CAL UPDATE FAQ

Affected CALS:

- Bing Maps Server CAL
- Core CAL Suite
- Enterprise CAL Suite
- Exchange Server Standard and Enterprise CALs
- Lync Server Standard and Enterprise CALs
- Project Server CAL
- SharePoint Server Standard and Enterprise CALs
- System Center 2012 Client Management Suite
- System Center Configuration Manager
- System Center Endpoint Protection
- Visual Studio TFS CAL
- Windows Multipoint Server CAL
- Windows Server CAL
- Windows Server RDS, RMS, Terminal Services CAL

Overview

The purpose of this document is to provide an overview and list of commonly asked questions regarding the upcoming changes to the device vs. user CAL model and the Enterprise CAL Suite. These changes have been made to reflect current trends in the marketplace and align to what customers are looking for in Server-CAL licensing.

CAL Differentiation

Microsoft offers both a per user and a per device option when purchasing Client Access Licenses (CALs). Traditionally the price has been the same regardless of which option customers chose. Going forward Microsoft will differentiate between these CALs. As part of this approach we will be raising the price of the user CAL by 15%. The device CAL price will remain the same (no price increase). We are making this change in response to the increasing value of user based licensing over the single device licensing model.

There are three primary drivers of increased value for customers in the user CAL.

1. **Increased value in support across devices:** Microsoft's next generation of server products deliver more value for user based licensing. As an example the new version of Office, and the underlying servers that support its functionality, will now work with many more devices.
2. **Increased number of devices:** It is clear there has been an explosion of consumer devices which are proliferating rapidly into business. We believe, on average, there are 3 or more devices per information worker employee in companies today. With the introduction of Window 8 there will be another boost in business ready, consumer oriented hardware that will continue to fuel this device proliferation trend. The more devices people use, the greater the value of user-based licensing.
3. **Manageability and Compliance:** User CAL licensing also simplifies manageability and compliance. In the past, IT departments purchased and asset tagged all hardware used by employees. It was easy for IT to count and license the number of devices being used by their company. With the consumerization of IT this trend is changing. IT no longer has a good sense for how many devices are being used to access company resources and find it easier to count and track the number of employees they have. In fact many of our customers report that ease of counting users makes user-based licensing much more valuable than device-based licensing.

FAQ: CAL Differentiation

Q: Why is Microsoft increasing the price of user CALs?
A: Device proliferation has increased the relative value of the user CAL (which supports unlimited devices), and Microsoft is increasing the price by +15% accordingly.

Q: When will my customer see a price increase?
A: EA customers' pricing for committed products is fixed for the term of the enrollment so customers will not be affected by the differentiated CAL pricing until their next renewal. Select and Open customers will see the higher price for User CALs for affected products December 1, 2012.

Q: Why a 15% price increase?
A: Microsoft conducted customer research to understand how much more value customers realized in the user CAL. We tested various price points and landed on a 15% increase which we felt was fair and in line with Microsoft's strategy to price product below the absolute dollar value.

Q: Will the use rights vary for user CALs versus device CALS?
A: No, the differentiated pricing is solely based on the additional value derived from the User CAL. The use rights and inclusions of the CALs remain identical as explained in the Product Use Rights documents available at www.microsoft.com/licensing

Q: Should customers purchase user CALs over device CALs?
A: The choice between selecting user CALs vs. device CALs depends on 1. economic factors and 2. ease of management. If customers have fewer devices than users it may make sense for them to license per device. If the customer finds it is easier to track devices then count users, the per device licensing model offers an appropriate solution. If the opposite is true, per user CALs may be a better fit.

FAQ: CAL Differentiation

Q: What should I do now that the price of the user CAL is increasing 15%?
A: Customers should evaluate both the user CAL option and device CAL licensing option and select the solution which best fits their needs. Customers who expect the number of devices to grow over the next 2-3 years may choose to invest in the user CAL.

Q: Which CAL is right for my business?
A: For many enterprises where employees far outnumber their devices, there will be no change and these companies will see value as they continue to purchase on a per device basis. For those enterprises where devices already outnumber employees, per user licensing will likely be a valuable option. For customers who are near parity in people and devices, we recommend they consider how device trends may affect this balance going forward, and then do a comparison between the two licensing options.

Q: What resources are available to help me select the solution that is right for my business?
A: To help all customers who want to compare per device/per user CALs, Microsoft has developed a simple online tool for illustrating this comparison (available 12/2012). In addition, your Comsoft direct Licensing Specialists will be able to help work through detailed analysis as needed.

Q: I currently license CALs per user and I would like to switch. How do I do this?
A: Customers with active software assurance can switch between user CALs and device CALs at their contract renewal date. Customers should work with their account team to make the change.

Q: I currently license CALs per device and I would like to move to per user. The per user CAL is more expensive. Do I need to pay the difference or "step-up" to the new license?
A: There is no need to "step-up" from device CAL to user CAL. Customers can begin paying the new SA price for the per user CAL.

Q: Now that user CALs are worth more than device CALs, when I switch from user CALs to device CALS is there a ratio that is applied when transitioning?
A: There is a 1:1 ratio when transitioning from device CAL to User CAL or vice versa.

Q: I am interested in transitioning from per user CAL to per device CAL. Do I choose which devices to cover as part of my Enterprise Agreement?
A: Every qualified device must be licensed when moving from per user CAL to per device CAL

Q: Will Office Web Apps (included as part of the Office license), be licensed on a per device or per user basis?
A: Office client remains licensed per device. The primary user of a device licensed for Office 2013 will be licensed for access to the Office Web Apps from any device in roaming scenarios. In these situations, the primary user is enabled for remote access through Office Web Apps.

Q: What if I want to add more device CALs to my agreement?
A: Additional device CALs can be added through true-up at your agreement anniversary.

Q: What if I want to add more user CALs to my agreement?
A: Additional user CALs can be added through true-up at your agreement anniversary.

Q: What if I want to make a change from per user to per device CALs mid-agreement?
A: Unfortunately, customers cannot switch mid-term between per user and per device CALs. The advantage for customers licensing per user is that they are protected from the price increase for the term of the agreement.

FAQ: CAL Differentiation

Q: How many devices can I cover with the user CAL?
A: The user CAL covers unlimited devices. Each user CAL must be assigned by <u>named user.</u>

Q: Can I reassign a user CAL to a different user?
A: Yes, you can reassign any license in VL once per quarter (90 days).

Q: Why is Microsoft making these changes in December 2012?
A: We are making these changes to align to our product release cycle.

Q: Windows server 2012 just launched. Why did this product launch with one price and now that price is changing only months later?
A: The decision to differentiate between the user CAL and device CAL was a company-wide initiative and affected multiple products in addition to the new Windows Server product.

Q: What if my users are on O365. Do I need to worry about differentiating between per user and per device?
A: No. O365 is licensed per user.

ECAL Suite Update

The next version of the ECAL Suite will see some Forefront-branded products renamed and others removed. We will also be adding Exchange Online Archiving for on-premises servers to the ECAL Suite.

- **Overview of the changes to ECAL Suite:**
  - Forefront Protection Suite has been removed from ECAL Suite reflecting the road map changes made to the Forefront branded family of products.
  - Forefront UAG has been removed from ECAL Suite.
  - FOPE (Forefront Online Protection for Exchange becomes EOP (Exchange Online Protection).
  - Forefront Endpoint Protection becomes System Center Endpoint Protection.
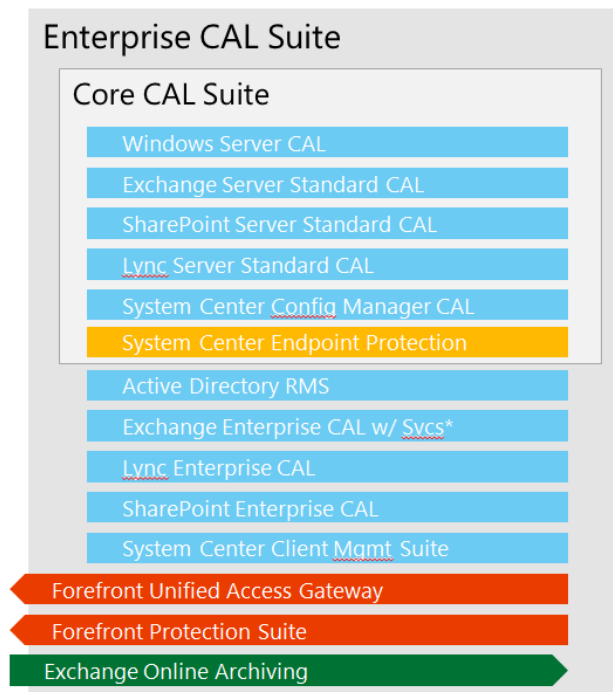
- **Investments in ECAL Suite**
  - We have made considerable investments in providing tools to help with compliance with new eDiscovery, legal hold and retention features across the products included in ECAL Suite.
  - Exchange Online Archive (for on-premises servers) has been added to ECAL Suite. EOA helps customers drive down the cost of archiving mail and begins to bring our cloud-based services to our on-premises customers

FAQ: ECAL Suite

Q: What happened to the Forefront Protection Suite?
A: We have made the decision to remove all Forefront branded products from the ECAL Suite which includes Forefront Protection Suite*. Note that FOPE (Forefront Online Protection for Exchange) now becomes EOP (Exchange Online Protection) and will remain in the ECAL Suite. The newly branded System Center 2012 Endpoint Protection will also remain in both Core CAL and ECAL Suite replacing Forefront Endpoint Protection.

*Forefront Protection Suite includes: Forefront Online Protection for Exchange, Forefront Protection for Exchange Server, Forefront Protection for OCS, Forefront Protection for SharePoint Server and Forefront Threat Management Gateway Web Protection Service.

Q: What happened to Forefront UAG (Unified Access Gateway)?
A: Forefront UAG will continue to be offered as a remote access solution alongside DirectAccess. UAG will be removed from the ECAL Suite along with the rest of the Forefront products but will remain on the price list as a standalone product.

Q: What is EOA (Exchange Online Archive)? Is it now included in ECAL Suite?
A: Yes, Exchange Online Archive will be added to ECAL Suite. Microsoft Exchange Online Archiving is a cloud-based, enterprise-class archiving solution for organizations that have deployed Microsoft Exchange Server on-premises. Exchange Online Archiving can assist these organizations with their archiving, compliance, regulatory, and e-discovery challenges while simplifying their on-premises infrastructure.

Q: Is there a price increase for ECAL Suite?
A: The ECAL Suite device CAL price will not increase. The ECAL Suite user CAL price will increase ~15% as part of CAL differentiation

Q: Can I use EOA in ECAL Suite for my O365 users?
A: No, EOA is in ECAL Suites only provides rights to archive your on-premises servers.