Transacting Online Services in CSP

Online Services Subscriptions

- A Subscription is created for each license type that a customer requires – for example, Office 365 E3
- Subscriptions are for 12 months aligned to the Subscription's creation date
- All Subscriptions automatically renew
- When a Subscription is created, the price of the license is fixed for the duration of the Subscription

Adjusting numbers of licenses in a Subscription

Adding licenses

- Additional licenses can be added to an existing Subscription at any time. The end date of the Subscription does not change
- The price of the licenses remains consistent for the duration of the Subscription
- Payments are pro-rated by the day and added to the invoice at the next billing date

Reducing licenses

- Licenses may be reduced in an existing Subscription at any time
- Currently, there is no penalty for reducing licenses and money is refunded
- Refunds are pro-rated by the day and issued on the invoice at the next billing date

Suspending a Subscription

- A suspended status puts the Subscription into a data-retention mode. Users do not have access to services, but administrators have access to the data associated with the Subscription. 90 days after a Subscription is suspended, the Subscription is moved to a deprovisioned state, where all data is removed
- Each Subscription may be suspended independently and may be reactivated after suspension
- Suspending a Subscription is useful when a customer wants to move to a higher license type. For example, if a customer had 27 Microsoft 365 E3 licenses and wanted to move to Microsoft 365 E5, the Microsoft 365 E3 Subscription would be suspended, and a new Subscription created for Microsoft 365 E5

Working with users

- Purchased licenses are not automatically assigned to users
- Licenses are charged for whether or not they are assigned to users
- By default, a customer does not have the ability to add users or assign licenses to users

Billing Online Services Subscriptions

Partners may choose upfront annual or monthly billing for each Subscription
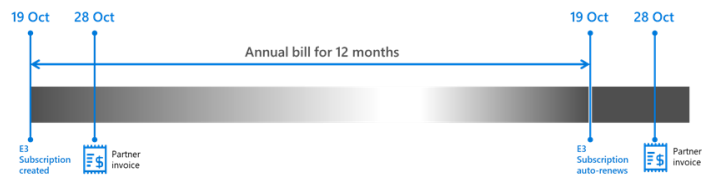
Monthly billing

- The first invoice is issued on the next billing date after the Subscription was created. This invoice covers the period back to when the Subscription was created, and forward to 30 days from the creation date
- The next invoice is issued on the next billing date

A monthly billed Subscription may be changed to annually billed, and the term and price protection are reset

Annual billing

- The first invoice is issued on the next billing date after the Subscription was created. This invoice covers the period back to when the Subscription was created, and forward to 365 days from the creation date
- The next invoice is issued on the next billing date

An annually billed Subscription may be changed to monthly billed, and the term and price protection are reset

Free trials

Free trials are available for some license types in CSP, for example Microsoft 365 Business Premium

The rules

- Each customer is eligible for one free trial per offer
- If a customer already has a Subscription to a product, they are not eligible for a free trial too
- A trial duration is always 30 days and may not be extended
- A trial is always for 25 licenses and seats may not be added or removed

Converting to paid Subscriptions

- Free trials do not automatically convert to paid Subscriptions
- Neither customers nor partners are notified of trials ending
- Data is retained in line with data retention standards
- The paid Subscription end date will be 12 months from the date of conversion