified educational user that is an agency, department, office, bureau, division, or other entity of the state or local government, and any other qualified educational user expressly authorized by the laws of the state to purchase under state education contracts; provided that the state and its affiliates shall not, for purposes of this definition, be considered to be affiliates of the federal government and its affiliates; and with regard to Microsoft, any legal entity that Microsoft owns, that owns Microsoft, or that is under common ownership with Microsoft.

- **Charity Affiliate**

"Affiliate" means (1) with regard to Customer, any legal entity that Customer owns, which owns Customer, or which is under common ownership with Customer, and (2) with regard to Microsoft, any legal entity that Microsoft owns, which owns Microsoft, or which is under common ownership with Microsoft. ("ownership" means, for purposes of the definition, more than 50% ownership).

- **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.

Agreement number

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.

Client Access License (CAL)

A license that 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.

Client Access Licenses (CAL) Suite

The Microsoft CAL Suites, only available through Microsoft Volume Licensing, offer a convenient way to license basic server components across desktop PCs. Choose from the Microsoft Core Client Access Licenses (CALs)

Suite for the Windows Server 2008, Microsoft Exchange Server, Microsoft Office SharePoint Server 2010, Configuration Management License for Microsoft Systems Management Server, Windows Small Business CAL Suite, and Enterprise Business Server CAL Suite.

Customer

The organization or entity signing an Open Program Agreement, either Open Value or Open License.

eAgreements

eAgreements is an online tool that automates the electronic creation, assembly, signature, and execution of Microsoft Volume Licensing agreements. eAgreements is not available for Open License creation; it's used to create Open Value and Open Value Subscription Agreements.

Effective date

The Effective date is the licensing agreement start date. Typically this is the date the contracting Microsoft Affiliate accepts the agreement for Open Value and the Authorization number issue date for Open License.

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.

License 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 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 Software License Terms

Each Microsoft licensed 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 (PUR) specific to such products.

Non Organization-Wide option

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

Organization-Wide option

The Organization-Wide option provides additional savings within Open Value for organizations that want to acquire Microsoft product licenses for all of the desktop PCs in their organization. The minimum desktop PC requirement is five desktop PCs.

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 computer that the software was preinstalled on.

Open License

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

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. The minimum initial order is five licenses.

Platform Option

Open Value Organization-Wide customers may add the single platform option. The single platform option allows customers to customize the desktop PC as they choose components from an operating system, Microsoft Office, and CAL product pools, plus additional software products selected in the agreement.

Product

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

Product List

The statement published by Microsoft from time to time that identifies the products that are or may be made 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)

Use of any product that is licensed by Microsoft is governed by Product Use Rights specific to each product and version.

Qualified desktop PC

Any personal desktop computer, portable computer, workstation, or similar device that is used by or for the benefit of a Customer or any Affiliate included in its Enterprise and that meets the minimum requirements for running any of the Enterprise Products. Qualified Desktops do not include: (1) any computer that is designated

as a server and not used as a personal computer, (2) Industry Device, or (3) any device running an embedded operating system (e.g. Windows Vista for embedded, Windows XP embedded) that does not access a virtual desktop infrastructure.

Region

The area in which the customer is located. If the customer is located in the European Union (EU) or European Free Trade Association (EFTA), the territory is the entire EU/EFTA. A current list of territories can be found at <http://www.microsoft.com/licensing/licensing-options/open-regional.aspx>.

Reseller

An entity authorized by Microsoft to resell Microsoft product licenses to customers.

Software Assurance

Microsoft's enhanced maintenance program that provides for any underlying licensed product for which it is ordered, the right to upgrade to, and run in place of the underlying licensed product, the latest version of that product that Microsoft makes available during the covered period.

Subscription option

An Open Value option that allows customers to subscribe through annual payments to licenses for the use of Microsoft licensed products, with the ability to make a final buyout payment to own the licenses.

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. A current list of territories can be found at <http://www.microsoft.com/licensing/licensing-options/open-regional.aspx>.

Volume Licensing Service Center

The single location for Microsoft Volume Licensing customers to view Licensing information, download Microsoft software and manage Volume Licensing benefits and subscriptions from one convenient, online location: <https://www.microsoft.com/licensing/servicecenter>.

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