

Outsourcing Software Management

Summary

In the context of licensing, outsourcing refers to customers' right to use software outside their own data centers. Microsoft's licensing policy defines where outsourcing of Microsoft software is permitted, and which licenses allow outsourcing.

This document provides an overview of Microsoft's licensing policies for outsourcing software management. It explains that Microsoft allows its Commercial Licensing customers to run previously purchased software on third-party managed servers, including cloud servers, under specific conditions. The document details the different outsourcing options available, such as using Authorized Outsourcers and License Mobility through Software Assurance. It also covers the impact of policy updates from October 2019 and October 2022 on customers' outsourcing rights. Additionally, the document addresses frequently asked questions about the use of software licenses on third-party servers, including those of Listed Providers like AWS and Azure. Finally, it provides guidance on the Flexible Virtualization Benefit and other resources for further information.

Applicable terms and conditions

The terms and conditions governing outsourcing appear in the [Universal License Terms](#) section of the Product Terms. Terms and conditions governing product-specific options to redeploy licenses to the cloud are addressed in the individual product sections of the Product Terms. Customers remain responsible for ensuring compliance with the terms and conditions of their Commercial Licensing agreement with Microsoft for all uses of Microsoft software and services. The Product Terms, as updated in October 2019 and October 2022, preserve customers' historical right to redeploy software licenses on dedicated hardware that is under the day-to-day management of a traditional outsourcer (i.e., an Authorized Outsourcer). The updates specifically removed the option to redeploy licenses without License Mobility rights on Listed Providers' servers.

Outsourcing options

As a Microsoft Commercial Licensing customer, you have a few different options for using outsourcers, including redeploying licenses to Authorized Outsourcers' servers, Cloud Solution Provider-Hosters, and redeploying licenses through License Mobility to Authorized Mobility Partners' servers. Under the Flexible Virtualization Benefit introduced in October 2022, outsourcing rights are expanded for customers with active subscription licenses or licenses with active Software Assurance to include Authorized Outsourcers' shared servers.

Using Authorized Outsourcers

An Authorized Outsourcer is any entity that is not a Listed Provider nor using a Listed Provider for data center resources. Rights to use Authorized Outsourcers apply broadly across Microsoft software products. All software licenses, subscription or perpetual, with or without Software Assurance coverage, permit you to use Authorized Outsourcers to host your workloads on servers dedicated to individual customers.

Active subscription licenses and licenses with active Software Assurance permit you to choose between Authorized Outsourcers' shared or dedicated hardware under the Flexible Virtualization Benefit. The terms of the Flexible Virtualization Benefit are contained within the [Outsourcing Software Management clause found in the Universal License Terms](#). Refer to the [Flexible Virtualization Benefit licensing guidance](#) for additional information.

Using License Mobility

If you have Software Assurance, you also have the right to move covered licenses to Authorized Mobility Partners' clouds under License Mobility through Software Assurance. These rights cover use on both shared and dedicated servers. However, the License Mobility through Software Assurance rights apply only to specific server applications (such as SQL Server) and are not generally available to all software. There was no change to License Mobility through Software Assurance rights in the October 2022 policy updates.

Frequently asked questions

Refer to the [FAQ page](#).

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