

Microsoft in the
Enterprise
Software Licensing NOV 1998

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Licensing Basics

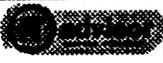
Licensing Basics is designed to answer general questions about **SOFTWARE LICENSING**. A comparison table of Microsoft volume-licensing programs gives you **A BRIEF OVERVIEW** of Open License, Select and Enterprise Agreements.

See The Microsoft Volume - Licensing Programs Table

The Microsoft Volume - Licensing Programs table includes comparisons of Open License, Select 4.0, and Enterprise Agreements.

	<i>Open License</i>	<i>Select 4.0</i>	<i>Enterprise Agreement</i>
Customer Profile	Small to medium, with desire for flexible transactions, no ongoing commitment	Large and/or multinational, with mixed Microsoft product requirements, decentralized purchasing, desire to forecast	Large and/or multinational, with desire to standardize on Microsoft platform across enterprise, centralized purchasing
Size of Customer	5-1,000 PC's and above	1,000+ PC's	500+ PC's
Products Included	Extensive product listing available. Download the Open License product list. (File size: 268 K)	Extensive product listing available. Download the Select 4.0 product list. (File size: 314 K)	Licenses to run Office or Office Pro, Windows® 98 or Windows NT® Workstation, and BackOffice® CALs as part of the Program offering. Additional products available via separate Select Enrollment.
Term	2 years	2 years	3 years (optional 4 th year extension)
Volume Discount and Pricing	Tiered pricing based on the <i>size of the initial order</i> . Products are	Tiered pricing based on a <i>volume forecast</i> over the term of the agreement.	Per desktop price based on a combination of <i>volume commitment and current installed base</i> .

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<p>Products are grouped into three product pools - Application, System and Server - and each product is assigned a point value as a way to determine discount levels. For as little as 1 point, Customers can place reorders during the term of the agreement and get the same discount level as with their initial order, even if those reorders are significantly smaller than the original order. Discount Levels:</p> <p>A = 10 points B = 150 points C = 500 points</p>	<p>agreement. Products are grouped into three product pools - Application, System and Server - and each product is assigned a unit point value as a way to determine discount levels. Customers place monthly orders with their Large Account Reseller for any amount of product copied during the month. Discount Levels:</p> <p>A = 2,000 units B = 8,000 units C = 20,000 units D = 50,000 units</p>	<p>installed base. Products included are listed above. Pricing calculation determined by volume commitment (based on total desktop estimate) and previous commitment (based on the amount of certain licensed products purchased at the most current version). Price is spread over three equal annual payments, with annual payments for desktops added during the term.</p>
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<p>Getting and Staying Current on software versions</p>	<p>Can get the most current version of the software through a version or competitive upgrade. Can get <u>and</u> stay current by acquiring Upgrade Advantage for an additional fee.</p>	<p>Can get the most current version of the software through a version or competitive upgrade. Can get <u>and</u> stay current by acquiring Upgrade Advantage for an additional fee.</p>	<p>Rights to get and stay current included for Office or Office Pro, Windows® 98 or Windows NT® Workstation, and BackOffice® CALs throughout the term.</p>
<p>Sales Channel</p>	<p>All resellers</p>	<p>Microsoft Authorized Large Account Resellers (LARs) only</p>	<p>Microsoft Authorized LARs only.</p>

Customer Locations Covered	Single customer location or legal entity. *"Regional Affiliate Offering" also available worldwide. Sublicensing and aggregation prohibited.	Customer can choose which global locations they would like to sublicense to or add through separate Select Enrollments under the Master Agreement.	Includes all global locations (enterprise-wide commitment) under one Enterprise Enrollment Agreement.
Product Fulfillment	Must acquire initial software separately.	Customer is sent CD-ROM kits with products on a regular basis throughout the agreement term.	Customer is sent CD-ROM kits with products on a regular basis throughout the agreement term.
Initiating Agreement and Receiving Licenses	Place order with any reseller and receive license confirmation from Microsoft.	Sign an agreement with Microsoft through a LAR and receive monthly License Confirmation for licenses acquired each month.	Sign an agreement with Microsoft through a LAR and receive a License Confirmation at the end of the agreement for all licenses acquired. For Select 4.0 licenses ordered outside of the Enterprise Agreement, receive monthly License Confirmation for licenses acquired each month.

► **Microsoft Product Integration Program**

The Microsoft Product Integration Program helps Independent Software Vendors (ISVs) and Solution Providers (SPs) integrate and resell Microsoft products with their value-added business solutions.

► **Frequently Asked Questions**

What is a software license?
 What are the benefits of owning legal software? This list of frequently asked questions covers basic information about Microsoft software licensing.

► **Operating System Licensing**

Microsoft's Select and Open License volume licensing programs offer upgrades to Microsoft's Windows and Windows NT Workstation operating systems.

► **Secondary Use**

If employees in your organization are licensed to use Microsoft Office 97 at work, are they also licensed to use it on their laptop while working and traveling? What about home use? Read this article for clarification on Portable Use Rights and Home Use Rights.

► **Glossary of Terms**

If you have questions about some of the words or language used in the licensing materials, you can use this glossary to find the definitions.

► **Understanding BackOffice Client Licensing**

When do you need a Client Access License, and should you choose to license your clients in "Per Seat" or "Per Server" mode? This article helps you sort out the answers to these questions.

► **Self-Assessment: Is Your Company at Risk for Piracy?**

Every organization should know how to determine whether it is at risk for inadvertent software piracy. Here are a few tips on what questions to ask and how to develop a software assessment management plan.

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