

Microsoft Al Cloud Partner Program Terms of Participation Guide

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Introduction to the Microsoft Al Cloud Partner Program

The Microsoft Al Cloud Partner Program (formerly known as the Microsoft Cloud Partner Program) is a place for all partners—whether they build and sell services, software solutions, or devices—aligned with the core solutions and technologies required to grow their own environments, migrate to the cloud and deliver success for their own customers. Base membership is the foundation of engagement, with opportunities for members to differentiate and showcase their capabilities with various offers. Offer benefits are provided to support partners as they grow their business and to help with:

- · Encouraging business development;
- Increasing customer reach;
- Expanding technical skilling and enablement.





Overview

This guide is intended to provide an overview of the Microsoft Al Cloud Partner Program (Partner Program) rules and benefits use terms to partners who purchase a membership program or offer (including but not limited to Microsoft Action Pack, Partner Launch Benefits, Partner Success Core Benefits, Partner Success Expanded Benefits or Solutions Partner) or who retain Silver or Gold legacy competency ("legacy") benefits. Benefits are provided to partners once they have met the eligibility criteria and purchased the appropriate offer.

Partners must comply with the use terms and policies regarding benefits and license use rights and limitations about each software product or online service as outlined herein. Program information herein is subject to change and should not be interpreted as an offer, endorsement, guarantee, commitment or any other type of representation on the part of Microsoft. All decisions pertaining and related to a partner's business needs including but not limited to strategies, solutions, partner selection, implementation, etc. rest solely with the partner's business. Be sure to review the benefits information in Partner Center before paying the annual fee.

Program Administrator

An administrator within a partner organization collaborates across their organization to manage Partner Program membership including enrollment, offer purchase, designation attainment, and benefits assignment to specific users within the organization. Partners participating in the Partner Program are responsible for tracking use and consumption of licenses and services provided or purchased through the Partner Program. Partners are also accountable for developing their own method of tracking license/benefit usage.

Review documentation about managing membership in Partner Center.



Program Benefits

Technical Presales and Deployment Services

Technical Presales and Deployment services offer technical guidance based on real-world scenarios via interactive webinars and personalized technical consultations. These services help partners accelerate planning, development, deployment, and sales of Microsoft cloud-based applications and services. Partners must be active members of the Partner Program. Access to services varies depending on the type of engagement a partner wishes to have with a Microsoft partner technical consultant. Additional information is available in <u>Technical Presales and Deployment</u> services Partner Center documentation.

Product Benefits Terms of Use

Some programs and offers in the Partner Program include product licenses or keys for software and cloud services that are intended to help partners build innovative Microsoft-based apps and services. Refer to the license tables linked below for insight as to the associated product benefits. The product benefits partners will receive are the benefits listed in Partner Center at the time of attainment or purchase of an eligible program, offer or designation. Standard licensing terms (under the Microsoft Customer Agreement or other applicable licensing terms) apply for the product benefits provided with the Partner Program, unless otherwise noted herein.

- Microsoft Al Cloud Partner Program Benefits Guide
- <u>License table for the legacy competencies</u>

Each partner is responsible for tracking their own consumption and entitlement of product benefits. If a partner organization is selected for a compliance audit, that organization is responsible for presenting records regarding the active program licenses used and compliance with the terms of use. Licenses do not provide downgrade rights or any other Software Assurance services. For deployment, management, and other similar services, <u>learn more</u> about Software Assurance.

Product benefits granted can be used for:

- Internal use in a development, test, demo, sandbox, or production environment for general internal business purposes and not for any type of external, revenue generating purpose.
- Demonstration purposes. Sales and marketing employees of the partner organization can use product benefits to showcase products to customers, but demonstration products cannot be installed on customer hardware or infrastructure and must be used with partner supervision.
- Solution or services development purposes, including the development, testing and demos of solutions and services.
- · Internal training, used for training internal employees only. Use for customer training is not permitted.



Product benefits granted to partners cannot be used for:

- · Direct revenue-generating activities such as hosting a customer's applications or development of custom solutions for a specific client.
- Employee personal use.
- Installation of solutions or services at a customer site.
- Customer training (except for learning partners).
- Resell or transfer to any third party.
- Any activities that violate the terms of the Partner Program Agreement

Product Keys and Tokens

Some products and cloud services require a product key for installation and/or activation. Product keys for cloud services may also be referred to as tokens. Keys are issued per organization and not per end user of the organization.

Not all product benefits require product keys for installation or activation. Partners can use any combination of methods and keys they have acquired through various Microsoft programs to activate machines, depending on their business and infrastructure needs, so long as the systems are properly licensed and appropriate use rights are applied.

On-premises Software Installation and Activation

If a product requires a product key for installation, the end-user will be prompted to enter a product key during the installation process. If a product key is not required, "Not Required" will be noted in the Product Key column.

Although some products require the entry of a product key during the installation process, not all products require product activation. Product activation is required for Windows server and client operating systems and all Microsoft Office client applications.

Some product keys issued are Multiple Activation Keys (MAK). These products have a finite number of installations, activations, or seats. A product key will stop working when all installations and activations have been consumed. Additional activations for these product keys will not be granted. Consumption behavior of activations on a product key differs between partners with an Action Pack, Solutions Partner designation, Partner Launch and Partner Success benefit kits:

For the Microsoft Action Pack, the product key activation behavior is scenario-based:

- If the software is installed on a new machine, one product activation is consumed against the product key.
- If the software is installed on the same machine with no significant hardware changes, product activation is not consumed against the product key.
- If the software is installed on the same machine with significant hardware changes, product activation is consumed against the product key.



For partners who purchase Solutions Partner designation benefits, Partner Launch Benefits, Partner Success Core Benefits, Partner Success Expanded Benefits, or renew legacy benefits, each time a machine is activated, one of the product activations for that product key is consumed. This includes situations in which the same machine is reimaged and activated. Product keys may only be used in the license grant combinations as provided. For example, one 25 seat key cannot be adjusted to 5 different 5 seat keys.

On-premises software licenses issued are not perpetual. Partners are entitled and have the right to use these licenses only during their membership. Partners who renew their Partner Program membership or offer may need to manually reactivate their license keys at the renewal date. Partners who opt not to renew their Partner Program membership will need to obtain license rights via Commercial Licensing or uninstall any on-premises software obtained via the Partner Program.

Cloud Services Activation

Tokens are issued for cloud services. Partners may have multiple tokens for each online service. Tokens must be used in the format provided. For example, a 25-seat token cannot be split into 5 different 5 seat tokens so that the cloud service can be consumed under different tenants. Program administrators who manage benefits must pay close attention during activation, because each token may only be activated one time. Once a token has been activated for seats on a tenant, those seats may not be moved to another tenant.

The issuing of replacement tokens will be considered within 30 days of activation and is subject to review and approval by Microsoft, in its sole discretion. If authorized upon review, replacement tokens will be issued as a onetime exception. Microsoft reserves the right to refuse the issuance of tokens.

Use rights for cloud services subscriptions terminate at the end an enrollment year for all offers. Although Partners may continue to have access to cloud services past their offer enrollment end date, they will no longer have use rights through that offer.

Each year, when an organization renews or re-enrolls into a membership program or offer with associated product keys/tokens, a new set of tokens will be issued based on the organization's entitlement at the time of renewal or re-enrollment. Partner program administrators are required to enter these new tokens on the Key Redemption Portal in a timely fashion each program year to avoid a lapse in cloud services. Partners who do not renew or reenroll in their membership will need to obtain license rights via Commercial Licensing.

Visual Studio Benefits – Developer Tools

Visual Studio Enterprise subscriptions are included with certain Solutions Partner designations and legacy benefits. The Microsoft Action Pack, Partner Launch Benefits, Partner Success Core Benefits, and the Partner Success Expanded Benefits include Visual Studio Professional subscriptions. All Visual Studio subscriptions are licensed per user and must be assigned and activated to be valid.

Sharing sign-in credentials is prohibited.



Visual Studio subscriptions allow designated employees in the partner organization to use the software and cloud services included within the Visual Studio subscription to design, develop, test, and demonstrate internal applications.

The products included in these Visual Studio subscriptions cannot be used for direct revenue-generating activities, such as providing consulting services, customizing a packaged application for a specific customer, or building a custom application for a customer, for a fee. They can be used for indirect revenue-generating activities, such as building a packaged application on the Microsoft platform, which is then marketed and sold to customers.

Assigning subscriptions

Visual Studio subscriptions may be reassigned from one subscriber to another if at least 90 days have passed since the time of the original assignment.

Sharing

License entitlements are defined per partner. Partners can share licenses across associated locations. Partners with Product License rights can also share licenses with affiliates and acquired companies that are associated in their Partner Program membership profile. Any other license sharing is prohibited.

Azure Services Benefits

Partners may be eligible for either monthly or yearly bulk credits based on the memberships and offer(s) they purchase through the Partner Program:

- Monthly Credits Learn more here: Azure Benefit
- Yearly Credits Learn more here: Microsoft Azure Sponsorship Offer Details

Technical Support Benefits

As part of Partner Program benefits, partners may receive two types of tech support incidents: On-Premises Product Support Incidents and Signature Cloud Support (SCS) Incidents. Solutions Partners and partners renewing legacy benefits may have access to both tech support incidents. Partner Launch Benefits, Partner Success Core Benefits, and Partner Success Expanded Benefits have access to Signature Cloud Support only. Action Pack partners have access to On-Premises Product Support Incidents only. Learn more in Partner Center documentation.

Product Support Incidents are subject to N-1 policy (see Partner Program product support for policy details). The N-1 support policy enables only newer on-premises products. N-1 includes the current product (N) and the previous product version (N-1). Older (N-2) products and any product where mainstream support has ended (see Microsoft Lifecycle Policy), are not covered by Product Support Incidents. Signature Cloud Support provides partners with cloud support to help keep their customers' services operating smoothly. Learn more via Microsoft Support.



Marketing Benefits

Marketing benefits (or go-to-market services) include a portfolio of best-in-class marketing platforms, content, and resources that help accelerate time to market, drive demand, and expand a partner's business. We operate at a global scale, empowering partners to unlock new growth opportunities and leverage our vast ecosystem. Some marketing benefits are included for all Partner Program partners. In additional there are incremental marketing benefits provided to partners with Solutions Partner designations, Partner Success Expanded Benefits, or those renewing legacy benefits.

Learn more about go-to-market services or get started.

Refund Requests

Refund requests for membership offers and the associated fees must be raised within 30 days of initial purchase. Refund requests are subject to review and will only be considered if no benefits are consumed or tokens viewed. Microsoft reserves the right to refuse the refund.

Note: Benefits swap from Microsoft Action Pack to Learning Action Pack, or vice versa, can be performed one time only, within 30 days after the Action Pack has been purchased, and if no benefits were consumed or tokens viewed. The benefits swap is subject to a review. Microsoft reserves the right to refuse the benefits swap operation.

Retaining Legacy Benefits

Legacy competencies and associated badges are no longer valid after September 30, 2022. However, partners will retain legacy benefits (benefits they received based on the competency held on September 30, 2022), until their next anniversary date.

On subsequent anniversary dates after October 3, 2022, partners will have the following options based on Solutions Partner qualification status:

If a partner qualifies for Solutions Partner designation at the time of anniversary:

Partners will have two options relating to benefits and they can only pick one option. A partner must choose option #1 or #2 in order to keep the Solutions Partner designation and cannot choose both options.

- Option #1: To receive the Solutions Partner designation benefits partners will pay the associated annual fee. Annual fees for Solutions Partner designation are aligned to the legacy gold competency associated annual fees; $\bigcirc R$
- Option #2: Retain legacy silver or gold benefits and pay the associated annual fee. Annual fees for legacy silver or gold benefits will remain the same as the legacy silver and gold competency annual fees.

If a partner does not qualify for Solutions Partner designation at the time of anniversary:

 Option: Retain legacy silver or gold competency benefits and pay an annual fee. Annual fees for legacy silver or gold benefits will be aligned to the legacy silver and gold competency annual fees.



Note: Partners who had both legacy silver and gold membership offers (for instance, within a year of a silver membership offer being upgraded to a gold membership offer) prior to the launch of the Microsoft AI Cloud Partner Program will only be able to renew the benefits associated with their legacy gold membership and not the benefits associated with both their legacy gold membership offer and their legacy silver membership offer.

Learn more with the Solutions Partner FAQ.

Partner Support

Microsoft AI Cloud Partner Program is not a commercial licensing channel. This means that our partner support teams don't support product benefits acquired through the Partner Program in the same way Microsoft supports products and licenses acquired through commercial licensing.

- Product benefits do not come with licensing support; we do not provide technical guidance or support around activation, tenants, subscriptions or any other technical situation.
- The supported scenarios refer to the overall Partner Center experience (benefits provisioning according to the Program Benefits Guide, user assignment/removal to/from usage-based subscriptions, product key/token redemption, software download, or any other issue with the Benefits Workspace), which means we do not provide support for the experience occurring in other portals outside Partner Center (such as Azure Portal, M365 Admin Center, Visual Studio portal, etc.)

A common misconception about product benefits is that they can be used in place of licenses acquired through other Microsoft commercial licensing channels or agreements. For example, a partner with an Enterprise Agreement may not reduce the number of licenses in that agreement by counting their product benefits.

For more information about benefits, visit Manage Microsoft Al Cloud Partner Program benefits.