




# Microsoft Licensing 101

For each Microsoft software program used, a license is needed. Microsoft offers a range of licensing options to meet the needs of different customers from home users to large organisations. The terms and conditions that accompany each licensing option vary, as does the price, according to the type of license purchased.



Generally licenses with the greatest flexibility will cost more than the licenses which have less flexibility. **The three most common ways customers purchase Microsoft Software licenses are:**

OEM Software (Original Equipment Manufacturer)	How to buy	Customer	Benefit	Considerations
 <p><b>Microsoft software preinstalled on a new PC, laptop or server</b></p>	Software sold with any new hardware	Varies	Often the most economical way to purchase Windows Operating System for a PC or laptop	Licenses can never be moved or transferred to other hardware <i>See front of this guide for full restrictions</i>
FPP Software (Full Packaged Product)	How to buy	Customer	Benefit	Considerations
 <p><b>Generally sold pre-packaged in a box</b></p>	Retail or online store	Usually home users or small businesses	Simple and convenient. The box contains everything you need for installing the product	Can be difficult to track and manage. Expensive way for businesses to buy software licenses
Volume Licensing (purchasing in bulk/volume)	How to buy	Customer	Benefit	Considerations
 <p><b>License for specified Microsoft products (covered by a Volume Licensing agreement)</b></p>	Any Microsoft Reseller	Requiring 5+ licenses in any one purchase	Flexible, designed for business. Benefits such as annual payments & subscription options	Requires 2 or 3 year commitment. Benefits vary between volume licensing programs

## Licensing Help

Contact your Microsoft Reseller or visit [www.microsoft.co.nz/licensing](http://www.microsoft.co.nz/licensing)

Alternatively call the Microsoft Licensing Helpdesk: 0800 800 004 (press option 5)  
Available 9.30am – 7.30pm Monday to Friday, excluding public holidays

## Customer Reference

# Get the facts: Microsoft OEM Software

**What is an OEM?** An Original Equipment Manufacturer (or system builder) is a person or company that builds computer systems from individual components.

**What is a 'computer system'?** A fully assembled computer system including a CPU, motherboard, power supply, internally mounted solid state disk or revolving magnetic-based hard drive, and a case.  
*For Server products, a hard drive and separate power supply are not required.*

**What is OEM Software?** System Builders purchase Microsoft OEM Software to pre-install on PCs that are then sold to 3rd parties (organisations and end users)

It's important to understand what you can and can't do with Microsoft OEM Software licenses:

	<p><b>Transferring Licenses</b> OEM software may <b>NOT</b> be transferred to another machine <i>Even if the original laptop, PC or Server is no longer in use, or if the software is removed from the original hardware, the OEM licenses are tied to the device on which software is first installed.</i></p>
	<p><b>Microsoft Office and Terminal Server (applicable to businesses)</b> OEM versions of Microsoft Office may not be deployed in a terminal Server environment <i>For customers requiring Microsoft Office to run in a Terminal Server environment, the Office licenses should be purchased under a Microsoft volume licensing agreement (i.e. Open Value)</i></p>
	<p><b>Microsoft Office:</b> OEM versions of Microsoft Office software <u>do not</u> grant downgrade rights <i>Software Assurance can be purchased within 90 days offering home use, training, and more!</i></p>
	<p><b>Microsoft Windows:</b> OEM versions of Windows <u>do</u> grant downgrade rights <i>Windows 7 Professional and Ultimate allows downgrade rights to Windows Vista Pro OR Windows XP Professional from the release date for a period of 18 months</i></p>
	<p><b>Microsoft Windows Server:</b> OEM versions of Windows Servers <u>do</u> grant downgrade rights <i>Windows Server 2003 R2 and beyond allows downgrade rights to an earlier version</i></p>
	<p><b>Re-imaging</b> <i>Re-imaging rights are a benefit granted to volume licensing customers. Volume licensing customers may re-image software <u>they have licensed</u> (including OEM Software) using volume licensing media.</i></p>
	<p><b>Hardware Replacement</b> <i>The motherboard is the component that determines whether or not a new Windows license is required. Motherboard upgrades or replacements require a new operating system license with an identical series motherboard (unless a replacement for a defect).</i></p>
	<p><b>Volume Licensing Customers</b> <i>Customers with Windows desktop operating system licensed under their volume licensing agreements <u>require</u> an underlying Windows license. <b>Volume licensing = upgrades only.</b> Windows Home or Starter editions are not eligible underlying operating systems for upgrades.</i></p>

## Genuine Microsoft Software

### Benefits of using genuine Microsoft Software:

- **Confidence and Peace of Mind:** Trust that your software is authentic, properly licensed and supported by Microsoft or a trusted partner
- **Capabilities you expect:** Your system will deliver features, options and performance you need to maximise productivity and enjoyment
- **Ongoing improvements and additional value:** Microsoft Office and Windows customers get access to important updates, enhancements and product innovations

### Risks when software isn't genuine:

- Valuable information stored on a PC or Server can be exposed
- Risk of increased susceptibility to spyware or malware
- Persistent desktop warnings and notifications
- Access to special offers and downloads reserved for only genuine users are not available

## Genuine Software or not Genuine Software?

Are you worried you may have counterfeit or pirated Microsoft Windows (or Microsoft Office) software? Check online. It's confidential and easy: [www.microsoft.com/genuine](http://www.microsoft.com/genuine)



## Get Genuine Windows

Some customers fall victim to non-genuine Windows software when they purchase PCs/laptops without an operating system pre-installed, or simply use their volume licenses to install a full copy of Windows. Some customers unintentionally purchase counterfeit software.

No matter the situation, if you have non Genuine Windows licenses there is no better time to get legal with Microsoft's Get Genuine Windows Solutions. Designed for customers who already own a fully assembled PC or laptop wishing to get correctly licensed, there are a number of solutions:

<b>Get Genuine Kit (GGK)</b>	<ul style="list-style-type: none"><li>● For customers requiring Genuine Windows Licenses.</li><li>● Software Assurance available within 90 days via volume licensing</li><li>● Available from Microsoft OEM System Builder/PC Manufacturer</li></ul>
<b>Get Genuine Online Kit (GGOK)</b>	<ul style="list-style-type: none"><li>● For customers who failed online validation of their Windows Software at <a href="http://www.microsoft.com/genuine">www.microsoft.com/genuine</a></li><li>● Easy and convenient – purchased online. Anonymous to Microsoft</li></ul>
<b>Get Genuine Windows Agreement (GGWA)</b>	<ul style="list-style-type: none"><li>● Volume licensing agreement. For customers requiring 5+ genuine Windows licenses (available through any Microsoft Reseller)</li><li>● <i>Academic pricing available for eligible organisations.</i></li></ul>

For "Get Genuine Windows" pricing and information please contact your Microsoft Reseller

## Microsoft OEM Software: Purchasing Checklist

For OEM software (preinstalled on a laptop, PC or server), always make sure your customers receive the following:

- ✓ Original software media
- ✓ Certificate of Authenticity (COA)
- ✓ Invoice/receipt

## Naked PCs

**Common misconception:** "I don't need a Windows Operating System preinstalled on my PC/laptop as my licensing agreement has me covered..." **This is incorrect.**

**Fact:** There are no Microsoft Volume Licensing agreements or education agreements which include the base (full) Windows Desktop Operating System. Microsoft Windows purchased through volume licensing agreements are always UPGRADES. Upgrades require an underlying qualifying full operating system license, generally OEM software preinstalled on a PC or laptop.

*If you are in this situation talk ask your Microsoft Reseller about "Get Genuine Windows" solutions*

## Second Hand or Donated PCs

OEM licenses are "tied" to the device on which software is first installed. If the hardware (PC or laptop etc) is donated or sold, the OEM software must remain with the hardware on which it was first installed. **In any transfer the following must be included:**

- Original software media
- Certificate of Authenticity (COA)
- Original purchase invoice/receipt (if available)

*If you are in this situation talk ask your Microsoft Reseller about "Get Genuine Windows" solutions*

## Report Piracy

Are you aware of any retailers or system builders selling Microsoft software for a fraction of the original price? Do you suspect a company or individual distributing software illegally? We'd like to know about them. Tell us confidentially via email: [nzpiracy@microsoft.com](mailto:nzpiracy@microsoft.com) or visit:

[www.microsoft.co.nz/piracy](http://www.microsoft.co.nz/piracy)