

Server and Cloud Enrollment Frequently Asked Licensing Questions

What is SCE?

The Server and Cloud Enrollment (SCE) is a licensing vehicle under the Microsoft Enterprise Agreement that enables organizations to standardize on one or more Microsoft Server and Cloud technologies.

To enroll in an SCE, you make an installed base-wide commitment to one or more components. This means committing to full Software Assurance coverage across the installed base of an SCE component.

In the case of System Center, this means committing to full System Center coverage on your Windows Server installed base through Core Infrastructure Suites (CIS). In return for making this commitment, SCE provides significant incremental value and benefits that include:

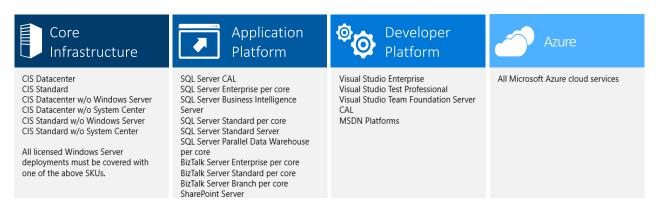
- 15 percent off Licenses and Software Assurance (L&SA) products and 5 percent off Software Assurance products.
- A subscription-based licensing option is available alongside perpetual licenses. This gives you access to more flexibility when you need to retire workloads, consolidate, or migrate to the cloud.
- If you commit to the Core Infrastructure Suite (CIS), you will receive incremental rights to use System Center to manage Microsoft Azure virtual machines and resources at no additional cost.
- Microsoft Premier Services customers may also qualify for unlimited problem resolution support for SQL Server, Windows Server and System Center, BizTalk Server, and SharePoint Server.
- All the benefits of Software Assurance including access to License Mobility for many applications, which enables even more seamless migrations to the cloud.

What are the key benefits of SCE?

The SCE is designed to build a standardized and high-value licensing foundation for customers adopting Microsoft's server and cloud technologies. It does so across three key benefits:

- **The SCE is a cloud enabled enrollment.** The SCE provides flexible terms for Microsoft Azure, application license mobility to the cloud through Software Assurance, System Center benefits for managing Azure resources, and subscription options. Packaging these benefits in a single enrollment provides more options than ever to customers operating in dynamic and hybrid environments.
- The SCE better enables customers to standardize on Microsoft Server and Cloud technologies. SCE customers have the opportunity to access Microsoft's latest technologies and benefits through Software Assurance across all deployments.
- The SCE simplifies licensing management through standardization, making it easier to plan, administer, and adapt as organizations evolve.

What products are available with SCE?



How does SCE work?

Enrolling in SCE requires the following:

- **Enterprise Agreement:** Although you need to sign an Enterprise Agreement, an Enterprise Enrollment for Desktop is not needed to qualify.
- Annuity coverage: 100 percent Software Assurance or Subscription coverage is required on your install base for each product family that you commit to. This includes those licenses that were not covered by Software Assurance when you entered the program

With SCE, the following occurs:

- For licenses with continuous Software Assurance coverage, Software Assurance can be renewed upon entrance to the program at a discount.
- For the licenses that did not have Software Assurance, you can subscribe to the most current version of the product.
- For incremental licenses purchased during the agreement term, you receive additional price savings on L&SA.

Will I benefit from SCE?

SCE is ideal if you want to do the following:

- Get Microsoft's best pricing in exchange for Standardizing on Microsoft Server and Cloud products across your organization.
- Use the most up to date versions of each product.
- Have consistent and predictable pricing for the length of the term.
- Have the flexibility to own perpetual rights to products as well as subscribe.
- Lower your maintenance costs.

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Is there a benefit to committing to multiple components in an SCE?

Once you have made an enterprise-wide commitment to a given component, you get all the benefits that go along with that component. If an additional commitment is made to an alternate component, then you will also realize the incremental benefits for that set of products. There is no "cumulative" benefit of adding multiple components other than the simplicity of standardizing your Server and Cloud licensing in a single vehicle.

If I have existing licenses without Software Assurance, how should I add those into the SCE Agreement?

For all licensed deployments of products that must be covered as part of an installed-based commitment to SCE that are not current with Software Assurance, you can choose to add them as subscription or to add them as L&SA at signing.

What is the minimum footprint by product?



Minimum order is 400 Core Licenses for Core Infrastructure Server Suites Standard or Datacenter (either edition or any combination of both)



SQL Server: 50 SQL Server per core or 5 SQL Server per server with 250 CALS BizTalk: 24 cores of any edition SharePoint Server: 5 servers SQL Server must be covered if selecting any Application product



20 licenses of any combination of Visual Studio Enterprise and MSDN Platforms



If Azure Monetary Commitment is the only Server and Tools Product selected, the minimum initial order for Monetary Commitment is 10 Monetary Commitment units per month. Otherwise, the minimum initial order quantity is 1 Monetary Commitment unit per month

How much will I save through the SCE?

SCE offers a 15 percent discount on Licenses and Software Assurance and a 5 percent discount on Software Assurance.

What is monetary commitment in the SCE, and what are the benefits?

Monetary commitment enables you to prepay for consumption of eligible Azure services and Azure Reserved Virtual Machine Instances. You have two options when purchasing monetary commitment. In the first option, you can make a prepaid monetary commitment, making all funds available until enrollment expiration. In the second option, you can make an annual monetary commitment, which enables funds to be available from one anniversary date to the next. Monetary commitment is available through all enterprise enrollments. Customers can use these monetary commitment options to create budget predictability and control in purchasing these eligible Azure services and Reserved VM Instances.

How does monetary commitment work?

For enrollments dated as of December 1, 2017, you can make a single up-front payment of monetary commitment. Those funds can then be used to consume eligible Azure services throughout the three-year period of the enrollment. For example, a customer who makes a \$60,000 up front payment for monetary commitment can use those funds throughout the three-year term. In our example, this customer might use \$10,000 the first year, \$20,000 the second year, and \$30,000 the third year. This offers customers maximum flexibility with using their monetary commitment throughout their enrollment.

For enrollments dating before December 1, 2017, customers made a monetary commitment for each year of the enrollment. That monetary commitment must be used by the end of each year of the enrollment. For example, a customer might have elected to make \$20,000 of monetary commitment for each of the three years of the enrollment, for a total of \$60,000. The customer is billed annually for \$20,000 of the monetary commitment. The customer is then

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required to use each year's monetary commitment of \$20,000 before the end of the enrollment year. Unused monetary commitment cannot be carried over from one year of the enrollment to the next.

Annual monetary commitment purchases will continue to be an option for all Enterprise Enrollment customers.

If a customer uses more Azure services than are covered by the monetary commitment, how are they billed for those overages?

Customers who are invoiced directly by Microsoft will receive any overage invoices on a quarterly basis. For customers purchasing Azure services through a Microsoft partner, the frequency of the overage invoices is determined by the Microsoft partner.

Can I buy additional monetary commitment to pay for overages already incurred?

No, the purchase of additional monetary commitment cannot be used to pay for overages already incurred.

Can licenses without Software Assurance be added as Software Assurance only with the Software Assurance Prior L SKU?

The "Deferred License" approach through the Software Assurance Prior L SKU that was available in the Enrollment for Application Platform (EAP) is being replaced in SCE with a more flexible subscription option.

How is subscription different than traditional Licenses and Software Assurance (L&SA)?

Subscription options in SCE are available for the components that require an installed-base commitment. If workloads are retired or moved to the cloud, subscription license quantities can be reduced annually. Within a selected component, you can selectively choose to own/maintain perpetual units with full term commitments of three years or have some as subscription.

Can I purchase a subscription for new units?

Yes, you can select whether units you add at signing of SCE or license at true-up (based on deployments) will be subscription or perpetual (L&SA). You can choose based on your individual workload requirements.

What are the "Cloud Management Benefits" for System Center and Microsoft Azure?

If you make an installed-base commitment to CIS, you will be able to use System Center to manage Microsoft Azure resources that are licensed through SCE. This allows you to manage up to 10 Microsoft Azure OS instances for each CIS license enrolled in the SCE.

What does Unlimited Support Include?

Unlimited support enables Premier Services customers meeting minimum Software Assurance spend requirements in SCE of approximately \$250,000/year in Software Assurance for a given component (available for Core Infrastructure and Application Platform) to Unlimited Problem Resolution Support Calls.

These calls are made to the Premier organization and this benefit replaces any 24x7 incidents that would have been earned on the qualifying products in SCE. This benefit has been available for some time in Enrollment for Application Platform (EAP). The Actual minimum monetary commitment varies by region worldwide. Refer to the Microsoft <u>Product Terms</u> for details.

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Is SCE available to government customers?

Yes. SCE is available to both commercial and government customers. SCE is not, however, available to education customers who continue to have access to the Education Server Platform (ESP) licensing option within EES. ESP will continue to be supported for education customers wishing to simplify their server licensing.

How do I enroll in the SCE?

To enroll in SCE, please contact your channel partner or Microsoft account manager.

Where can I find more information on SCE?

Learn more about Server and Cloud Enrollment.

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