

○ TECHNOLOGY

Microsoft Academic Volume License Transition Program Customer Q&A February, 2009

Microsoft announced last year that it planned to review the software licencing fees being paid by Australian aged care providers especially providers accessing academic pricing arrangements.

The Aged Care Industry IT Council (ACIITC) has been in negotiations with Microsoft regarding their plans. Unfortunately this is a David and Goliath issue with Microsoft apparently unconcerned about the impact on the services provided by aged care providers in Australia.

The ACIITC will continue to explore other options that will limit the financial impact of this decision by Microsoft.

Microsoft recently announced their planned pricing structure which is outlined below:

- 1. Am I eligible to purchase under the Academic Open Volume License program?**
Microsoft is undertaking a review of all existing licence holders and will determine whether an existing licence holder is eligible to maintain academic price; a new category of charity open price or have to move by July 1st, 2010 to a full commercial rate.
- 2. What do I do if I have further questions regarding Academic and Charity Open Eligibility Criteria?**
Please make contact with Microsoft using the contact details by calling the Microsoft Licensing Hotline 13 20 58 Option 5 or visit the web www.microsoft.com.au/academiceligibility or www.microsoft.com.au/charityeligibility
- 3. What happens to the licenses I have already purchase through Microsoft's Academic Open Volume License program?**
You will retain the rights to the software licenses that have been acquired under any current Academic Program agreements (ie by the use of a current License Authorisation Number (LAN)) even upon expiry of the agreements. These software licenses are perpetual. This means you will retain the investment you have made in purchasing these licenses.
- 4. How long can I continue to place orders under my current Academic Open Agreement LANs?**
If you no longer qualify for Academic or Charity Open pricing you may continue to purchase software licenses through your current Academic Program agreements until 30 April 2009.
- 5. What happens if my Academic Open Agreement LAN expires before 30 April, 2009?**
If your existing LAN or LANs have already expired but you wish to acquire additional perpetual licenses under the Academic Open Program you will have the ability to begin a new LAN up to 30 April 2009. Any new LAN will automatically expire on 30 April 2009.
- 6. Will I be able to place an order under the Microsoft Academic Open Volume License program after 30 April 2009?**
No, you will not be able to place orders after 30 April 2009, if your organisation does not meet the eligibility criteria for Microsoft's Academic Open Volume License criteria.
- 7. What discount Volume License Agreements can I purchase after 30 April 2009?**
After 30 April 2009 you will have the option to enter into a Microsoft Commercial Open Volume Licensing Agreement with an effective date of 1 May 2009 or later, Microsoft will ensure that the Recommended Retail Price (RRP) for any Microsoft licenses that you order under the Commercial Open Program on or before 30 June 2010 will be discounted by 60% off Microsoft's normal Commercial Open License RRP.¹
- 8. How do I place orders to either setup a new Academic Open Agreement LAN before 30 April 2009 or purchase under the Commercial Open Volume License 60% discount offer after 30 May 2009?**
Please contact your preferred Reseller or Large Account Reseller (LAR) for details. They will make contact with Microsoft's Authorised Distributors and then provide you with pricing and order details.

1. Please note that this discounted RRP does not dictate the final price that you will pay for the licenses, and your final price and payment terms will be determined by your negotiations with your Microsoft Reseller.

○ TECHNOLOGY

9. **How do I demonstrate that I am eligible to purchase under the Transition offer?**

Once you have received written correspondence from Microsoft Please use the letter provided at any time to assert the rights provided by the Transition offer.

10. **What are the terms and conditions of eligibility under the Microsoft Academic Volume License Program?**

The Microsoft Volume Licensing Agreement, sets out the terms of the Academic Programs, any organisation which purchases at the Academic pricing level must meet ALL of the Academic Program eligibility criteria detailed on the Microsoft website (**Academic Eligibility Criteria**).² The onus is upon the purchasing customer to review the Academic Eligibility Criteria and ensure it meets these criteria prior to entering into an Academic Volume Licensing Agreement

11. **What happens to my Software Assurance?**

The Software Assurance benefits that you have purchased will expire on 30 April 2009. You may renew your Software Assurance coverage under the Transition Offer program or another Commercial Microsoft Volume Licensing Program.

12. **I have other Academic Agreement Program LAN's that are not listed in the attached letter are those licenses still valid?**

The list of LAN's attached to the letter details only those LAN's that are current or expired in December 2008. If you have LAN's that have expired prior to December 2008 you still retain the rights to those licenses as they are perpetual licenses.

13. **Will I still be able to see my Academic Open License transactions within the eOpen program if I purchase under a Microsoft Volume licensing program?**

Yes you will still be able to see any previous Academic Open License Agreement LAN's transactions through the Microsoft eOpen website.

14. **What Open Volume Licensing Agreement can I purchase under after 30 June 2010?**

After 30 June 2010 you should purchase under the most appropriate Microsoft Volume Licensing agreement for your needs. Please visit www.microsoft.com/australia/licensing for more information or speak with your preferred Reseller.

15. **Has Microsoft changed its Academic Volume License eligibility criteria?**

Yes we have revised our Academic Volume Licensing eligibility criteria.

Microsoft regularly undertakes activities to update its licensing offerings. These include but are not limited to licensing simplification, amending terms and conditions in order to meet technology and customer needs. This Academic eligibility revision is not restricted to but includes the following amendments:

- Bring Australian terms and conditions into line with the Global terms and conditions of the Microsoft Academic Volume Licensing programs.
- Simplify the eligibility criteria wording to make it easier for customers to self-assess.
- Make it easier for our Partners & Distributors to assist customers with the correct advice around eligibility criteria.
- Be clear about eligibility criteria around Healthcare. The new terms and conditions are now more inclusive and specify terms for
 - Libraries,
 - Museums,
 - Early Childhood centres
 - Home School Program

Detailed eligibility criteria can be found at www.microsoft.com.au/academiceligibility

2. www.microsoft.com.au/academiceligibility

○ TECHNOLOGY

16. **What is the new Charity Open program?**

Charity Open is a global program that Microsoft has rolled out in various countries around the world with great success. This program is designed to further support the great work done by eligible not-for-profit charities in Australia. With the Microsoft Open License for Charities program, eligible organizations can acquire multiple software licenses—rather than multiple software packages—at reduced prices. The terms and conditions are written to be clear and concise. We have appointed a Third Party vendor who will oversee the process to determine eligibility. This vendor has experience in administering similar activities and can provide an unbiased view for customers wishing to apply for eligibility.

Certain Healthcare organisations which were previously ineligible to have access to Charity Pricing may now have access to our Charity Open program. Detailed eligibility criteria can be found at www.microsoft.com.au/charityeligibility

17. **We are a Not-For- Profit organisation that is now ineligible. What is Microsoft doing to support organisations like ourselves?**

Through the Software Donation Program, we enable eligible charities and non-profit organisations to access selected Microsoft software at no charge. An example of the software that we make available through this program includes:

- Windows Vista Business
- Windows XP Professional
- Microsoft Office 2007 Standard
- Windows Server 2003

In FY08, Microsoft donated over AUD\$25 million worth of software to Australian charities and non-profit organisations. For more details visit www.microsoft.com.au/donation

18. **We are recognised as a charitable organisation by the ATO but do not qualify under Microsoft's eligibility criteria, why is this? And do we have to pay commercial pricing?** Microsoft has a longstanding commitment to provide support to community organisations in Australia through a variety of programs. We have broadened the categories of charitable activities that are permitted under the program – meaning a greater cross-section and a greater number of charities now qualify. The new program also ensures the long term sustainability of our support.

As a legally registered charity or not-for-profit organisation you may not have to pay commercial pricing, please first visit www.microsoft.com.au/donation and see if you are eligible to receive a software donation from Microsoft. Licensing for larger benevolent organisations is still negotiated on a case by case basis.

19. **We are a Healthcare Organisation that is now ineligible for charitable based pricing. Is Microsoft still committed to Healthcare in Australia?**

Microsoft is very committed to supporting Healthcare organisations in Australia. Microsoft continues to provide numerous activities for Healthcare organisations. Examples include; Healthcare Analytics initiatives, CFO executive roundtables and TDM executive roundtables to name a few. More details of our support for the Healthcare industry can be found at www.microsoft.com.au/health

Under our Academic Eligibility Criteria, many healthcare organisations were never eligible to receive the Academic Volume License pricing and were in fact mis-licensed, For those organisations impacted we are now providing a special transition offer that will give sufficient time and support to help manage the impact of this change.

Where can I go for further assistance?

- Use the contact details provided in your letter.
- Contact your preferred Reseller or Microsoft Large Account Reseller
- Call a trained resource at the Microsoft Licensing Hotline – Call 13 20 58 Option 5
- For eligibility criteria queries visit the web at www.microsoft.com.au/academiceligibility or www.microsoft.com.au/charityeligibility