

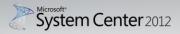
Licensing FAQ

Contents

| System Center 2012 Server Management Licensing | 2 |
|--|---|
| 1. What's new with System Center 2012 licensing? | 2 |
| 2. Can you describe the product editions offered with System Center 2012? | 2 |
| 3. How do I determine the number of Server Management Licenses (MLs) I need? | 2 |
| 4. Can I purchase each of the System Center 2012 Server Management License components separately? | 3 |
| 5. What about previous editions of System Center components (i.e. Configuration Manager 2007 R3 or Service Manager 2010)? | 4 |
| 6. How do I transition to the new server licensing model? | 4 |
| 7. Why do the Server MLs cover up to two processors? | 5 |
| 8. Can I split 2012 Server MLs across multiple servers? | 5 |
| 9. Are there separate offerings without SQL Server Technology? | 5 |
| 10. Do I need to purchase separate Management Server Licenses to run Management Server software? | 5 |
| 11. Can I assign more than one System Center 2012 Standard license to the same server to increase the number of OSEs I may manage? | 5 |
| 12. How much do the Server MLs cost? | 5 |
| 13. Can I extend a Server ML to manage applications running on the public cloud? | |
| 14. What happened to Opalis and AVIcode capabilities? | 5 |
| 15. Can I still purchase licenses for the old System Center server management products? | 6 |
| 16. How does the license migration grant work for server licenses under my Enterprise Agreement (EA)? | 6 |
| 17. If I use Forefront Endpoint Protection to protect my server devices, how do I migrate to System Center 2012? | 6 |
| System Center 2012 Client Management Licensing | 7 |
| 18. What's new in System Center 2012 client management licensing? | 7 |
| 19. What is included with the Client MLs? | 7 |
| 20. Are Client MLs available through the Core CAL or Enterprise CAL Suites? | 7 |
| 21. How much do the Client MLs cost? | 7 |
| 22. Is Software Assurance coverage required on System Center products? | |
| 23. How do I transition to the new client licensing model? | 7 |
| 24. How does the license migration grant work for client licenses under my Enterprise Agreement (EA)? | 8 |
| 25. How do I license System Center 2012 Endpoint Protection? | 8 |
| 26. If I have Forefront Endpoint Protection 2010, can I upgrade to the new version? | 9 |
| 27. How does the license model change in the Services Provider License Agreement (SPLA) Program? | 9 |
| | |

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System Center 2012 Server Management Licensing

1. What's new with System Center 2012 licensing?

System Center 2012 server management licensing maximizes your private cloud value while simplifying purchasing.

- License required only for endpoints being managed. No additional licenses needed for management servers or SQL Server technology.
- **Consistent licensing model across editions.** Processor based license, covering up to two processors targeted at most common hardware configuration
- **Same capabilities across editions differentiated by virtualization rights.** All server management licenses include the same components and the ability to manage any private cloud workload.

2. Can you describe the product editions offered with System Center 2012?

System Center 2012 management licenses will be released in 2 editions differentiated by virtualization rights only:

- Datacenter: Maximizes cloud capacity with unlimited Operating System Environments (OSEs) for high density private clouds
- Standard: For lightly or non-virtualized private cloud workloads.

To provide you with the capabilities you need to manage a private cloud, both Standard and Datacenter editions of System Center 2012 include all the System Center components relevant to managing servers:

- Configuration Manager
- Data Protection Manager

- Service Manager
- Virtual Machine Manager
- Operations Manager

- Orchestrator
- App Controller
- Endpoint Protection

There is no differentiation between the types of workloads you can manage with either edition. The only difference between the editions is the number of Operating System Environments (OSEs) that you can manage per license. Datacenter Edition allows the management of an unlimited number of OSEs per license. Standard Edition allows the management of up to two OSEs per license.

3. How do I determine the number of Server Management Licenses (MLs) I need?

Server MLs are required for managed devices that run server OSEs. Licenses are processor-based, with each license covering up to two physical processors. The number of Server MLs required for each managed server is determined by the number of physical processors in the server for Datacenter Edition and either number of physical processors in the server of OSEs being managed for Standard Edition (whichever is greater).





System Center 2012 Datacenter

Each license covers up to two physical processors, so you must count the number of physical processors on the server, divide that number by two, round up to the nearest whole number, and acquire and assign that number of licenses to your server.

Provided you acquire and assign to your server the required number of Datacenter edition server management licenses, as described above, you may manage any number of OSEs on that server.

System Center 2012 Standard

For each managed server count the number of physical processors and the number of managed OSE's. You need the number of licenses to cover the greater number (processors or OSE's).

| Processor Count | Managed OSE Count |
|---|---|
| Each license covers up to two physical processors, so you must count the number of physical processors on the server, divide that number by two, and then round up to the nearest whole number. | Each license permits you to manage up to two OSEs, so you must count the number of OSEs you will manage on the server, divide that number by two, and round up to the nearest whole number.* |

*An exception to this rule is when the physical OSE on your server is being used solely to run hardware virtualization software, provide hardware virtualization services, and run software to manage and service OSEs on that device. In that case, you only count the number of virtual OSEs you will manage on the server, divide that number by two, and round up to the nearest whole number.

Examples:

| | Datacenter Server MLs Required | Standard Server MLs Required |
|--|--------------------------------|---------------------------------|
| One 1-processor, non-virtualized server | 1 | 1 |
| One 4-processor, non-virtualized server | 2 | 2 |
| One 2-processor server with 3 virtual OSEs | 1 | 2* |
| One 4-processor server with 8 virtual OSEs | 2 | 4* |

*Multiple System Center 2012 Standard licenses may be assigned to the same server to license the number of managed OSEs.

4. Can I purchase each of the System Center 2012 Server Management License components separately?

No. The System Center 2012 Server Management components are part of an integrated offering to create and manage private cloud environments and are available only as part of System Center 2012 Standard and System Center Datacenter MLs.





5. What about previous editions of System Center components (i.e. Configuration Manager 2007 R3 or Service Manager 2010)?

With the release of System Center 2012, the previous versions of System Center components (listed below) will be retired.

- System Center Configuration Manager 2007 R3
- System Center Operations Manager 2007 R2
- System Center Data Protection Manager 2010
- System Center Service Manager 2010
- System Center Virtual Machine Manager 2008 R2

6. How do I transition to the new server licensing model?

To facilitate a smooth transition to the new editions and licensing, Microsoft is offering a license migration grant to qualifying Software Assurance customers.

Existing licenses with Software Assurance in place when System Center 2012 becomes generally available will qualify for license grants for System Center 2012 as summarized below. Customers will continue to pay for existing licenses at their original price through the end of their agreement and will be able to renew Software Assurance coverage on the new licenses.

The Microsoft Volume Licensing Service Center (VLSC) will automatically reflect the license migration grant for qualifying licenses. The grant to System Center 2012 will be facilitated automatically and Customers will have access to System Center 2012 Software via VLSC in the month System Center 2012 becomes generally available.

License Grants for Servers

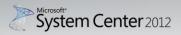
If you have Software Assurance coverage on your current System Center licenses, you will receive the following System Center 2012 Server ML grants at the ratios listed below:

| Current License | Conversion Ratio | New License(s) |
|---|---------------------|---|
| Server Management Suite Datacenter (SMSD) | 2:1* | 1 System Center 2012 Datacenter license |
| Server Management Suite Enterprise (SMSE) | 1:2 | 2 System Center 2012 Standard licenses |
| Any Single Enterprise Server ML | 1:1 | 1 System Center 2012 Standard license |
| Any Single Standard Server ML | 1:1 | 1 System Center 2012 Standard license |
| Any Single Management Server License (with or without SQL Technology) | 1:1 | 1 System Center 2012 Standard license |
| System Center Virtual Machine Manager Server ML | 1:1 | 1 System Center 2012 Datacenter license |

* System Center 2012 Datacenter covers up to 2 processors per license whereas SMSD only covers 1 processor per license.

You may migrate from System Center 2012 Standard to System Center 2012 Datacenter by purchasing a Step-Up License.





7. Why do the Server MLs cover up to two processors?

We've simplified server management licensing by standardizing on a processor-based licensing model. Each license covers up to two physical processors because the vast majority of servers contain an even number of physical processors.

8. Can I split 2012 Server MLs across multiple servers?

No, a single Server ML may not be used to license two one-processor servers.

9. Are there separate offerings without SQL Server Technology?

No. All System Center 2012 products include the right to run a runtime version of SQL Server Technology to support System Center so there are no longer separate offerings.

10. Do I need to purchase separate Management Server Licenses to run Management Server software?

No. With System Center 2012, the right to run Management Server software is included with the Server MLs and Client MLs.

11. Can I assign more than one System Center 2012 Standard license to the same server to increase the number of OSEs I may manage?

Yes. The breakeven point for moving to SC 2012 Datacenter is 7 VMs per host.

12. How much do the Server MLs cost?

The Microsoft Volume Licensing Open License No Level (NL) U.S. Estimated Retail Price (ERP) is \$1,323 for System Center 2012 Standard and \$3,607 for System Center 2012 Datacenter. For your specific pricing, contact your Microsoft reseller. Actual prices may vary. Microsoft does not determine pricing or payment terms for licenses acquired through resellers.

13. Can I extend a Server ML to manage applications running on the public cloud?

Yes, with the License Mobility through Software Assurance benefit, you can assign Server ML to manage applications running on a public cloud infrastructure. System Center 2012 Standard licenses allow you to manage two virtual OSE in a public cloud, while System Center 2012 Datacenter licenses allow you to manage up to eight virtual OSEs in a public cloud. For more information, see the <u>Microsoft License Mobility</u> through Software Assurance Customer Guide.

14. What happened to Opalis and AVIcode capabilities?

Opalis is now integrated into System Center 2012 as the Orchestrator component, and AVIcode capabilities are now integrated into the Operations Manager component.



15. Can I still purchase licenses for the old System Center server management products?

License and Software Assurance (L&SA) offerings for existing versions of individual product Server Management Licenses and the individual product Management Server Licenses are being removed from the February 2012 Price List. After General Availability of System Center 2012 customers will be allowed to purchase Licenses of the previous version of System Center products.

License Availability from February 1, 2012 to System Center 2012 General Availability:

| License | L-Only | L&SA | SA Renewal |
|----------------------------|--------|------|------------|
| Server Management Suites | N/A | Yes | Yes |
| Standalone Server MLs | Yes | No | Yes |
| Management Server Licenses | Yes | No | Yes |

License Availability after System Center 2012 General Availability:

| License | L-Only | L&SA | SA Renewal |
|----------------------------|--------|------|---------------|
| System Center 2012 MLs | N/A | Yes | Yes |
| Server Management Suites | N/A | No | Yes* |
| Standalone Server MLs | Yes | No | Yes* |
| Management Server Licenses | Yes | No | Yes* |

*Through September 30, 2012.

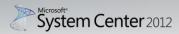
16. How does the license migration grant work for server licenses under my Enterprise Agreement (EA)?

License migration grants under the EA will be provided as explained in Q6. Where EA differs is the amount of time through which additional standalone Server ML and/or Management Server Licenses may be purchased and continue to qualify for the license migration grant described in Q6. As a benefit to customers purchasing the existing licenses through an Enterprise Agreement, Microsoft will honor the license migration grant for standalone Server ML and Management Server Licenses purchased through your first anniversary after January 17, 2012.

17. If I use Forefront Endpoint Protection to protect my server devices, how do I migrate to System Center 2012?

Customers with active device subscriptions for Forefront Endpoint Protection 2010 (FEP) assigned to server devices can continue to use the FEP service for the remainder of their agreement. At the end of the term of their agreement they may purchase System Center 2012 Standard or Datacenter.





System Center 2012 Client Management Licensing

18. What's new in System Center 2012 client management licensing?

Client Management License (MLs) are required for managed devices that run non-server OSEs. There are three Client MLs offered:

- System Center 2012 Configuration Manager Client ML
- System Center 2012 Endpoint Protection Client Subscription License (SL)
- System Center Client Management Suite Client ML

19. What is included with the Client MLs?

Client Management Licenses include the following components:

| Offering | Components Included |
|--|--|
| System Center 2012 Configuration Manager Client ML | Configuration ManagerVirtual Machine Manager |
| System Center 2012 Endpoint Protection Client ML | Endpoint Protection |
| System Center Client Management Suite Client ML | Service Manager Operations Manager Data Protection Manager Orchestrator |

20. Are Client MLs available through the Core CAL or Enterprise CAL Suites?

Yes. The Core CAL Suite includes System Center 2012 Configuration Manager Client ML and Endpoint Protection Client ML. The Enterprise CAL Suite includes all three System Center 2012 Client MLs.

21. How much do the Client MLs cost?

The Microsoft Volume Licensing Open License NL U.S. Estimated Retail Price is \$62 for System Center 2012 Configuration Manager Client ML, \$22 for System Center 2012 Endpoint Protection Client ML, and \$121 for System Center Client Management Suite Client ML. For your specific pricing, contact your Microsoft reseller. Actual prices may vary. Microsoft does not determine pricing or payment terms for licenses acquired through resellers.

22. Is Software Assurance coverage required on System Center products?

Yes, initial Software Assurance coverage is included with all System Center 2012 licenses.

23. How do I transition to the new client licensing model?

To facilitate a smooth transition to the new editions and licensing, Microsoft is offering a license migration grant to qualifying Software Assurance customers.

Existing licenses with Software Assurance in place when System Center 2012 becomes generally available will qualify for license grants for System Center 2012 as summarized below. Customers will continue to pay

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for existing licenses at their original price through the end of their agreement and will be able to renew Software Assurance coverage on the new licenses.

The Microsoft Volume Licensing Service Center (VLSC) will automatically reflect the license migration grant for qualifying licenses. You do not need to take any action to receive your license grant and will have access to System Center 2012 Software via VLSC in the month System Center 2012 becomes generally available.

License Grant for Clients

If you have Software Assurance on your System Center Client MLs as of the date System Center 2012 becomes generally available, you will receive the following System Center 2012 Client ML grants at a 1:1 ratio:

| Current License | New License |
|--|---|
| System Center Operations Manager Client ML | |
| System Center Data Protection Manager Client ML | System Center 2012 Client Management Suite Client ML license for each individual qualifying product Client ML |
| System Center Service Manager Client ML | |
| System Center Configuration Manager 2007 R3 Client ML | System Center 2012 Configuration Manager Client ML |
| System Center Virtual Machine Manager Client ML | System Center 2012 Configuration Manager Client ML |
| System Center Microsoft Forefront Endpoint Protection 2010 Subscription License | System Center 2012 Endpoint Protection Subscription License |

Note: There are no step-up paths for Client MLs.

24. How does the license migration grant work for client licenses under my Enterprise Agreement (EA)?

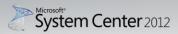
License migration grants under the EA will be provided as explained in Q23 above. Where EA differs is the amount of time through which additional standalone Client MLs (Service Manager, Operations Manager, Data Protection Manager, Virtual Machine Manager) may be purchased and continue to qualify for the license migration grant described in Q23. As a benefit to customers purchasing the existing licenses through an Enterprise Agreement, Microsoft will honor the license migration grant for standalone Client MLs and Management Server Licenses purchased through your first anniversary after January 17, 2012.

25. How do I license System Center 2012 Endpoint Protection?

System Center 2012 Endpoint Protection is a subscription product that is licensed in multiple ways. You can protect client users or devices via a standalone subscription through Microsoft Volume Licensing channels. Additionally, System Center 2012 Endpoint Protection is available via Microsoft CAL Suites (Core CAL and Enterprise CAL). You can protect server operating systems via System Center 2012 Standard or Datacenter server management licenses.

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26. If I have Forefront Endpoint Protection 2010, can I upgrade to the new version?

Yes, an active subscription to Forefront Endpoint Protection 2010 will allow customers to upgrade to the new System Center 2012 Endpoint Protection product. Customers with active subscriptions to System Center 2012 Endpoint Protection can downgrade to Forefront Endpoint Protection 2010.

27. How does the license model change in the Services Provider License Agreement (SPLA) Program?

In April 2012 The SPLA program will offer partners the following:

- System Center 2012 Datacenter. For highly virtualized private clouds.
- System Center 2012 Standard. For lightly or non-virtualized private clouds.
- System Center 2012 Configuration Manager Client ML
- System Center 2012 Endpoint Protection Client ML
- System Center Client Management Suite Client ML

Core Infrastructure Sku Standard in addition to the existing Core Infrastructure Sku Datacenter

The SPLA subscription program rule is: if a partner was licensing a particular product at the time it was removed from the SPUR/Price List, they can continue licensing/ordering that product/SKU until the earlier of: a) they migrate to the newer version; or b) their SPLA agreement expires and is renewed.

| License model for Servers | |
|---|---|
| SPLA-Current License (Subscriber Access Licenses (SALs) | SPLA-New License(s)* (Per Processor license model) |
| Server Management Suite Datacenter (SMSD) | System Center 2012 Datacenter license April 2012 |
| Server Management Suite Enterprise (SMSE) | System Center 2012 Standard or System Center 2012 DC license April 2012 |
| Any Single Enterprise Server ML | Retired January 2013 |
| Any Single Standard Server ML | Retired January 2013 |
| Any Single Management Server License (with or without SQL Technology) | Retired January 2013 |
| System Center Virtual Machine Manager | Retired January 2013 |

License Model for Servers

License Model for Clients

| Current License (Subscriber Access Licenses (SALs) | New License* (Subscriber Access Licenses (SALs) |
|---|---|
| System Center Operations Manager Client ML | System Center 2012 Client Management Suite Client ML |
| System Center Data Protection Manager Client ML | license for each individual qualifying product Client ML April |
| System Center Service Manager Client ML | 2012 |
| System Center Configuration Manager 2007 R3 Client ML | System Center 2012 Configuration Manager Client ML license April 2012 |
| System Center Virtual Machine Manager | Retired January 2013 |
| Forefront Endpoint Protection 2010 subscription license | System Center 2012 Endpoint Protection subscription license April 2012 |

Please refer to the SPLA Product use rights for further details

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