Microsoft **Open License Value** Agreement

This Microsoft Open License Value Agreement is entered into between you, the Customer, and MSLI GP. Each party will notify the other in writing if any of the information in the following table changes.

### Customer

<table>
<thead>
<tr>
<th>Name of Entity</th>
<th>Contact Name</th>
<th>Street Address</th>
<th>Contact Email Address</th>
<th>City</th>
<th>State/Province</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>(required for online access)</td>
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</tbody>
</table>

Send your Agreement to:

MSLI, GP - 6100 Neil Road, Suite 210 - Reno, Nevada USA 89511-1137 - Dept. 551, Volume Licensing

This agreement consists of (1) this cover page, (2) Defining your option, language, and affiliates, (3) the Reseller Information Form, (4) the attached Terms and Conditions, (5) the Product List, (6) the product use rights applicable to products licensed under this agreement, and (7) any orders under this agreement.

**Effective date.** This agreement will be effective on the date it is accepted by MSLI, GP unless a previous agreement, enrollment, or authorization number (previous number) is provided. In such case the effective date will be one day following the expiration of the previous number. This agreement will be void if a valid initial order is not received by MSLI, GP within 5 days of Microsoft providing a new agreement number. You will receive an email acceptance notification confirming the effective date of this agreement.
<table>
<thead>
<tr>
<th>Microsoft Licensing Web Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Note: We will advise you of any changes to these URLs.)</td>
</tr>
<tr>
<td>Product Use Rights</td>
</tr>
<tr>
<td>Product List</td>
</tr>
<tr>
<td>Microsoft Volume Licensing Services (MVLS)</td>
</tr>
<tr>
<td>(password protected site to view orders under this agreement)</td>
</tr>
</tbody>
</table>

By signing below, you agree to be bound by the terms of this agreement, and you represent that the information you have provided on this cover page is accurate.

<table>
<thead>
<tr>
<th>Customer Signature</th>
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</thead>
<tbody>
<tr>
<td>Signature</td>
</tr>
<tr>
<td>Printed Name</td>
</tr>
</tbody>
</table>
Defining your option, language, and affiliates

Company-wide Option
You may elect the option to license all of your qualified desktops, including any affiliates you list under this agreement (if any) for the platform products or one of the component products (Enterprise Products) listed below for the term of this agreement. When you elect any of the Company-wide options, Microsoft can pass along additional cost savings to you and you are eligible for Software Assurance Membership benefits during the term of this agreement. If you select this option, you are making a Company-wide commitment to the selected products for you and all affiliates you list under this agreement (if any). The minimum quantity to qualify for this option is 5 qualified desktops. Complete sections (b) and (c) only if you want the Company-wide option.

a. Select the Platform or component Enterprise Products you want to license.

To select a Company-wide option, mark the box to tell us which products you want to license on a Company-wide basis. The Desktop Professional Platform consists of all three enterprise products and provides additional cost savings above the individual components. If you are not licensing under the Company-wide option, select “No, I do not elect any Company-wide option under this agreement” box.

```
Company-wide Option

☐ Microsoft Office Professional
☐ Microsoft Windows Professional Desktop Operating System Upgrade
☐ Core Client Access License (CAL)
☐ Desktop Professional Platform

☐ No, I do not elect any Company-wide option under this agreement
```

b. Select your language option.

Complete this only if you selected a Company-wide option. Your selection below will determine the languages in which you may run enterprise products licensed under this agreement. If you select “Listed Languages,” you may run (i) all copies of each of the selected enterprise products in any of the languages identified as “Listed Languages” below, and (ii) up to 10% of the copies of each of the selected enterprise products in any of the languages identified as “Restricted Languages” below. If you select “All Languages,” you may run all copies of the selected enterprise products in any of the “Listed Languages” and any of the “Restricted Languages.”

```
Check only one of the boxes below to indicate your language option

☐ Listed Languages
☐ All Languages
```
c. **Define the affiliates you will include in your agreement.**

Complete this if you selected a Company-wide option. If you are including affiliates, please provide us with their name and the country location. Use this section to identify which affiliates within your region you include in this agreement. Your affiliates must consist of entire legal entities. No partial entities such as departments, divisions or business units will be permitted. Each affiliate must be entirely “in” or entirely “out.”

<table>
<thead>
<tr>
<th>Affiliate Name</th>
<th>Country</th>
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<tbody>
<tr>
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</tbody>
</table>

- Exclude all affiliates
- Automatically include all future affiliates within your region

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### “Listed Languages”

<table>
<thead>
<tr>
<th>Language</th>
<th>Language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arabic</td>
<td>Korean</td>
</tr>
<tr>
<td>Simplified Chinese</td>
<td>Japanese</td>
</tr>
<tr>
<td>Traditional Chinese</td>
<td>Polish</td>
</tr>
<tr>
<td>Czech</td>
<td>Portuguese (Brazil)</td>
</tr>
<tr>
<td>English¹</td>
<td>Russian</td>
</tr>
<tr>
<td>French Canadian</td>
<td>Turkish</td>
</tr>
<tr>
<td>Hebrew</td>
<td>Thai</td>
</tr>
<tr>
<td>Hungarian</td>
<td>Spanish²</td>
</tr>
</tbody>
</table>

### “Restricted Languages”

<table>
<thead>
<tr>
<th>Language</th>
<th>Language</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danish</td>
<td>Greek</td>
</tr>
<tr>
<td>Dutch</td>
<td>Italian</td>
</tr>
<tr>
<td>English³</td>
<td>Norwegian</td>
</tr>
<tr>
<td>Finnish</td>
<td>Portuguese (Portugal)</td>
</tr>
<tr>
<td>French</td>
<td>Spanish⁴</td>
</tr>
<tr>
<td>German</td>
<td>Swedish</td>
</tr>
</tbody>
</table>

¹ English is a “Listed Language,” except when restricted as described in the “Restricted Languages” list (see footnote 3).
² Spanish is a “Listed Language,” only if this agreement is signed in Latin America.
³ English is a “Restricted Language” if this agreement is signed in Austria, Belgium, Denmark, France, Finland, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, United Kingdom, Switzerland, Sweden, or Spain.
⁴ Spanish is a “Restricted Language” unless this agreement is signed in Latin America.

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Footnotes:
1. English is a “Listed Language,” except when restricted as described in the “Restricted Languages” list (see footnote 3).
2. Spanish is a “Listed Language,” only if this agreement is signed in Latin America.
3. English is a “Restricted Language” if this agreement is signed in Austria, Belgium, Denmark, France, Finland, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, United Kingdom, Switzerland, Sweden, or Spain.
4. Spanish is a “Restricted Language” unless this agreement is signed in Latin America.
Reseller Information Form

Use this form to identify your selected reseller and have your reseller complete the information below and acknowledge your selection by signing below.

<table>
<thead>
<tr>
<th>Reseller Information:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Reseller Customer Public Number (PCN)  (If the reseller’s “PCN” is known, rows 2 through 10 do not need to be completed)</td>
</tr>
<tr>
<td>2a) Microsoft Authorized License Provider</td>
</tr>
<tr>
<td>3) Reseller Company Name</td>
</tr>
<tr>
<td>4) Street Address</td>
</tr>
<tr>
<td>5) City and State/Province and Postal Code</td>
</tr>
<tr>
<td>6) Country</td>
</tr>
<tr>
<td>7) Contact Name</td>
</tr>
<tr>
<td>8) Phone</td>
</tr>
<tr>
<td>9) Fax</td>
</tr>
<tr>
<td>10) Email Address</td>
</tr>
</tbody>
</table>

The undersigned confirms that it is the reseller of record for this agreement.

Name of Reseller

Signature

Printed Name

Printed Title

Date
Terms and Conditions

1. Definitions.

In this agreement, “you” means the entity that has entered into this agreement with us, and “we” or “us” means the Microsoft entity that has entered into this agreement. In addition, the following definitions apply:

“affiliate” means (a) with regard to you, any legal entity within your region (as defined by Microsoft with the reseller of record) that you own or control, that owns you or controls you, or that is under common ownership or control with you, and (b) with regard to us, any legal entity that we own, that owns us, or that is under common ownership with us;

“available” means, with respect to a product, that we have made licenses for that product available for ordering under the Open License Value program;

“enterprise product” means any product that we designate as an enterprise product and that you choose to license under this agreement (enterprise products must be licensed on a Company-wide basis). Note: These products may also be shown on the product list as a product by name in addition to them being designated as an enterprise product;

“fix(es)” means product service packs or other fixes that we release generally;

“License” means any one of those offerings identified in the Product List (including standard licenses, and upgrades for desktop operating systems) that provides the right to run the version of the product for which it is ordered;

“L&SA” means a License and Software Assurance for any product ordered;

“order” means a product order on a form, or within an electronic tool, we provide.

“ownership” means, for purposes of the definition of “affiliate” above, more than 50% ownership;

“product” means any product available to license as described on the Product List;

“Product List” means the statement published by Microsoft from time to time on the World Wide Web at http://www.microsoft.com/licensing or a successor site that we identify, which identifies the products that are or may be made available to Open License Value program customers (which availability may vary by region) and any product-specific conditions or limitations on the acquisition of licenses for those products;

“qualified desktop” means any personal desktop computer, portable computer, workstation or similar device that is used by or for your benefit and that meets the minimum requirements for running any of the enterprise products. Qualified desktops do not include: (i) any computer that is designated as a server and not used as a personal computer, (ii) any system dedicated to run ONLY line-of-business software (e.g., an accounting or bookkeeping program used by an accountant, or a computer-aided design program used by an engineer or architect); or (iii) any system running an embedded operating system (e.g. Windows 9.x for embedded, Windows XP embedded);

“renewal order” means the order that you submit at the beginning of any renewal term to renew Software Assurance coverage for products previously ordered under this agreement;

“reseller” means Microsoft Authorized Direct Reseller, or Microsoft Authorized License Provider, authorized by us to resell licenses in your region under the Open License Value program;

“run” or “use” means to copy, install, use, access, display, run other otherwise interact with; and

“Software Assurance” means, for any underlying licensed product for which it is ordered, the right to upgrade to, and run, the latest version of that product that we make available during the covered period.
2. **How the Open License Value program works.**

The Open License Value program allows you and your affiliate to license our software and spread the payments for your L&SA over the term of your agreement. In addition, by choosing the Company-wide option, Microsoft can pass along additional cost savings to you and you are eligible for Software Assurance Membership benefits. You can participate in this program by submitting one or more orders under this agreement as described in Section 3a (Placing orders). Your initial order must be for at least 5 licenses on a non Company-wide basis, or 5 desktops on a Company-wide basis. Once you place your initial order, you will receive master copies of products you license, and may run as many copies as you wish during the term of this agreement. We may refuse to accept an order if we have a business reason for doing so. Product support is not included with the licenses under this agreement.

You must choose and maintain a reseller authorized in your region. Resellers are authorized to resell our product licenses, but act independently and have no authority to bind us. If we discontinue a reseller, you must choose a replacement. If you intend to change your reseller, you must notify us and the former reseller in writing, on a form that we provide, at least 30 days prior to the date on which the change is to take effect. In case of a change of reseller, you are responsible for ensuring that all your obligations to the former reseller are met.

3. **How to order product licenses.**

   a. **Placing orders.** You must submit orders for all copies of any enterprise products or products you and your affiliates run under this agreement. Orders must be submitted in the month in which those copies are first run. Unless you are eligible to order just Software Assurance as described below, each order must be for L&SA. You must place orders through your reseller. We list reference prices, but the license price and payment terms for all licenses ordered will be determined by agreement between you and your chosen reseller.

   **When are you eligible to order just Software Assurance?** You may order Software Assurance for copies of a product, without the need to simultaneously order a new license for those copies, in the following circumstances:

   - At the beginning of a new agreement, you may order Software Assurance for copies of products for which you have previously obtained perpetual licenses through Upgrade Advantage, Software Assurance or any similar upgrade protection, so long as (i) the new agreement becomes effective no later than one day following the expiration of that upgrade protection, and (ii) you place your Software Assurance order at the time you submit your new agreement to your reseller. You must indicate your previous agreement, enrollment, or authorization number in your new agreement.

   - During the term of this agreement (including any renewal term), you may be eligible to order Software Assurance under your agreement for copies of certain products licensed through retail sources or from an original equipment manufacturer (OEM), provided that you place your order within the required time frame. The Product List identifies those products that may be enrolled in Software Assurance as described in this subsection and the applicable time frame for placing an order.

   - You may also order Software Assurance in any other circumstances expressly permitted in the Product List.

   - You may renew Software Assurance ordered under this agreement at the time you renew this agreement, as described in subsection 11(d) (How to renew this agreement).

In all such cases, you must place orders for Software Assurance for the remaining initial or renewal term.
What is a Company-wide option? If you choose a Company-wide option, you are committing to license listed and selected enterprise products on a Company-wide basis, for you and all of your affiliates you list under this agreement (if any), throughout the initial or renewal term of this agreement.

b. Reference Price Points

For products other than products you license as enterprise products. Your product license reference prices will be as follows:

- For new products not previously ordered the price in effect on the date of your first order.
- For products previously ordered, the price in effect on the date you first run the additional copy of the product.

For enterprise products (applies only to a Company-wide option). If you select a Company-wide option, you must order the number of licenses equal to the number of your qualified desktops; including the qualified desktops of any affiliates you list (minimum quantity of at least 5 qualified desktops) at the time of your initial order. Your license reference price for additional copies of that enterprise product selected in a Company-wide option will not change throughout the initial term of this agreement. New enterprise products under a company wide option (not initially selected at the start of this agreement) are not available during the term of this agreement. You must submit a new agreement to select a new Company-wide enterprise product.

For products other than products you license as enterprise products renewed in a renewal order. Reference prices are re-established at the beginning of a renewal term. For software assurance being renewed on each license, your renewal reference price for all copies of that software assurance will be the price in effect as of the date of your renewal order.

For enterprise products (applies only to Company-wide options) renewed in a renewal order. Reference prices are re-established at the beginning of a renewal term. If you renew your Company-wide option, you must submit a renewal order for Software Assurance on all your qualified desktops (including all the affiliates you list) for all Company-wide options you selected at the signing of this agreement. If you want a renewal order for less than an already committed company-wide order, or you wish to purchase a new/different company-wide product option, you must submit a new agreement.

c. Invoices and payments. The license prices at which we will invoice your reseller will be based upon the applicable reference price. For any orders for Software Assurance or L&SA, if you elect to spread your payments over the initial agreement term or renewal term rather than paying in a lump sum, you may make this election with your reseller. In such cases, we will invoice your reseller in equal installments, the first installment upon receipt of the order and subsequent installments on each anniversary of the effective date of this agreement occurring during the initial or renewal term in which the order was placed.

d. Country of use. All products ordered must be run within the region where you are located. Your order must specify country of use and the approximate number of copies run in that country. This information is for our internal use only.

e. Qualifying systems licenses.

All operating system licenses provided under this program are upgrade Licenses. Therefore, if you select the Enterprise Desktop Professional Platform or the Windows Desktop Operating System Upgrade, all qualified desktops on which you will run the Windows Desktop Operating System Upgrade must be licensed to run one of the qualifying operating systems identified in the
Product List at http://www.microsoft.com/licensing. Note that the list of operating systems that qualify for the Windows Desktop Operating System Upgrade varies with the circumstances of your order. That list is more extensive at the time of your initial order than it is for some subsequent orders and system refreshes during the term of your agreement.

4. Applicable currency.

The currency we accept is based on the country in which you are located. See this Currency Table for determining the acceptable currency in your country.

<table>
<thead>
<tr>
<th>Currency</th>
<th>Accepted in Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Dollars</td>
<td>Australia</td>
</tr>
<tr>
<td>Canadian Dollars</td>
<td>Canada</td>
</tr>
<tr>
<td>Danish Krone</td>
<td>Denmark</td>
</tr>
<tr>
<td>EUROs</td>
<td>Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Switzerland, Sweden, and United Kingdom</td>
</tr>
<tr>
<td>Japanese Yen</td>
<td>Japan</td>
</tr>
<tr>
<td>Korean Won</td>
<td>Korea</td>
</tr>
<tr>
<td>New Zealand Dollars</td>
<td>New Zealand</td>
</tr>
<tr>
<td>Norwegian Krone</td>
<td>Norway</td>
</tr>
<tr>
<td>Pounds Sterling</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Swedish Krona</td>
<td>Sweden</td>
</tr>
<tr>
<td>Swiss Francs</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Taiwan Dollars</td>
<td>Taiwan</td>
</tr>
<tr>
<td>US Dollars</td>
<td>United States, Latin America, Asia (except Japan, Korea, and Taiwan), Eastern Europe, Middle East, Africa</td>
</tr>
</tbody>
</table>

5. How to confirm orders.

We will publish information about orders placed by you, including an electronic confirmation of each order, in a password-protected site on the World Wide Web at https://licensing.microsoft.com or a successor site that we identify. Upon our acceptance of this agreement and your initial order submitted under this agreement, the contact identified for this purpose on the cover page will be provided access to this site.

6. License grant – what you are licensed to run.

At any time after the effective date of this agreement, you may run as many copies as you choose, of any ordered products you choose, provided that you submit orders for all such copies as required in subsection 3(a) (Placing orders). You may run in place of any product version you license under this agreement a prior version or, for products other than products you license as enterprise products, a different language version (so long as the License, L&SA or Software Assurance for that different language version is available at the same or a lower price than the price paid for the corresponding license type for the version ordered) of the same product. If an affiliate you list under this agreement runs copies of product, those copies are sublicensed from you subject to the terms of this agreement. If your affiliate ceases to be an affiliate, you must terminate your sublicense to that affiliate. In such case you may reassign such licenses to yourself or another affiliate.

L&SA or Software Assurance. Your right under this agreement to run copies of any product for which you order L&SA or Software Assurance is temporary until one of the following occurs:
(i) you have paid all installments of the price for such coverage and the applicable initial agreement or renewal term during which such product licenses were ordered has expired or been renewed; or

(ii) you are otherwise eligible for perpetual licenses upon early termination as provided in subsection 11(c) (Effect of termination or expiration).

Thereafter, you will have perpetual licenses to run the latest version available as of such date of expiration, renewal or termination (or any prior version), for the number of copies ordered during the initial term or renewal term of this Agreement. In the case of early termination as provided in subsection 11(b) (Termination), if you choose only to pay amounts due and payable as of the termination date, then you will instead have perpetual licenses for the number of copies specified in subsection 11(c) (Effect of termination or expiration). Any perpetual licenses received through Software Assurance supersede and replace the underlying perpetual licenses for which that Software Assurance coverage was ordered. These rights apply to the licenses obtained under this agreement and are not related to any order or fulfillment of software media.

All perpetual licenses acquired under this agreement remain subject to the terms of this agreement and the applicable product use rights.

This agreement, the applicable order, your order confirmation described in section 5 (How to confirm orders) above, and any documentation evidencing transfers of licenses as described in subsection 10(a) (How to transfer), together with proof of payment, will be your evidence of all licenses obtained under this Agreement.

7. How to know what product use rights apply.

Except as otherwise described below, your use of any product that you license from us is governed by product use rights specific to each product and version. The product use rights applicable to products licensed under this agreement are as follows.

a. For latest versions available as of an agreement effective date. For the latest version of any product available on or before the agreement effective date, the product use rights in effect on the agreement effective date for that product and version apply.

b. For versions and products that become available after an agreement effective date. For any version of any existing product, or any new product, first made available after the agreement effective date, the product use rights in effect on the date on which the version or product first becomes available apply.

c. For versions of a product that predate the latest version available as of an agreement effective date. If you are using a version of any product licensed under this agreement that became available prior to the version that was current on the agreement effective date, your use of the earlier version will be governed by the product use rights that would apply if you were using the version licensed under this agreement, or in the case of Software Assurance or L&SA, the latest version that is or becomes available at any time during this agreement.

d. Cross-language use rights. If you are using any different language version of any product licensed under your agreement, your use of the different language version will be governed by the product use rights for the version licensed under this agreement.

e. Right to reassign Software Assurance coverage to replacement computers. You may reassign Software Assurance coverage ordered for an underlying desktop operating system product installed on one computer to a replacement computer so long as (i) that replacement computer is licensed to run the latest version of the desktop operating system available as of the date of the reassignment, and (ii) you remove from the original computer any desktop operating system upgrades that were installed under the reassigned Software Assurance coverage. You may not otherwise separate Software Assurance coverage or any right to run any version of any product acquired through that coverage from the underlying license for which it is ordered.
f. Microsoft’s commitment on use rights. We will not change your product use rights for any version of a product after it becomes available to you under this agreement. We will provide you with a copy of the applicable product use rights or will make them available either by publication on the World Wide Web at http://www.microsoft.com/licensing/ or by some other reasonable means. You acknowledge that you and your affiliates have access to the World Wide Web. We do not transfer any ownership rights in any licensed product, and we reserve all rights not expressly granted.

8. Software Assurance Membership.

If you choose a Company-wide option, you qualify for Software Assurance Membership. Membership may entitle you to special benefits. Software Assurance Membership benefits may be subject to additional terms and conditions. A description of Software Assurance Membership benefits and additional details are available from your reseller.

9. Making copies of software.

a. Copies necessary for internal deployment. You may make as many copies of the products licensed as necessary to distribute the products to your users. All copies of any product must be true and complete copies (including copyright and trademark notices) and be made from CD-ROMs, disk sets or a network source, acquired from or made available by a Microsoft approved fulfillment source for that product. You may also have a third party make or distribute copies in your place, but you are responsible for third-party actions to the same extent you would be if the third party were your employee. You and your affiliates must make reasonable efforts to make employees, agents and other individuals running a product aware that the product is licensed from us and may only be run or transferred subject to the terms of this agreement.

b. Re-imaging rights. If you (including any affiliate to whom you sublicense) has licensed products from an original equipment manufacturer (OEM), through a retail source or under any Microsoft program other than this Open License Value program, you may use copies made from the media provided under your order in place of any copies made from the media provided through that separate source, so long as you and your affiliates comply with the following restrictions.

(i) You must have obtained a separate license from the separate source for each copy being replaced.

(ii) The product, language, version and all components (in the case of product suites, such as Office) of the copies made from the media provided under your order must be identical to the product, language, version and all components of the copies they replace.

(iii) In the case of copies licensed from an original equipment manufacturer (OEM) or through a retail source, in addition to the other conditions outlined in this subsection 9(b), the product type (e.g. upgrade or full license) of the copies made from the media provided under your order must be identical to the product type of the copies they replace. However, you may use copies of an operating system made from the media provided under your order in place of copies of the same operating system obtained from a separate source, even though they may be of different types (i.e. one may be an upgrade and the other a full license), provided that the product, language and version are identical.

The use of any copies made under this subsection 9(b) is subject to the terms and use rights provided with the copies being replaced, and nothing in this subsection creates or extends any warranty or support obligation.

10. Transferring licenses.

a. How to transfer. You may transfer perpetual licenses to an affiliate, or to an unaffiliated third party in connection with a divestiture of that affiliate or an operating division of such affiliate or any of its affiliates, a merger, or a consolidation, as long as you provide prior written and signed
notice, on a form we provide, which includes: (i) the applicable order or PO number; (ii) the quantity of licenses being transferred by product and version; (iii) the name, address and contact information of the transferee; and (iv) any other information that we may reasonably request.

No license transfer will be valid unless you provide to the transferee and the transferee accepts in writing the applicable product use rights (as provide in subsection 7(a) (For latest versions available as of an agreement effective date) and b) (For versions and products that become available after an agreement effective date), use restrictions, limitations of liability, and the transfer restrictions of this section 10. Any transfer made in violation of the requirements or restrictions in this section will be void.

b. **When transfers are not permitted.** You may not transfer (i) licenses on a short-term basis (either to third parties or by reassignment to different users or devices internally), (ii) temporary rights to use products, (iii) Software Assurance coverage, (iv) perpetual licenses for any version of any product acquired through Software Assurance separately from the underlying perpetual licenses for which that Software Assurance coverage was ordered; or (v) upgrade licenses for a desktop operating system product separately from the underlying operating system license or from the computer system on which the product was first installed.

11. **Term, termination and renewal.**

a. **Term.** This agreement will expire 3 years from the effective date indicated on the cover page unless it is renewed or terminated earlier as described below.

b. **Termination.** Either party to this agreement may terminate it if the other party materially breaches its obligations under this agreement, including any obligation to submit orders or pay amounts owed. Except where the breach is by its nature not curable within 30 days, the terminating party must give the other party 30 days notice and opportunity to cure.

c. **Effect of termination or expiration.** Upon expiration or termination of this agreement, you must order licenses for all copies of products you have run under this agreement for which you have not previously submitted an order. Except as provided in the next paragraph, in the event of termination all unpaid installments of the price for any licenses will immediately become due and payable, and you will be entitled to perpetual licenses only after all such payments have been made.

If you terminate this agreement as a result of our breach, then you will have the following options. You may immediately pay the total remaining amount due, including all installments, in which case you will have perpetual licenses for all copies of the products you have ordered. As an alternative, you may pay only amounts due and payable as of the termination date, in which case you will have perpetual licenses for (i) all copies of all products for which payment has been made in full, and (ii) the number of copies of products for which payment has been made in installments that is proportional to the amount that has been paid as of the termination date.

d. **How to renew this agreement.** We will provide you with 60 days prior written notice of expiration of the initial agreement or renewal term advising you of your renewal options. You may have the option to renew this agreement for a successive 3 year term. When you renew this agreement all orders under this agreement are automatically renewed. We and our affiliates will not unreasonably refuse to renew this agreement or reject any renewal order. However, we may make a change to the Open License Value program that will make it necessary for you to enter into new agreements.

**Placing renewal orders.** If you wish to renew Software Assurance for any copies previously covered under this agreement, you must submit a renewal order for those copies for the entire renewal term within 30 days after the previous term expired. Each renewal term will start the day following expiration of the prior term. You will not be eligible to order Software Assurance coverage for any copies of any products for which you obtained only a License without first purchasing L&SA.
Consequences of non-renewal. If you elect not to renew this agreement, or if you do not renew Software Assurance coverage for any copies of any product licensed under this agreement, and if you otherwise allow Software Assurance for those copies to lapse, then you will not be permitted to order Software Assurance for those copies later without first purchasing L&SA.

12. Restrictions on use.

You may not:

- Separate the components of a product made up of multiple components (in the case of product suites, such as Office) by running them on different computers, by upgrading or downgrading them at different times, or by transferring them separately, except as otherwise provided in the product use rights;
- Rent, lease, lend or host products, except where we agree by separate agreement;
- Reverse engineer, de-compile or disassemble products, except to the extent expressly permitted by applicable law despite this limitation; or
- Transfer licenses to, or sublicense, products to the U.S. Government.

Products licensed under this agreement are subject to U.S. export jurisdiction. You agree to comply with all applicable international and national laws that apply to these products, including the U.S. Export Administration Regulations, as well as end-user, end-use and country destination restrictions issued by U.S. and other governments. For additional information, see http://www.microsoft.com/exporting/.

13. Confidentiality.

To the extent permitted by applicable law, the terms and conditions of this agreement are confidential. Neither you nor we will disclose such terms and conditions, or the substance of any discussions that led to them, to any third party other than your or our affiliates or agents, or to your designated or prospective resellers who: (a) have a need to know such information in order to assist in carrying out this agreement; and (b) have been instructed by you or us that all such information is to be handled in strict confidence.


a. Limited product warranty. We warrant that each version of a product will perform substantially in accordance with our user documentation. This warranty is valid for a period of one year from the date you first run a copy of the version. To the maximum extent permitted by law, any warranties imposed by law concerning the products are limited to the same extent and the same one year period. This warranty does not apply to components of products that you are permitted to redistribute under applicable product use rights, or if failure of the product has resulted from accident, abuse or misapplication. If you notify us within the warranty period that a product does not meet this warranty, then we will, at our option, either (i) return the price paid for the product or (ii) repair or replace the product. To the maximum extent permitted by law, this is your exclusive remedy for any failure of any product to function as described in this subsection.

b. NO OTHER WARRANTIES. TO THE EXTENT PERMITTED BY APPLICABLE LAW, WE DISCLAIM AND EXCLUDE ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS, WHETHER EXPRESS, IMPLIED OR STATUTORY, OTHER THAN THOSE IDENTIFIED EXPRESSLY IN THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, SATISFACTORY QUALITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PRODUCTS OR RELATED MATERIALS. WE WILL NOT BE LIABLE FOR ANY
15. **Defense of infringement and misappropriation claims.**

We will defend you against any claims made by an unaffiliated third party that any product or fix infringes its patent, copyright or trademark or misappropriates its trade secret, and will pay the amount of any resulting adverse final judgment (or settlement to which we consent). You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance in defending the claim, and we will reimburse you for reasonable out of pocket expenses that you incur in providing that assistance. The terms “misappropriation” and “trade secret” are used as defined in the Uniform Trade Secrets Act.

Our obligations will not apply to the extent that the claim or adverse final judgment is based on (i) your running of the product or fix after we notify you to discontinue running due to such a claim; (ii) your combining the product or fix with a non-Microsoft product, data or business process; (iii) damages attributable to the value of the use of a non-Microsoft product, data or business process; (iv) your altering the product or fix; (v) your distribution of the product or fix to, or its use for the benefit of, any third party; (vi) your use of our trademark(s) without express written consent to do so; or (vii) for any trade secret claim, your acquiring a trade secret (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a person (other than us or our affiliates) who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the trade secret. You will reimburse us for any costs or damages that result from these actions.

If we receive information concerning an infringement claim related to a product or fix, we may, at our expense and without obligation to do so, either (i) procure for you the right to continue to run the allegedly infringing product or fix, or (ii) modify the product or fix or replace it with a functional equivalent, to make it non-infringing, in which case you will stop running the allegedly infringing product or fix immediately. If, as a result of an infringement claim, your use of a product or fix is enjoined by a court of competent jurisdiction, we will, at our option, either procure the right to continue its use, replace it with a functional equivalent, modify it to make it non-infringing, or refund the amount paid and terminate the license for the infringing product or fix.

If any other type of third party claim is brought against you regarding our intellectual property, you must notify us promptly in writing. We may, at our option, choose to treat these claims as being covered by this section. This Section 15 provides your exclusive remedy for third party infringement and trade secret misappropriation claims.

16. **Limitation of liability.**

   a. **Limitation.** There may be situations in which you have a right to claim damages or payment from us. Except as otherwise specifically provided in this paragraph, whatever the legal basis for your claims, our liability will be limited, to the maximum extent permitted by applicable law, to direct damages up to the amount you have paid for the product giving rise to the claims. In the case of free product or code you are authorized to redistribute to third parties without separate payment to Microsoft, our total liability to you will not exceed US$5000, or its equivalent in local currency. The limitations contained in this paragraph will not apply with respect to the following in connection with the performance of this agreement:

      (i) our obligations under Section 15 to defend third party claims of patent, copyright or trademark infringement or trade secret misappropriation, and to pay damages resulting from any final adjudication (or settlement to which we consent) of such claims;
(ii) our liability for damages for gross negligence or willful misconduct, to the extent caused by us or our agent and awarded by a court of final adjudication; and

(iii) our obligations under Section 13 (confidentiality).

b. NO LIABILITY FOR CERTAIN DAMAGES. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY NOR ANY OF ITS AFFILIATES OR SUPPLIERS WILL BE LIABLE FOR ANY INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, CONSEQUENTIAL, SPECIAL OR INCIDENTAL DAMAGES, DAMAGES FOR LOSS OF PROFITS OR REVENUES, BUSINESS INTERRUPTION, OR LOSS OF BUSINESS INFORMATION) ARISING IN CONNECTION WITH ANY AGREEMENT, PRODUCT, FIX OR SERVICE, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH POSSIBILITY WAS REASONABLY FORESEEABLE. THIS EXCLUSION OF LIABILITY DOES NOT APPLY TO EITHER PARTY’S LIABILITY TO THE OTHER FOR VIOLATION OF ITS CONFIDENTIALITY OBLIGATION OR OF THE OTHER PARTY’S INTELLECTUAL PROPERTY RIGHTS.

c. Application. Except as specified expressly in this Section 16, the limitations on and exclusions of liability for damages in this agreement apply regardless of whether the liability is based on breach of contract, tort (including negligence), strict liability, breach of warranties, or any other legal theory.

17. Verifying Compliance.

You must keep records relating to the products you and any affiliate run. We have the right to verify compliance, at our expense, during the term of this agreement and for a period of one year thereafter. To do so, we will engage an independent accountant from a nationally recognized public accounting firm, which will be subject to a confidentiality obligation. Verification will take place upon not fewer than 30 days notice, during normal business hours and in a manner that does not interfere unreasonably with your operations. As an alternative, we may require you to accurately complete our self-audit questionnaire relating to the products you and any affiliates use. If verification or self-audit reveals unlicensed use of products, you must promptly order sufficient licenses to permit all product usage disclosed. If material unlicensed use is found (license shortage of 5% or more), you must reimburse us for the costs we have incurred in verification and acquire the necessary additional licenses as single retail licenses within 30 days. If we undertake such verification and do not find material unlicensed use of products, we will not undertake another verification of the same entity for at least one year. We and our auditors will use the information obtained in compliance verification only to enforce our rights and to determine whether you are in compliance with the terms of this agreement. By invoking the rights and procedures described above, we do not waive our rights to enforce this agreement or to protect our intellectual property by any other means permitted by law.

18. Miscellaneous.

a. Notices. All notices, authorizations, and requests given or made in connection with this agreement must be sent by post, express courier, facsimile, or email to the following addresses:

Notices to Microsoft should be sent to:

MSLI, GP
6100 Neil Road, Suite 210
Reno, Nevada USA 89511-1137
Dept. 551, Volume Licensing

Copies should be sent to:

Microsoft Law and Corporate Affairs
One Microsoft Way
Redmond, WA 98052 USA
Volume Licensing Group
(425) 936-7329 fax

Notices will be deemed delivered on the date shown on the postal return receipt or on the courier, facsimile or email confirmation of delivery.
b. **Assignment.** This agreement may be assigned by either party only to an affiliate, but assignment will not relieve the assigning party of its obligations under the assigned agreement. If either party assigns this agreement, it must notify the other party of the assignment in writing.

c. **Severability.** If a court holds any provision of this agreement to be illegal, invalid or unenforceable, the remaining provisions will remain in full force and effect and the parties will amend this agreement to give effect to the stricken clause to the maximum extent possible.

d. **Waiver.** No waiver of any breach of this agreement shall be a waiver of any other breach, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

e. **Force Majeure.** To the extent that either party’s performance is prevented or delayed, either totally or in part, for reasons beyond that party’s control, then that party will not be liable, so long as it resumes performance as soon as practicable after the reason preventing or delaying performance no longer exists.

f. **Dispute resolution.** If we bring an action to enforce this agreement, we will bring it in the jurisdiction where your contracting affiliate has its headquarters. If you bring an action to enforce this agreement, you will bring it in the State of Washington. This choice of jurisdiction does not prevent either party from seeking injunctive relief with respect to a violation of intellectual property rights or confidentiality obligations in any appropriate jurisdiction.

g. **Entire agreement.** The documents identified on the cover page to this agreement constitute the entire agreement concerning the subject matter, and supersede any prior or contemporaneous communications. In the case of a conflict between any of these documents that is not resolved expressly in the documents, their terms will control in the following order: (i) these Terms and Conditions and the accompanying cover page; (ii) the Product List; and (ii) the product use rights. The terms of any purchase order or any general terms and conditions you or your affiliates maintain do not apply. This agreement (except the Product List and the product use rights) can be changed only by an amendment signed by both parties.

h. **Survival.** Provisions regarding product use rights, restrictions on use, evidence of perpetual licenses, transfer of licenses, warranties, limitations of liability, confidentiality, compliance verification and obligations on termination or expiration will survive termination or expiration of this agreement.

i. **Independent contractors.** Resellers are independent contractors who act in their own name and for their own account; they have no authority to bind or impose any obligation or liability upon us.

j. **Non-exclusivity.** This enrollment is non-exclusive. Nothing contained in it requires you to license, use or promote Microsoft software or services exclusively. You may, if you choose, enter into agreements with other parties to license, use or promote non-Microsoft software or services.

k. **Applicable law.** The terms of this agreement will be governed by and construed in accordance with the laws of the State of Washington and federal laws of the United States. The 1980 United Nations Convention on Contracts for the International Sale of Goods and its related instruments will not apply to this agreement.