

Microsoft Dynamics 365 Pricing and Licensing FAQ

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Dynamics 365 Licensing Overview

What is Dynamics 365?

Microsoft Dynamics 365 is the next generation of intelligent business applications in the cloud. Microsoft 365 unifies CRM and ERP capabilities by delivering new purpose-built applications to help manage specific business functions, including Sales, Customer Service, Field Service, Operations, Marketing, Project Service Automation and Financials. Designed to be personalized, enable greater productivity, deliver deeper insights and adapt to business needs, Dynamics 365 applications help businesses accelerate digital transformation to meet the changing needs of customers and capture the new business opportunities of tomorrow.

How many editions are in Dynamics 365?

Dynamics 365 has two editions, Enterprise and Business editions. The Enterprise edition is optimized for 250+ employees and includes the capabilities of Dynamics CRM Online and Dynamics AX products that existed in market pre Q4CY16. The Business edition is optimized for 10-250 employees and contains Financials (currently known as Project Madeira) at launch with future expected sales and marketing applications.

How is Dynamics 365 licensed?

Dynamics 365 simplifies licensing of business applications. The primary licensing is by named user subscription. The Dynamics 365 user subscriptions classify users into two types. One user type is a "full user" and the other is a "light user".

Full users are the users whose work requires use of the feature rich business apps functionality. Examples of full users are sales people, customer service representatives, finance employees, controllers, supply chain managers, etc. These users have also been referred to in the past as Pro users or Power Users. In the Dynamics 365 license model, full users are licensed with either a Dynamics 365 Plan or Dynamics 365 application subscription.

Light users are often large number of users in an organization that may consume data or reports from line of business systems and who complete light tasks like time/expense entry and HR record updates. In the Dynamics 365 model "light users" are licensed with the Dynamics 365 for Team Members subscription.

There is also device licensing available for the Enterprise edition for shared device scenarios. ([See below Enterprise edition section for Device Licensing FAQs](#))

What are Dynamics 365 Plan subscriptions?

Plan subscriptions are new with Dynamics 365. With one single user subscription, a Plan subscription is the most cost effective option to provide ultimate flexibility for a user to have access to any Dynamics 365 functionality to get their job done. For example, a controller who might be managing customer credit limits based on sales pipeline information. Plan subscriptions provide users rights to use functionality across any of the respective Plan apps as well as use of Microsoft PowerApps, the mobile application platform service.

What are Dynamics 365 application subscriptions?

Application subscriptions are named user subscriptions where a user is licensed only for one individual application. For example, a sales user who is only licensed for the Sales application. This is largely how

business apps have traditionally been licensed. Application subscriptions also include use rights to PowerApps for mobile app creation and use against Dynamics 365 data.

What is Dynamics 365 for Team Members subscription?

The Dynamics 365 for Team Members subscription is a named user subscription that includes read access as well as some write access for select light tasks across any and all Dynamics 365 apps where applicable. One Team Members subscription enables a light user to have access to any of the Dynamics 365 applications. As a result, as more Dynamics 365 applications are adopted across an organization, any user previously licensed with Team Members subscription would be licensed already to access those additional applications.

What are the Dynamics 365, Enterprise edition SKUs?

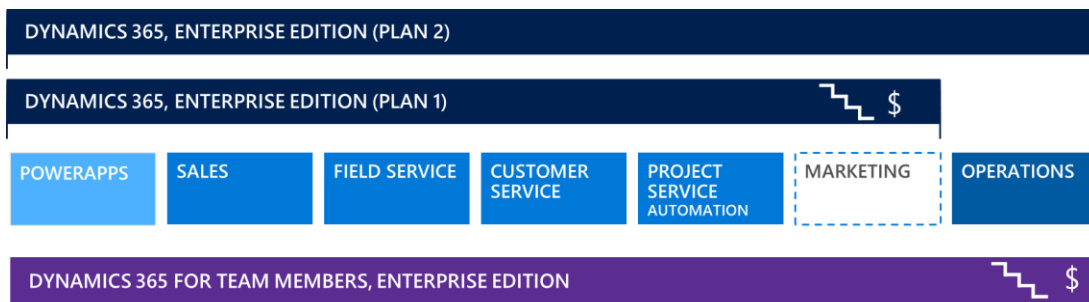
Within the Enterprise edition, there is the option for full users to license by application or by Plan. There are five business application subscriptions and two Plan subscriptions. The business applications available include Sales, Field Service, Customer Service, Project Service Automation and Operations. Please note that Marketing will be a future offering and will not be available at GA. PowerApps is a subscription service (SaaS) for creating and using mobile business apps without the time and expense of custom software development.

There are two Plan subscriptions available for Dynamics 365, Enterprise edition.

At GA, Plan 1 includes all Plan 1 business applications: Sales, Field Service, Customer Service and Project Service Automation. Marketing availability timing is TBD.

Plan 2 includes all Plan 1 applications plus Dynamics 365 for Operations.

The Team Members, Enterprise edition subscription is available for light users to have read and light write access to any application within Dynamics 365.



What are the price points for Enterprise edition?

The below pricing information is estimated retail pricing. Specific pricing for customers will vary with program and discount level.

The Dynamics 365 SKUs and packaging is intended to provide simplicity and flexibility. First, users only need to be licensed once to get what they need. Second, the Team Members subscription and price point helps enable many more users to participate more easily in business processes. With apps, Plans and tiered pricing, Dynamics 365 provides customers ability to start small and grow over time. Dynamics 365 introduces tiered pricing which dramatically reduces the marginal cost per user below the suggested retail pricing. ([More information on tiered pricing in this FAQ](#)).

The Plan subscription price includes use of any and all applications contained in the respective Plan, dual use rights to any on-premises software where applicable, and PowerApps use across any data type, and Team Members use rights.

Plan 1 and Team Members have tiered pricing that reduces marginal cost per user subscription as the number of subscriptions in an account increases.

The application subscription price includes use of that application, dual use rights of the on-premises software where applicable, the PowerApps app platform capabilities and common data model for Dynamics 365 data, and the Team Members use rights for light engagement with any other Dynamics 365 Enterprise edition application.

The price of the Team Members subscription for light users includes read access to any Dynamics 365 application data, portal, knowledge management, light task management, and PowerApps using Dynamics 365 data.

Below represents estimated retail pricing (per named user per month)



Will there be a special price point for users with Office 365, like the Dynamics CRM Online Professional Add-on to O365?

At this time there will not be a different price point for users purchasing with Office 365.

What are the Dynamics 365, Business edition SKUs?

At GA, Dynamics 365, Business edition will include an application subscription for Dynamics 365 for Financials and a subscription for Team Members, Business edition. In the future (TBD), additional applications for sales and marketing may become available which would then be combined into a Business edition Plan subscription to provide the same flexibility and value benefit as exists with Enterprise edition Plans.



What are the price points for Dynamics 365 Business edition?

The below pricing is a representation of estimated retail pricing. Specific pricing for customers will vary with program and discount level.

The application price includes use of that application, the PowerApps app platform capabilities and common data model use for Dynamics 365 data, and the Team Members use rights for any other Dynamics 365 Business edition application.

The Plan price would include use of any and all applications contained in the respective plan and PowerApps use across any data type. The plan is expected to have tiered pricing to reduce the marginal cost per user.

Below represents Estimated retail pricing (per user per month)



What is the Dynamics 365 for Marketing application?

We expect to have a marketing application within the Business and Enterprise editions in the future. The Marketing application encompasses a future set of functionality oriented to marketing professionals. This is distinct from the existing Microsoft Dynamics Marketing.

Do the Dynamics 365 subscriptions have on-premises use rights?

The Enterprise edition subscriptions include dual use rights allowing use of the on-premises software where applicable. The Business edition does not offer dual use rights.

Do I need to purchase a Dynamics AX, Dynamics CRM, or Dynamics 365 server separately to make use of Dual Use Right?

The server component will be included with the Dynamics 365 Online USLs for Dynamics AX 2012 and Dynamics 365 (on-premises) for Sales and Customer Service. However, there are limits on downgrade rights as Dual use rights will only work with Dynamics CRM Server 2013 or later or Dynamics AX 2012 or later.

Are there different Dynamics 365 for Team Members subscriptions for Enterprise and Business editions?

Yes, there are two subscriptions, one Team Members for the Dynamics 365, Enterprise edition and one for Dynamics 365, Business edition. These two subscriptions have different use rights and price points.

Can I purchase both Enterprise and Business edition SKUs?

A customer may have subscriptions to both Enterprise and Business edition, however the license rights for each are exclusive to the edition in question. For example, Team Members, Enterprise edition has broad read-only rights to all applications in the Enterprise edition but not Business edition applications.

Can Plan, Application, and Team Members subscriptions all be used within one account?

Yes, the subscriptions are at the user level and having users with different needs is in fact the most likely scenario. Some users will benefit from Plan subscriptions, while others need just one application subscription, and many other users would benefit from Team Members subscriptions.

To buy an Application or a Plan subscription, do you first need the user to have a Team Members subscription?

No. Application and Plan subscriptions do not require Team Members subscriptions. Application and Plan subscriptions include the Team Members use rights to help reduce need to “double license” users.

Are there any changes in the multiplexing licensing terms?

There are no changes to multiplexing terms. Multiplexing is the use of hardware, software, or manual procedures that reduce the number of devices or individuals that directly access or use a service by pooling the connections. Multiplexing does not reduce the number of licenses required to access Microsoft Dynamics 365. Any internal user or device that accesses Dynamics 365—whether directly or indirectly—must be properly licensed.

The Dynamics 365 for Team Members subscription is intended to simplify licensing of multiplexing scenarios by allowing users to be licensed just once with read access and light write access to any Dynamics 365 application. The Dynamics 365, Enterprise edition Plans are ideal for users who may, through multiplexing, create or change data in multiple Dynamics 365 services.

Are there any changes in the definition of internal or external users and license requirements?

There are no changes to the definition of internal users or the related licensing requirements.

Where do I find detailed information about functionality licensed via Applications, Plans, and Team Members subscriptions?

Specific licensing details are available in the pricing and licensing recording now (Field [link](#)) (Partner [link](#)) and in the licensing guide when it becomes available in Q4CY16. Additional technical documents will provide functionality specifics.

Can I share pricing information with potential customers?

Yes. NDA pricing discussion with targeted customers may begin immediately. On September 17th, this information may be shared publicly.

How can Partners learn more about additional licensing options for ISVs?

Partners should contact their local subsidiary partner lead who can engage with the corporate (BG) partner team on next steps.

Microsoft Dynamics CRM Online capabilities – Marketing, Parature, and Social Engagement

Are Microsoft Dynamics Marketing, Social Engagement, and Parature part of Dynamics 365?

Microsoft Social Engagement Enterprise functionality will no longer be available stand-alone but will be included within each of the Dynamics 365 Enterprise Plans and the Enterprise Plan 1 business applications. Microsoft Dynamics Marketing, Microsoft Parature, and Microsoft Dynamics Marketing Sales Collaboration will not be part of the Dynamics 365 service.

What happens to Microsoft Dynamics Marketing or Microsoft Parature?

Microsoft Dynamics Marketing and Parature are not available to new customers. Existing customers will be able to renew their contracts until June 30, 2017. The business desk will manage any EA renewals.

What happens to Dynamics CRM Online Enterprise subscription, which included Dynamics Marketing and Parature?

The Dynamics CRM Online Enterprise offer will no longer be on pricelists starting November 1st, 2016. Existing customers may continue to use their current CRM Enterprise subscription until the end of their agreement term. Upon renewal, these customers will need to select from the Dynamics 365 Enterprise Plan 1 or any of the Plan 1 business apps for the CRM-based functionality. In addition to the Dynamics 365 license, existing customers would need to also renew licenses for Parature Enterprise, MDM Enterprise or MDM Sales Collaboration, depending on their requirement.

Dynamics 365 Enterprise edition

When and which geographies will Dynamics 365 Enterprise edition be available?

Dynamics 365, Enterprise edition will launch in Q4CY16 in the same markets and languages as available today for Dynamics CRM Online and Dynamics AX.

Can I obtain Dynamics 365 for Financials in a Dynamics 365, Enterprise edition plan?

No, the Dynamics 365, Enterprise edition plans do not include Dynamics 365 for Financials. Dynamics 365 for Financials is part of the Business edition and is licensed separately as it is intended for smaller organizations (<250 employees).

Are there a minimum number of users required for the Dynamics 365, Enterprise edition?

Dynamics 365, Enterprise edition Plan 2 and the Dynamics 365 for Operations have a minimum seat requirement of 20 users.

No minimums apply for commercial customers for Plan 1 and Plan 1 applications or Team Members. Minimums may apply for non-profit or academic customers.

Will there be device licenses available as part of the Dynamics 365, Enterprise edition?

There will be four device licenses available for enterprise customers.

1. Dynamics 365 for Operations device
2. Dynamics 365 for Sales device
3. Dynamics 365 for Field Service device
4. Dynamics 365 for Customer Service device

When is a device subscription more appropriate than a user subscription?

A device subscription supports shared device scenarios where many individuals access the service using the same device. If a user accesses the service using more than one device, license with a user subscription. The User subscription is a named user so that user can use any device without the need any additional license.

Do Dynamics 365, Enterprise edition for Sales, Field, and Customer Service device subscriptions have different use rights than the equivalent user subscriptions?

Dynamics 365, Enterprise edition for Sales, Field and Customer Service device use rights are identical to the use rights of the equivalent user subscription. Please note that the Dynamics 365, Enterprise edition for Operations device is a limited device which allows for POS, Store Manager and Warehouse device scenarios.

Will there be device based Enterprise edition Plan(s) subscriptions?

No, there is no device based licensing for Plans. Customers purchase the device subscription for the access rights needed for that particular device.

How many production instances will be included?

The Plan 1 Business Applications will include a Production instance as part of the service and the Operations Application will also include by default 1 production instance.

Will non-production instances be included?

For the Plan 1 based Application there will be 1 non-production instance included by default, no minimum user count required to receive this like in the past. The Dynamics 365 for Operations includes a developer instance (sandbox 1) and standard acceptance test instance (sandbox 2) for every customer.

Will the portal be included?

Yes. One portal will be included with the shared tenant that comes with Dynamics 365, Enterprise edition Plan 1, the Plan 1 business apps (Sales, Customer Service, Field Service or Project Service Automation), and Team Members licenses. Additional portal(s) is also available as an add-on.

What type of file storage is included?

The Dynamics 365 for Operations includes 100 GB of file storage and additional can be purchased as an add-on. The Plan 1 based Apps do not include any file storage.

How much database storage is provided by default?

Plan 1 application subscriptions and Dynamics 365 for Operations each include by default 10 GB database storage. Additional free database storage is accrued at the rate of 5GB for every 20 Operations or Plan 2 users. Additional free database storage is accrued at the rate of 5GB for every 20 application or plan users (all users except Dynamics 365 for Team Members). The Plan 1 application storage and the Operations storage are not shared between them.

Do I get this default storage if I am still on Dynamics CRM Online, or Microsoft Dynamics AX?

Only Dynamics 365 licenses will accrue with the above storage allocation. Dynamics CRM Online or Microsoft Dynamics AX licenses will continue to accrue storage at their existing rates.

What type of add-ons are available for Enterprise Plan 1 Apps?

There are several infrastructure add-ons such as Production and non-production instances, additional portals and incremental database storage. In addition, there are two consumption add-ons for Plan 1 Apps: additional social posts and additional portal page views.

What type of add-ons are available for the Dynamics 365 for Operations?

There are five non-production environments that will vary by the type of testing that can be provided, for example Sandbox 1 is a developer instance, Sandbox 2 and 3 are for Acceptance testing and Sandbox 4 and 5 are for Performance testing. In addition to the non-production instances we will also have add-ons for storage both Database and File Storage.

Dynamics 365, Business edition

When and where will the Dynamics 365, Business edition be available?

Dynamics 365 for Financials and Dynamics 365 for Team Members, Business edition will be available in the US and Canada in Q4CY16. There will be a phased roll out to additional geographies.

Can Dynamics 365 for Operations functionality be licensed with the Dynamics 365, Business edition subscriptions?

No, the Business edition only has Dynamics 365 for Financials and Dynamics 365 for Team Members, Business edition.

Are there a minimum or maximum number of users for the Dynamics 365, Business edition?

No minimum user purchase. There is maximum number of 300 total user subscriptions (Financials and Team Members).

Are there any additional add-ons for Business edition?

There are currently no add-ons

Will there be device licenses available as part of the Dynamics 365, Business edition?

There are no device licenses for the Dynamics 365, Business edition at this time.

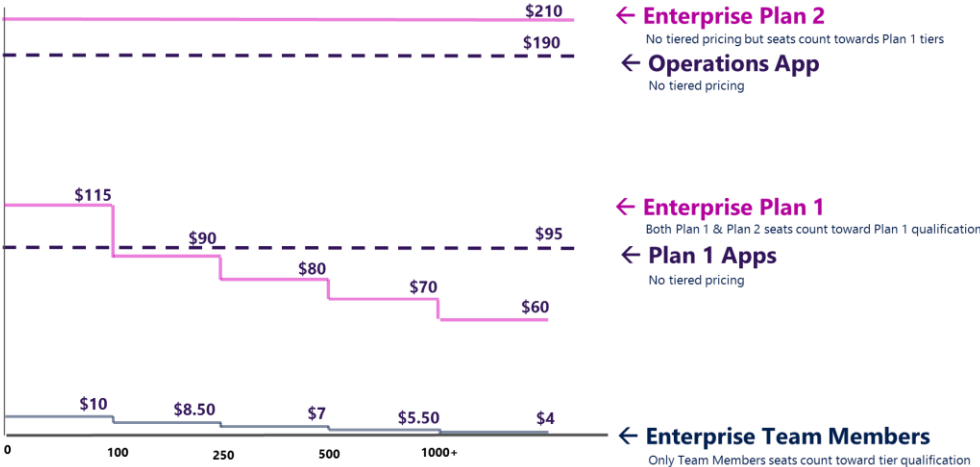
Tiered Pricing

What is tiered pricing?

Dynamics 365 introduces the benefit of lower marginal cost per unit as user counts increase on select subscriptions. The tiered pricing applies to Enterprise edition Plan 1 and Team Members, Enterprise edition. It will also apply to Dynamics 365 Business edition Plan when the Business edition Plan becomes available in H1CY17. Application subscriptions do not qualify for tiered pricing.

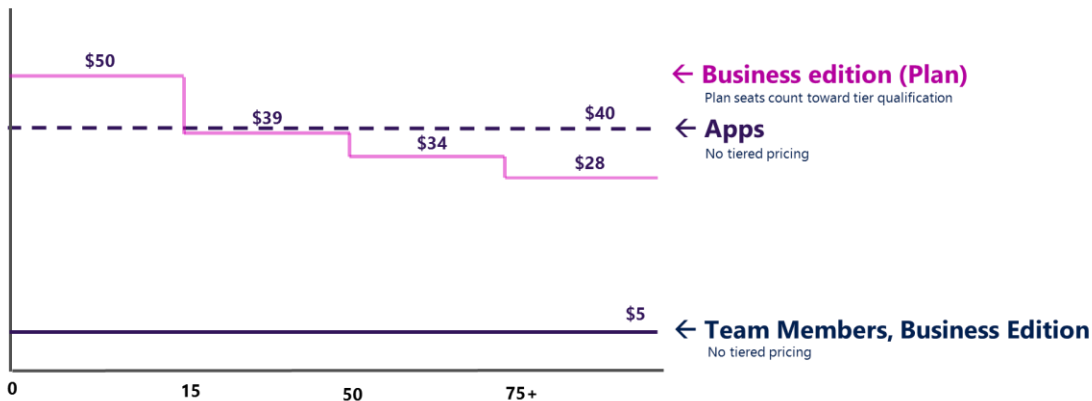
What does the tiered pricing look like for the Enterprise edition?

For the Enterprise edition, there will be price tiers on Plan 1 and Team Members. As shown on the below diagram the price tier will be at 0-99, 100-249, 250-499, 500-999, and 1000+ subscriptions.



What does the tiered pricing look like for the Business edition?

In the future when the Business edition Plan launches the price tiers will be at 0-14, 15-49, 50-74, and 75+ users as shown in the diagram below.



Which subscriptions count toward tiered pricing?

- Dynamics 365, Enterprise edition Plan 1 and Plan 2 subscriptions both count towards the Dynamics 365, Enterprise edition Plan 1 price tiers.
- Dynamics 365, Enterprise edition for Team Members subscriptions count only towards Dynamics 365, Enterprise edition for Team Members price tiers.
- (FUTURE) Only Dynamics 365, Business edition plan subscriptions count toward Dynamics 365, Business edition plan price tiers.
- Annual subscription commitment is required for a subscription to qualify for tiered pricing.

Why isn't there tiered pricing on Dynamics 365 Enterprise edition Plan 2?

While there are no price tiers on Plan 2, the Plan 2 subscription counts toward Plan 1 price tiers levels. Plan 2 will be most applicable for users who need both Operations and a Plan 1 application or PowerApps. Typically, the roles or users that need Operations is a smaller subset of users within an organization and therefore price tiers are less applicable. Plan 1 addresses roles in an organization that typically make up a much larger number of users. The same is true for Team Members, which might be needed by majority of the organization not licensed for applications or Plans.

Is tiered pricing available in addition to existing Microsoft volume pricing levels?

Yes, tiered pricing is in addition to any existing Microsoft volume pricing levels.

How is tiered pricing transacted?

Each price tier will be an individual SKU on the price list. For example, there will be five SKUs on the pricelist for Plan 1 and Team Members, Enterprise edition with prices corresponding to the appropriate user subscription count.

What price does a customer get if subscriptions are added at different points in time?

The Plan 1 price tier is determined by existing number of Plan 1 and Plan 2 subscriptions plus the number of Plan subscriptions being ordered at that time. Team Members, Enterprise edition price is determined by the total number of existing Team Members subscriptions plus the number of Team Members subscriptions being ordered at that time. For example, customer has 50 existing subscriptions of Team Members purchased previously and wants to add 225 more. Price tier would be the 250-500 price SKU because existing subscriptions plus the current transaction subscription count equals 275 seats in total.

If more seats are added at a later date and then qualify for a lower price, will the price of previously purchased seats go down?

No, previously purchased seats stay at the price they were purchased until renewal. The tiered price applies to the subscriptions being purchased at that time. A customer with 250 Plan 1 user subscriptions might have different price points for those 250 subscriptions if purchased at different times or could have just one price point if all subscriptions were purchased at one time. Upon renewal, subscriptions are renewed at the price tier corresponding to the total qualified subscription count.

If more Plan or Team Members subscriptions are expected in the future can lower price tiers be used in anticipation?

No, accessing a lower price tier is only allowed at the time of purchase and when the customer owns and purchases enough seats to qualify for that tier.

What happens to the price if customers true-down or reduce the number of user subscriptions for Plan 1, Plan 2 or Team Members?

Plan 1 and Team Members subscriptions are trueed down according to LIFO – last subscription prices are first to be reduced. If Plan 2 subscriptions are reduced so as to affect the price of Plan 1 seats, the revised Plan 1 seat price will come into effect upon renewal.

PowerApps

Which PowerApps capabilities are included with Dynamics 365 applications and Plans?

PowerApps and Microsoft Flow capabilities are included in all of the Dynamics 365 applications and Team Members subscriptions so that users can create, modify and use mobile apps based on Dynamics 365 data. Dynamics 365 Enterprise edition Plans provide users the ultimate flexibility by providing the PowerApps P2 subscription, which provides unconstrained use of any data source to create, modify and use PowerApps mobile applications and the Microsoft Flow service.

Is it possible to license what has in the past been referred to as XRM (Dynamics CRM Online) or Dynamics AX native extensibility?

The Dynamics 365 applications will continue to provide their native extensibility within the application itself. That extensibility can be licensed by licensing the applications for those users. For scenarios that bring together data across applications, PowerApps will be the extensibility solution and is available in the applications, Plans, and can be purchased separately.

Channel Availability

In which licensing programs will the Dynamics 365, Enterprise edition be available?

The Dynamics 365, Enterprise edition will be available via Enterprise Agreement (EA), MPSA and the Cloud Solution Provider (CSP) Program. Plan 1 and Plan 1 applications will also be available through the Direct (MOSP) channel. Dynamics 365, Enterprise edition will not be available in Open or Select. Customers purchasing in those channels should work with their partners to purchase via the CSP Program. Guidance on moving from Open to the CSP program is available for Partners here:

<http://aka.ms/prepaidtocspguidance>

In which licensing programs will the Dynamics 365, Business edition be available?

The Dynamics 365, Business edition will be available in the Cloud Solution Provider (CSP) Program at launch.

Will it be possible to license Dynamics 365 via the Dynamics Price List?

No, Dynamics 365 applications will NOT be available on the Dynamics Price List.

Where can I obtain an overview of the CSP program?

There are great resources available at <https://mspartner.microsoft.com/en/us/pages/solutions/cloud-reseller-overview.aspx>.

Will Government and Academic pricing be available on launch?

Government and Academic pricing will be available on most offers in most channels at launch. Tiered pricing will not be available on these offers.

Will Charity pricing be available on launch?

Charity pricing will be available on Plan 1 and Plan 1 business apps at launch, in the web-direct channel. The Operations app and Plan 2 will not be available for charity pricing.

Will Dynamics 365 be available in the United States Government Community Cloud (GCC)?

Only Plan 1 and Plan 1 business apps will be available in GCC in Q4CY2016. However, all features of these licenses may not be available.

Dynamics 365 support plans

Are there basic support benefits included with a subscription?

Yes. For customers who have purchased through MOSP and Volume Licensing channels, basic technical break/fix support is included for customers, with a response time of next business day, during local business hours only.

What other support options are available to customers directly from Microsoft?

Customers purchasing through MOSP and Volume Licensing have the following options:

- Enhanced Support
- Professional Direct Support
- Premier Support

More information about the support options available to customers is [here](#).

If a customer purchases through a Cloud Solution Provider (CSP) partner, what are the support options available to them?

Support for customers who purchase through a CSP Partner will be provided through the partner. More information on the support requirements for the Cloud Solution Provider Program is [here](#).

What if the customer already has a Premier agreement within their organization and they purchase through a CSP Partner? Can they still get direct support from Microsoft?

Yes. If your customer has a Premier contract, the customer may use their Premier contract to contact Microsoft directly for support. The CSP Partner is obligated to provide support to the customer for their IP.

Customer Purchase Options

Online customers

What happens to the Dynamics CRM Online and Dynamics AX SKUs on November 1st?

Current Dynamics CRM Online and Dynamics AX SKUs will be removed from pricelists on November 1, 2016. All new customer purchases after November 1st will be on the Dynamics 365 SKUs. Customers with Dynamics CRM Online and Dynamics AX SKUs already on their CPS can continue to add new users for only those SKUs until renewal, at which time the Dynamics 365 SKUs are transacted.

How do existing online Dynamics AX or Dynamics CRM customers license Dynamics 365?

The Dynamics 365 SKUs can be added at any time after GA for new users within an account. There are options for existing users within an account to transition to the new Dynamics 365 subscriptions midterm, at anniversary or the end of the agreement.

Can I technically upgrade to Dynamics 365 with my existing Dynamics CRM Online or AX licenses?

Yes, you can upgrade your service to Microsoft Dynamics 365 while still on existing Dynamics CRM Online licenses.

Can I add Dynamics 365 SKUs to my account while I still have Dynamics CRM Online or Dynamics AX licenses?

You can have a mix of Dynamics 365 and pre-existing Dynamics CRM Online or Dynamics AX licenses until renewal.

Customers Staying On-Premises

Will license and software assurance or enhancement licensing still be available for new customers for on-premises software?

Yes, license + software assurance/Enhancement Plan SKUs will continue to be made available for all products – Dynamics CRM, Dynamics AX, Dynamics NAV, Dynamics GP and Dynamics SL. Learn more about the roadmap and impact for existing customers [here](#).

Where will Dynamics NAV, Dynamics GP and Dynamics SL on-premises be available?

All of the above products will continue to be available in DPL.

Will there be any changes to the existing Dynamics AX on-premises licensing?

No. Dynamics AX 2012 licenses with annuity will continue to be made available via the EA and DPL. Dynamics AX on premises customers can also make a license transition to Dynamics 365 SKUs in EA, CSP, and MPSA.

Will there be any change to the existing Dynamics CRM on-premises licensing?

Yes. The upcoming release of CRM on-premises will be referred to as Dynamics 365 (on-premises) and will be aligning to similar structure as the on line Dynamics 365 SKUs. There will be an on premises Team

Members license that allows users to have read access to any of the Dynamics 365 applications. CRM on-premises Professional and Basic licenses will be retired in favor of new Sales and Customer Service CALs in all Volume Licensing Programs. The Essential CAL licenses will be replaced by the new Team Members CAL. The CRM server licenses will be included with the CAL licenses and will no longer be sold separately. The CRM server licenses will continue to be available for existing customers until renewal. Customers will be able to add Dynamics 365 on-premises licenses via EA, MPSA, Open and SPLA.

Can new CRM on-premises customers purchase SKUs on DPL?

As of October 2016, no CRM on-premises licenses will be sold to new customers in DPL. Existing Dynamics CRM customers can continue to add on-premises licenses in DPL.

What is path for customers who purchase Dynamics CRM on premises before the new Dynamics 365 on-premises GAs?

Customers who buy licenses and annuity before November 1 will retain their perpetual licenses to use the existing CRM on premises. Customers with active software assurance will get rights to the new Dynamics 365 (on-premises) release. The customer is also eligible for the discounted subscription transition offers, including from SA and add-on.

Existing On-Premises Customer Transition to Dynamics 365 Subscriptions

Is there an offer to help existing on-premises customers license Dynamics 365?

Existing customers as of October 31st who are active on either the Microsoft Dynamics Enhancement Plan or Software Assurance can transition to the Dynamics 365 Plan 1 through a qualified discounted offer that provides more concessionary pricing than the standard on-premises transition options of 15% off user subscription price. This special offer is available beginning November 1st as Add-on and From SA SKUs.

What existing products qualify to use the Dynamics 365 offer?

All existing Microsoft Dynamics NAV, Microsoft Dynamics GP, Microsoft Dynamics SL, Microsoft Dynamics AX, Microsoft Dynamics, CRM customers prior to November 1, 2016 qualify for the offer.

What edition does the customer transition to?

The customer's current product will determine the edition to which they transition.

| On-Premises Product | Transition To |
|--------------------------------|----------------------------------|
| Microsoft Dynamics GP, SL, NAV | Dynamics 365, Business edition |
| Microsoft Dynamics AX | Dynamics 365, Enterprise edition |
| Microsoft Dynamics CRM | Dynamics 365, Enterprise edition |

Will tiered pricing apply to transition offers for Enterprise Plan 1?

Transition offers for existing customers will be one defined price, and will not have any tiered pricing associated with them. This will only apply on the full USL.

How can new on-premises customers after November 1 license Dynamics 365?

New on-premises customers after November 1, 2016 can license Dynamics 365 via a From SA or Add-on user subscription SKU. Both of these options acknowledge customers' existing investment in SA with a standard 15% discount off of the user subscription price.

What is a From SA SKU?

From SA SKUs acknowledge existing customer investments in Dynamics. 'From SA' SKUs are subscriptions available at anniversary/renewal for customers for fully-paid perpetual licenses. Customers that choose to license Dynamics 365 via this process would relinquish their Enhancement or SA and add the corresponding From SA subscriptions. The customer retains the L of their on-premises software and moves forward on a subscription basis.

What is a user subscription Add-on SKU?

User subscription Add-on SKUs (previously 'For SA') provide a simple way for customers to add Dynamics 365 subscription at any time, while continuing to pay for and maintain their current Software Assurance/Enhancement Plan benefits. With Dynamics 365 Add-ons, a customer's underlying license agreement does not change. Customers continue to license their users and devices like they always have, and receive all of their existing benefits—including new version rights. Add-ons are also perfect for mid-term customers who may then take advantage of the 'From SA' SKUs at their next anniversary/renewal.

What SKU should be used if the customer is in the middle of their EA or Enhancement Plan contract?

If the customer is in the middle of their EA or Enhancement Plan term, they can purchase a Dynamics 365 add-on SKU. Add-ons are optimal for customers who maybe new to subscriptions and want to maintain their SA/Enhancement Plan.

Where will the From SA and Add-on SKUs be available?

The Dynamics 365 From SA and Add-on SKUs will be available in EA, MPSA and CSP.

Are all licenses eligible for the From SA offer?

Only fully paid licenses are eligible for the discounted Dynamics 365 offer. This means a customer with active SA can buy a Dynamics 365 subscription at a discounted rate, however any net new licenses will not be eligible for this offer until the L is paid in full.

Are there any limits on the number of Dynamics 365 user subscription Add-on or from SA SKUs a customer may purchase?

Yes. Customers are allowed to purchase only as many SKUs as they have underlying user or device CAL licenses. For example, a customer with 1,000 Dynamics CRM Professional CALs is limited to 1,000 Dynamics 365 Add-ons.

There is an exception for customers on concurrent user licensing. They can purchase more add-on or from SA SKUs than their underlying concurrent user license position.

Are the From SA and Add-on SKUs available for DPL customers?

Yes. DPL customers can end payment on their Enhancement Plan and use the From SA SKU or they can keep paying their Enhancement Plan and add Add-on SKUs.

What happens when an existing Microsoft NAV, Microsoft GP or Microsoft SL customer transitions from concurrent to named users?

At the time of transition, the customer will need to identify the number of named users they need. At that time, the customer will receive the discounted transition pricing on the named users they transition. All net new users added after that initial transition would be subject to the regular pricing.

Resources

What additional licensing materials will be available?

The documents that are specific to Dynamics 365 are:

- Pricing and Licensing Recording (Field [link](#)) (Partner [link](#))
- No Better Time to Buy (Field [deck](#)) (Partner [deck](#))
- Pricing and Licensing FAQ (Field [document](#)) (Partner [document](#))
- Product Terms
- Online Services Terms (OST)
- Service Level Agreements for Microsoft Online Services (SLA)
- Licensing Guide
- Customer Transition Guide

<https://www.microsoft.com/en-us/Licensing/product-licensing/products.aspx>