

This brief applies to all Microsoft Volume Licensing programs.

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# Summary

This licensing brief provides an explanation of Microsoft operating system license requirements for initial operating systems, the transfer of licenses, and the reassignment of licenses.

## What's new in this brief

This brief replaces a previous version published in December 2014. It has been updated to reflect Windows 10.

## **Definitions**

**Transferring Operating System Licenses:** This is the transfer of the operating system license to a third party.

**Reassignment Operating System Licenses:** This is defined as the reassignment of the operating system license and the associated redeployment of the operating system software from one device to another. A significant component upgrade can result in a new device.

**Volume Licensing Upgrade Licenses:** The Windows upgrade license is "tied" to the device to which it is first assigned and may not be reassigned. However, Volume Licensing customers are eligible to reassign

Software Assurance coverage to an appropriately licensed replacement device. The replacement device must be licensed to run the latest version of the desktop PC operating system available as of the date of the reassignment. In addition, the customer must remove from the original device any desktop PC operating system upgrades that were installed under the transferred Software Assurance coverage. Customers may not otherwise separate Software Assurance coverage from the underlying license for which it is ordered.

## **Details**

#### **Initial operating system requirements**

You cannot acquire *full* Windows operating system licenses for desktop PCs through Microsoft Volume Licensing programs. You can only acquire *upgrade* licenses. You must first have licensed and installed a qualified full desktop PC operating system on your device *before* your PC is eligible for the Windows Pro upgrade license or Windows Enterprise upgrade license through Microsoft Volume Licensing programs. You can acquire full Windows operating system licenses for desktop PCs preinstalled on a new PC by an original equipment manufacturer (OEM).

	Transfer of a Windows License	Reassignment of a Windows License
OEM Licenses	The OEM license for the Windows desktop PC operating system is "tied" to the device on which software is first installed. Accordingly, customers may not transfer the OEM license to a third party without that device. As long as the license and device remain together, no limit exists for the number of times they may be transferred.	The OEM license for the Windows operating system for desktop PCs is "tied" to the device on which it is preinstalled. Accordingly, customers may not reassign it to a different device.
Volume Licensing Upgrade Licenses and Microsoft Software	The Volume Licensing Upgrade license for the Windows desktop PC operating system is "tied" to the device on which the software is first installed.  Accordingly, customers may not transfer the Volume Licensing operating system license without that device.  Other restrictions apply to the transfer of Volume Licensing licenses to third parties. Customers should refer to their agreements for details.	The assignment of Licenses for the desktop operating system (excluding Windows VDA) is permanent, with the following exception as provided through Software Assurance (SA):
Assurance		You may reassign SA coverage from the original device to a replacement device, but not on a short-term basis (i.e., not within 90 days of the last assignment), as long as (1) you have licensed and installed on the replacement device the latest version of a Qualifying Operating System and you reassign the underlying Windows Enterprise license to the same replacement device, and (2) you remove any related operating system upgrades from the original device.

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Retail full
package
product (FPP)
Licenses
(Windows 7
and prior
versions only)

The FPP license for the Windows desktop PC operating system may be transferred once to a third party. However, the software must be uninstalled and completely removed from the licensed device when the license is transferred without that device.

The FPP license for the Windows desktop PC operating system may be reassigned to another device. However, the software deployed under that license must be uninstalled and completely removed before the license is reassigned to another device.

# **Volume Activation**

Windows product activation is a set of technologies enabling customers to confirm that their copy of Windows is properly licensed. Product activation is required for all editions of Windows 8 (or later versions).

Volume Activation allows enterprise customers to automate the activation process and make it transparent to users. Volume Activation applies to computers that are covered under a Volume Licensing program, and for customers using Volume Licensing media that were first introduced with Windows Vista and have since been enhanced. It is used strictly as a tool for activation, and it is not tied to license invoicing or billing.

#### **Activation through Key Management Service and Multiple Activation Key**

Key Management Service (KMS) allows organizations to activate computers within customer environment through an internally hosted service, and Multiple Activation Key (MAK) activates computers on a one-time basis by using the hosted activation services provided by Microsoft. Customers can use either or both key types to activate computers in their environments.

#### **Activation through Microsoft Active Directory**

During Active Directory-based activation, any computers connected to the domain and running Windows 8 (or later versions) or Windows Server 2012 (or later versions) will activate automatically and transparently during computer setup. These clients stay activated as long as they remain members of the domain and maintain periodic contact with a domain controller.

# Frequently asked questions

1. Can a Volume Licensing customer purchase new devices that do not have an operating system preinstalled, and license the Windows operating system through Volume Licensing?

No. All new PCs should be purchased with the Windows operating system preinstalled by the original equipment manufacturer (OEM).

Microsoft Volume Licensing programs are not a source for full licenses for the Windows operating system. These programs offer only *upgrade* licenses for the Windows desktop PC license. A customer using the Volume Licensing Windows desktop PC operating system media to install a full operating system is not legally licensed for desktop PC operating system software if they acquire a PC that does not have a licensed copy of the software preinstalled. Using that same operating

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system media, they are also not legally licensed if they acquire the Volume Licensing upgrade license without having a licensed copy of a qualifying desktop PC operating system installed on their device.

2. Scenario: A customer has an older device that came preinstalled with a licensed copy of Windows 7 Professional but was upgraded to Windows 10 Pro using a Windows 10 Pro Upgrade license acquired through their Volume Licensing program. If the customer decides to donate this device to a charity, can they remove the newly installed Windows 10 Pro software from that device and transfer the license to a different device within their organization?

No. Under Microsoft Volume Licensing programs, operating system licenses are tied to the device to which they are first assigned. If a customer acquires a current Windows desktop PC operating system upgrade license through Microsoft Volume Licensing programs and assigns that license to and installs the desktop PC operating system upgrade on a device, the license is then tied to that device. The customer cannot reassign the license to another device, regardless of whether or not the desktop PC operating system software is removed from the original device.

3. A Volume Licensing customer is replacing an older PC and wants to order a new PC without a desktop PC operating system and install the Windows operating system using their Volume Licensing media. Can they do this? What if they order a Volume Licensing upgrade for that new PC?

Volume License media can be used to deploy software *only* to licensed desktop PCs. A customer cannot acquire an initial or "full" Windows desktop PC license through any Microsoft Volume Licensing program. The Windows desktop PC operating system upgrade license is for *upgrades* only. To be eligible for the Windows upgrade license through Volume Licensing, customers must first acquire a full license for a qualifying operating system preinstalled by an OEM.

4. Where are the descriptions of the Volume Licensing upgrade license qualifying desktop PC operating system licenses?

The <u>Product Terms</u> provides the list of operating systems that qualify a customer to purchase the Windows desktop PC operating system upgrade license in Volume Licensing.

5. What if I reimage a PC with Windows Enterprise under Software Assurance and the Windows Software Assurance coverage expires or the licensed user (in the case of Windows Software Assurance per User) leaves the company?

You are required to revert the PC back to its original licensed operating system.

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