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Rental Rights  
Licensing

Frequently asked questions

This guide is designed to help you understand what Microsoft® Rental Rights licenses are, how they can benefit your organization, and how to purchase Rental Rights to comply with Microsoft Licensing.

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General Information

Q: What are Rental Rights?

A: Rental Rights are additive licenses that permit organizations to rent, lease, or outsource PCs to third parties with a licensed, qualifying Windows® operating system and for Microsoft Office software. Examples of these organizations include Internet cafés, hotel and airport kiosks, business service centers, and office equipment leasing companies.

Q: Are Rental Rights licenses replacements for stand-alone software licenses?

A: No. A Rental Rights license is an additive product license for each device being licensed. Rental Rights licenses can only be purchased under a Microsoft Open License, Select License, or Select Plus Volume Licensing agreement.

Q: Why is Microsoft offering Rental Rights licenses?

A: Software licenses are priced based on how the software is used. Microsoft Volume Licensing agreements do not account for organizations that rent, lease, or outsource Microsoft Product Use Rights (PUR) for direct or indirect commercial gain. Rental Rights were created in response to the increasing number of organizations that rent, lease, or outsource PCs with Microsoft software to third parties.

Q: Does this make Microsoft licensing more complex? Wouldn’t it be easier to change Microsoft Volume Licensing rights to allow organizations to rent, lease, or outsource software?

A: Rental Rights are only relevant to those organizations that rent, lease, or outsource PCs to third parties for direct or indirect commercial gain. Rental Rights offer three key benefits:

* **Easy to use:** Single transaction with no renewals, monthly payments, or reporting required.
* **Affordable:** Per-device license is valid for the term of the underlying software license or for the life of the PC.
* **Genuine:** Helps protect organizations from legal action and threats to IT security and performance with Genuine Windows and Genuine Office products.

Qualifying Products Supported

Q: What products qualify for Rental Rights?

A: The following products are supported by Rental Rights beginning January 2010:

* Windows 7 Professional
* Windows Vista Business
* Windows XP Professional
* Windows XP for Refurbished PCs (MAR only)
* Microsoft Office Standard 2010
* Microsoft Office Professional Plus 2010
* Microsoft Office Standard 2007
* Microsoft Office Professional Plus 2007

Q: Why are Rental Rights licenses only available for qualifying Windows and Microsoft Office products?

A: Windows and Microsoft Office products account for more than 90 percent of desktop PC operating systems and applications in the PC rental, lease, and outsource market. As customer requirements expand and market demand grows for additional applications, Microsoft will evaluate the need for other Rental Rights product licenses.

Q: Why are Rental Rights only available for professional and standard versions of Windows and Microsoft Office and not available for home or consumer editions?

A: Most commercial customers require full functionality of the professional and standard editions of Microsoft software that the home products do not have. Microsoft will continue to evaluate the need for additional Rental Rights licensing based on customer needs.

Eligibility

Q: What Microsoft Volume Licensing program do I need to have to add on Rental Rights licenses?

A: You can add a Rental Rights license to any Microsoft Open License, Select License, or Select Plus agreement.

Q: Why are these licenses not available through Microsoft Enterprise Agreement (EA), Microsoft Open Value, or Microsoft Open Value Subscription Volume Licensing programs?

A: Rental Rights licenses do not qualify for Microsoft Software Assurance coverage when purchased by primary customers, defined as the purchasers of the PCs that are rented, leased, or outsourced to third parties. Because the Enterprise Agreement and the Open Value Agreements include Software Assurance coverage, Rental Rights licenses cannot be purchased through these agreements. Software Assurance is not available to the primary customer. End user customers may acquire Upgrade and Software Assurance (U&SA) for Windows Operating System licenses and License and Software Assurance for Office Suite licenses through their own Volume Licensing agreement.

Q: Why is the primary customer, such as an Internet café, business service center, or office equipment leasing company, who buys the Rental Rights license, not eligible for Software Assurance?

A: Software Assurance is not available to Rental Rights license holders because the use model does not support use under certain Software Assurance benefits, such as virtualization, remote boot, and multitenancy. Business customers can qualify their rented PCs and may acquire Upgrade and Software Assurance (U&SA) for Windows Operating System licenses and License and Software Assurance for Office Suite licenses under a separate Microsoft Volume Licensing agreement.

How It Works

Q: How do I buy Rental Rights?

A: Purchasing Rental Rights is easy:

**Step 1:** Acquire PCs with licensed, [qualifying Microsoft software licenses](#Qualifing_Products_Supported) from an original equipment manufacturer (OEM), Microsoft Authorized Refurbisher (MAR), reseller, PC retailer as a full packaged product (FPP), or through the Get Genuine program.

**Step 2:** Acquire a one-time Rental Rights for Windows license and a one-time Rental Rights for Office license for every PC that will be rented, leased, or outsourced with licensed, qualifying software.

**Step 3:** Rent, lease, or outsource PCs with Rental Rights for Windows and Rental Rights for Microsoft Office no ongoing payments or reporting for the term of the underlying software agreement or the life of the PCs.

Q: How do I count the number of Rental Rights licenses I need?

A: Count the number of PCs with qualifying Microsoft software licenses your organization intends to rent, lease, or outsource. The number of Rental Rights licenses for Windows and Rental Rights licenses for Microsoft Office must equal the number of Microsoft PCs licensed with qualifying Windows and Microsoft Office products.

Q: How do I assign my Rental Rights licenses?

A: Rental Rights licenses must be assigned permanently to devices already licensed for qualifying versions and editions of Windows and Office, as appropriate. A Rental Rights license cannot be reassigned to a different device.

Q: When I buy a new PC, I can transfer my Microsoft Office licenses. Can I also transfer my Microsoft Office Rental Rights licenses?

A: No. Rental Rights licenses are permanently attached to a PC and are non-transferable. The Rental Rights license is valid for the term of the underlying software license or the life of the PC.

Q: How do I buy more Rental Rights licenses?

A: Rental Rights licenses are available through the Microsoft Open License, Select License, and Select Plus Volume Licensing programs. Contact your Microsoft reseller for information about buying Rental Rights licenses.

Cost

Q: Does the cost of Rental Rights licenses go down with the volume purchased?

A: No. Rental Rights licenses are purchased at a fixed price based on your Open License, Select License, or Select Plus Agreement, making the transaction simple and consistent with your PC purchases and license forecasting.

Note: Actual prices and payment terms may vary. Final prices and payment terms for licenses acquired through resellers are determined by agreement between the customer and its reseller.

Compliance

Q: My business has rented PCs to my Internet café customers for years, and Microsoft has never upheld these use rights. Why has this changed?

A: Microsoft wants to help you license technology without compromising your business model. Given the increasing number of organizations that rent, lease, or outsource PCs to third parties, Rental Rights make it easy and affordable for you to comply with Microsoft licensing. With Rental Rights licenses, you can ensure licensing compliance with a single transaction that covers the operational lifetime of your organization’s licensed PCs.

Q: How will Microsoft uphold these Rental Rights?

A: Microsoft licensing relies heavily on a trust model. We expect customers to provide accurate counts of PCs with Windows and Microsoft Office licenses that they are renting, leasing, or outsourcing to third parties and subsequently match those with the number of Rental Rights licenses they order.

While Microsoft works with several industry associations, governments, and other organizations that uphold Intellectual Property protection laws, we are not a license compliance enforcement agency. However, public and private organizations worldwide are focusing more intensely on combating piracy because of its global economic impact. As a result, users of improperly licensed Microsoft software are increasingly at risk for legal action. Just as you try to protect your customers from the threat of legal action for non-compliance, we want to help protect you. Providing a simple way for you to get compliant is part of that effort.

Services Provider License Agreement

Q: When should I choose the Microsoft Services Provider License Agreement (SPLA) and when should I choose Rental Rights?

A: Choose based on your business model.

Choose SPLA if your organization prefers a monthly subscription over a perpetual license and prefer to report different volume use over time.

Choose Rental Rights if your organization rents, leases, or outsources PCs to third parties. With Rental Rights, each license is good for the term of the underlying software license or the operational life of the PC through a simple, one-time transaction.

Q: What should I do if I already have a SPLA Agreement?

A: We recommend that you evaluate your needs and work with your Microsoft account manager or Microsoft reseller to determine the best solution. Microsoft can provide on-boarding guidance for current customers who choose to transition to Rental Rights licenses.

Scenarios/Use Rights

Q: What types of organizations rent, lease, or outsource PCs?

A: Office equipment leasing companies, business service centers, Internet cafés, hotel and airport kiosks, and government tendered shared access are the most widespread types of organizations to rent, lease, or outsource PCs.

Q: I currently lease my PCs from an OEM. Do I need to acquire Rental Rights licenses?

A: No. OEMs are permitted to lease PCs to customers under the terms outlined in the OEM Microsoft Desktop Operating System (DTOS) License Agreement.

Q: I operate a rent-to-own PC business, do Rental Rights apply?

A: No. Traditional financing programs for PCs are not facilitated under Rental Rights licenses.

Q: Our employees share PCs, do we need to acquire Rental Rights to comply with Microsoft Licensing?

A: No. Rental Rights only apply to organizations that rent, lease, or outsource PCs for commercial gain and are not required for internal use of shared PCs.

Q: Can I rent, lease, or outsource virtual PCs through Rental Rights?

A: No. The software cannot be used within a virtual (or otherwise emulated) hardware system.

Q: Is remote use allowed through Rental Rights?

A: No. Rental Rights do not account for remote access and use of Microsoft software.

Q: Can I reassign a Rental Rights license to another PC?

A: No. Rental Rights licenses are permanently assigned to the PC and cannot be reassigned to another device.

Q: Can I use an earlier version of the software?

A: Yes. An earlier version of the software can be used instead of the qualifying software only if the qualifying software is licensed under a Microsoft Volume Licensing agreement (both Rental Rights for Office and Rental Rights for Windows), or OEM Windows licenses which permit downgrading (Rental Rights for Windows only).

Q: Do refurbished PCs qualify for a Rental Rights license?

A: Yes. PCs refurbished and pre-installed with Genuine Windows XP Professional for Refurbished PCs by a Microsoft Authorized Refurbisher (MAR) are eligible for Rental Rights licensing. Look for the special “For Use On Refurbished PC Only” Certificate of Authenticity (COA) affixed to the PC in addition to the original operating system COA.

Q: What constitutes a properly licensed refurbished PC with the Windows operating system?

A: A refurbished PC is properly licensed if it has an original OEM Windows COA affixed to the hardware, the corresponding operating system image installed on the hard drive, and on the associated original recovery solution (either on disk or hard drive). If any of these components is missing, the license is incomplete and invalid.

Q: How can refurbished PCs be made eligible for a Rental Rights license?

A: Refurbished PCs are often no longer fully functional from a hardware perspective or not properly licensed because the operating system image has been wiped clean, and/or the recovery media is missing. In these cases, the computer hardware must be refurbished before it can be reused and redeployed. This is where Microsoft Authorized Refurbishers come in. MARs deliver refurbishment services and preinstall Genuine Windows XP software licenses on PCs to be deployed in the commercial market. The MAR program offers a reduced royalty for refurbished PCs with a previous Windows operating system COA affixed to the PC. Windows XP for Refurbished PCs qualifies for Rental Rights licensing only if the software was licensed under Open License, Select License, or Select Plus Microsoft Volume Licensing Agreements. For more information on the Microsoft Authorized Refurbisher Program, visit [www.microsoft.com/oem/mar](http://www.microsoft.com/oem/mar).

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