

# Novell® Licensing Programs Overview

[www.novell.com/licensing](http://www.novell.com/licensing)

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**Novell®**

# Agenda

- **Buying Program Options**
- **Perpetual or Subscription?**
- **Maintenance**
- **Counting Options**
- **Volume Price Discounts**



# Buying Program Options

# Compare Programs on Web Site

- Individualized customer buying programs and agreements offer unique bundles of benefits and offerings specific to your organization's needs. At [www.novell.com/licensing](http://www.novell.com/licensing), customers may select their type of organization and view their specific buying program options. Options may include the following programs: VLA, MLA, SLA, ALA.

## Please Select Your Customer Type

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<b>Business</b>	<b>Academic</b>	<b>Non-Profit</b>
<b>Government</b>	<b>Hosted Service</b>	<b>View All</b>

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# Volume License Agreement (VLA)

Ideal For	Customers of any size who want an easy, transaction-based process with the flexibility of purchasing licenses from a broad reseller channel.
Benefits	Simple to use and understand; no purchase obligation or minimum-purchase requirement. No contract signature required.
Purchase Through	Select any Novell reseller.
Discount Level	Program discounts are available through Novell Resellers, who set VLA Customer pricing. Transaction-based volume discounts may be applied to individual orders when new license quantity thresholds are exceeded.
Counting Options	Based on EULA and product eligibility list.
Maintenance Offerings	Required to purchase combined 1 year Standard or Priority Maintenance with each new product license.
Purchase Requirements	None.
Contracts & Term	Click through agreement when downloading, no set term.
Software License	Perpetual or Subscription licenses.

# VLA Sub Programs

- **VLA for Education:** A special program discount available to qualifying academic customers who wish to purchase perpetual licenses through the VLA. (Subscription licenses are available using the ALA and SLA programs.) Qualifications for the VLA for Education program are the same as the ALA and SLA qualifications.
  - **Academic Qualifications:** [www.novell.com/licensing/academic/qualify.html](http://www.novell.com/licensing/academic/qualify.html)
- **VLA for Non-Profit & Government:** A special program discount available to qualifying non-profit and government customers who wish to purchase perpetual or subscription licenses.
  - **Non-Profit Qualifications:** [www.novell.com/licensing/nonprofit/qualify.html](http://www.novell.com/licensing/nonprofit/qualify.html)
  - **Government Qualifications:** [www.novell.com/licensing/government/qualify.html](http://www.novell.com/licensing/government/qualify.html)

# Master License Agreement (MLA)

Ideal For	Large global organizations who desire greater benefits based on long-term high volume commitments.
Benefits	Greater discount levels; includes price protection and optional direct purchasing relationship with Novell. Facilitates budgeting with annual renewal.
Purchase Through	Directly from Novell or through a Novell reseller.
Discount Level	Program discounts are applied based on each Customer's MLA Discount Level. Participation in MLA Discount Level 1, 2, or 3 is determined by annual spend. Additionally, transaction-based volume discounts may be applied to individual orders when new license quantity thresholds are exceeded.
Counting Options	Based on EULA and product eligibility list.
Maintenance Offerings	Priority Maintenance required on all product licenses at all times; includes upgrades to latest product versions, Novell Technical Support and Training.
Purchase Requirements	USD \$1 million per annum net revenue to Novell. Subsidiaries joining an existing contract may join for USD \$5,000 per annum net revenue to Novell.
Contracts & Term	Signed directly with Novell; two-year renewable terms.
Software License	Perpetual or Subscription licenses.

# MLA Price Protection

- Locks in pricing for the current contract term.
- Prices reset to the current level upon each term renewal.
- Applies to license and maintenance purchases.
- **Does not apply to:**
  - Promotions.
  - Exception-based pricing.
  - Services.
  - Early renewals. (Renewal orders will be priced at new term's protected price.)



# School License Agreement (SLA)

Ideal For	Qualifying primary education institutions (grades K-12) who wish to lease licenses. Meeting the changing requirements of education institutions to license, implement, and maintain their software investments.
Benefits	Simple contract and annual worksheet, upgrades included. Leasing licenses lowers cost. May decide the counting method best suited for their organizations.
Purchase Through	Directly from Novell or through a Novell reseller.
Discount Level	None.
Counting Options	Student enrollment, or workstation count.
Maintenance Offerings	Program automatically includes upgrades to latest product versions. Additional support is available and purchased separately.
Purchase Requirements	\$1,000 minimum annual fee purchase requirement. May select from the pre-determined value bundles or create their own product bundle. USD \$2.25 student enrollment or \$34.00 workstation minimum.
Contracts & Term	Signed directly with Novell; one-year renewable terms. Complete Annual Fee Worksheet each year specifying the products the customer desires to use that year.
Software License	Subscription. (May purchase perpetual through VLA)

# Academic License Agreement (ALA)

Ideal For	Qualifying colleges and universities who wish to lease licenses. Meeting the evolving requirements of higher education institutions to license, implement, and maintain their software investments.
Benefits	Simple contract and annual worksheet, upgrades included. Leasing licenses lowers cost. May decide the counting method best suited for their organizations.
Purchase Through	Directly from Novell or through a Novell reseller.
Discount Level	Tiered discount pricing levels determined by volume of licenses purchased.
Counting Options	Full time equivalent (FTE), or workstation count.
Maintenance Offerings	Program automatically includes upgrades to latest product versions. Additional support is available and purchased separately.
Purchase Requirements	\$5,000 minimum annual fee purchase requirement. May select from the pre-determined value bundles or create their own product bundle (four-product minimum).
Contracts & Term	Signed directly with Novell; one-year renewable terms. Complete Annual Fee Worksheet each year specifying the products the customer desires to use that year.
Software License	Subscription. (May purchase perpetual through VLA)

# Perpetual or Subscription Licensing

# Perpetual vs Subscription

## MLA & VLA Programs Only

### PERPETUAL

Perpetual license rights.

Volume price discounts may be applied.

MLA or VLA program discounts maybe be applied.

MLA Program: Priority Maintenance required with perpetual licenses

VLA Program: 1-Yr Standard or Priority Maintenance required with initial purchase of new perpetual licenses.

Low Maintenance renewal costs.

### SUBSCRIPTION

License rights expire at the end of the applicable subscription period if subscription is not renewed.

Volume price discounts may be applied.

MLA or VLA program discounts may be applied.

Sold only as a combined offering with Priority Maintenance.

Lower initial software adoption costs, access to the latest upgrades, technical support and training at all times 24 X 7.

# Subscription vs Perpetual Policy

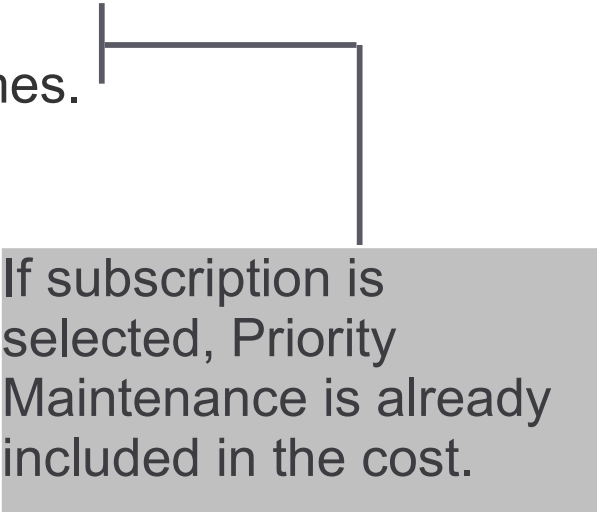
- All licenses for a particular product must be either **all subscription, or all perpetual**.
- Customers who have already purchased perpetual licenses for a particular product will continue purchasing perpetual licenses when adding **incremental licenses**.
- No perpetual license **vesting or credits** will be accumulated with the purchase of subscription licenses.
- If at any time a customer desires to move from subscription licenses to perpetual licenses, the customer must **pay the full perpetual new license fee**.

Maintenance

# Program Requirements

Please review the summary of purchase options below. Some programs already include Maintenance, others allow the customer to choose between two levels, or require a specific level with their program.

- **VLA:** 1-Yr Standard or Priority Maintenance.
- **MLA:** Priority Maintenance required at all times.
- **SLA:** Maintenance included in program.
- **ALA:** Maintenance included in program.



If subscription is selected, Priority Maintenance is already included in the cost.

# Maintenance Options

- **Standard Maintenance:**
  - Upgrades to the latest version of product software.
  - Unlimited electronic product training.
  - Product-specific electronic and phone technical support with 12 x 5 coverage (available 12 hours per day, 5 days per week).
- **Priority Maintenance:**
  - Upgrades to the latest version of product software.
  - Unlimited electronic product training.
  - Product-specific electronic and phone technical support with 24 x 7 coverage (available 24 hours per day, 7 days per week).

For additional options, please visit:  
[www.support.novell.com/support\\_options.html](http://www.support.novell.com/support_options.html)

# Maintenance Purchasing Rules

**Rule 1:** When adding incremental licenses to an existing product install base, all previously owned licenses as well as newly purchased licenses must be **covered by maintenance** in order to receive technical support.

**Rule 2:** All licenses under one product type must be covered by the **same maintenance**, either Standard or Priority. (This rule does not apply to SUSE Linux Enterprise Servers).

**Rule 3:** Maintenance is only available on the **latest versions** of Novell products. If you own license for a older version of the product, Maintenance can only be added after purchasing an Upgrade License. Upgrade Licenses are only available for a short period of time after a new version is released.

More details are available in the program guides, download on: [www.novell.com/licensing](http://www.novell.com/licensing)

# Maintenance Pro-ration

## VLA

New VLA licenses are sold as combined offering with at least 1-Yr Standard or Priority Maintenance.

To pro-rate after the initial first year of maintenance, the renewal order *must include 12 months maintenance + the number of pro-rated months* required to sync renewal dates.

The next slide will show you which part number to use depending on the number of months needed to pro-rate. Divide the total cost of the part number by 12 months for the monthly price. Then multiply the monthly price of the part number by the number of months remaining in the current annual period.

## MLA

New MLA licenses must be purchased with 1-Yr Priority Maintenance, or less than one year if pro-rating to their annual period.

Pro-rating maintenance on new licenses is allowable *without a 12 month minimum maintenance purchase* to sync mid-year purchases with the annual period.

The next slide will show you which part number to use depending on the number of months needed to pro-rate. Divide the total cost of the part number by 12 months for the monthly price. Then multiply the monthly price of the part number by the number of months remaining in the current annual period.

# Part Number Pro-ration Tables

Refer the the tables below to determine which part number to use, depending on the number of months needed to pro-rate.

## MLA Maintenance Part Number Pro-ration

Part Number	Months Needed
1 Yr Maintenance SKU	1 – 23 Months
2 Yr Maintenance SKU	24 – 35 Months
3 Yr Maintenance SKU	36+ Months

## VLA Maintenance Part number Pro-ration

Part Number	Months Needed
1 Yr Maintenance SKU	1 – 35 Months
3 Yr Maintenance SKU	36+ Months

# Counting Options

# Program Counting Options

Please review the summary of counting options below. Depending on the program, counting options available may vary.

- **VLA:** Based on end-user license agreement (EULA) and product eligibility list.
- **MLA:** Based on end-user license agreement (EULA) and product eligibility list.
- **SLA:** Student Enrollment, or Workstation.
- **ALA:** Full Time Equivalent (FTE), or Workstation.

# Example Counting Options

- **Device:** Laptops, desktops, workstations, and terminals on which customer installs and uses or accesses the Software.
- **User:** A single person or user object that has access or use rights to any portion of the Software, or access or use rights to products (devices, hardware, or software) being managed by the Software.
- **CPU:** A physical CPU in a computer which executes the instructions of the Server Software. Multicore and other CPU enhancements (such as virtual machines) count as only one CPU provided they only occupy one socket on the main board.
- **Instance:** Installation of the Software and each additional copy (or partial copy) of the Software stored or loaded in memory or virtual memory beyond the initial copy necessary for execution of the Software installed on the hardware.
- **Workstation:** A personal computer or workstation, whether attached to the network or otherwise, that is owned or leased and operated at the customer's location. Also, other personal computer or workstations that are allowed to connect to the customer's network. Customer may choose to count instead the maximum number of connections available to authorized users to connect to their network using computers or workstations not owned or leased by the customer.
- **Student Enrollment:** The total number of students enrolled (grades K-12).
- **Full Time Equivalent (FTE):** The number of full-time faculty and staff, plus the total number of part-time faculty and staff work hours in an average work week divided by 40. Also, the number of full-time students, plus the total number of part-time student credit hours divided by the number of credits that identifies a full-time student.

# Volume Price Discounts

# Volume Price Discounts Are Applied...

- When MLA or VLA customers meet or exceed specified **purchase volumes**. The greater the unit quantity, the greater the discount level that may be awarded.
- To **individual orders** at the line item or SKU level. Discounts are not cumulative across multiple orders or over time, and are only applied to pricing from the Novell Corporate Price List.
- To the **List Price** before MLA or VLA programs discounts.
- To new licenses, license+Maintenance, stand-alone Maintenance, and business-to-consumer/government-to-citizen part numbers.

# Volume Price Discounts

Automatic or manual request?

Built directly into the Novell quoting tools for customer orders.

Minimum purchase requirement?

1,000 units new licenses, or license+maintenance.

15,000 units for stand-alone maintenance.

1 million units for B2C/G2C.

Which part numbers are eligible?

New licenses, license+maintenance, stand-alone maintenance (both standard and priority), B2C/G2C. Products from all business units may apply.

Which part numbers are NOT eligible?

Various Novell or Third Party products, Novell Open Workgroup Suite and PlateSpin Forge. May not be combined with other promotions. No ALA or SLA.

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