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#### **PURPOSE**

This Licensing Guide is intended for professionals who are considering deployment of Microsoft software on Google Cloud Platform (GCP). The purpose of this document is to provide guidance to common licensing scenarios relevant to the GCP offering.

This guide is organized by principle topics, or workloads, relevant to running Microsoft workloads on GCP. The content is provided with references to documentation with hyperlinks where available.

The document covers the following core topics and workloads, addressing Windows server, SQL server, Microsoft Application Servers, Developer Licensing, Windows Desktop, Office Client, and the implications of Microsoft Volume Agreements, and considerations for Service Providers.

We hope you find the document of value.

-Tony Mackelworth Global Subject Lead - Microsoft Advisory Services, SoftwareONE



#### **GENERAL**

#### **GCP** shared-tenancy

<u>GCP shared-tenancy</u> is unmanaged compute service, hosted in a shared tenancy environment to multiple customers<sup>1</sup>. Customers can opt to create private or use the pre-built <u>images</u> and select the region and zones their instances are deployed but cannot specify a host server.

#### **GCP** sole-tenant

<u>GCP sole-tenant</u> nodes are physical Compute Engine servers that are dedicated for hosting VM instances for your specific project. Normally, VM instances run on physical hosts that may be shared by many customers. With sole-tenant nodes, the host is dedicated to your business.<sup>2</sup>

GCP sole-tenant is a dedicated server that is physically isolated for use by a single customer. All hardware resources and storage will remain fully dedicated to your use for the term of your subscription.

Each sole-tenant node is associated with one physical server, and is the only node running on that server. You can manually select the location to launch your instances to a specific dedicated host. Node affinity determines which nodes your VM instances use as a host system. You can configure additional affinity labels so that your instances run only on the node groups that you want or share nodes only with instances of the same affinity type. Affinity labels keep sensitive data together on specific node groups and separate from your other node groups and other VM instances running on Compute Engine. It provides you with visibility and control to meet regulatory and compliance requirements.

In this case, the dedicated server description<sup>3</sup> within the Microsoft Product Terms complies with the service description for GCP sole-tenant, providing servers dedicated to the customer's use.

Google is designated by Microsoft as a '<u>Listed Provider</u>,'<sup>4</sup> and from October 1, 2019, and is subject to updated outsourcing terms<sup>5</sup> for hosting of customer software on dedicated hosted cloud services.

#### **Google Cloud VMware Engine**

<u>Google Cloud VMware Engine</u> is a VMware managed service product that enables businesses running on premises VMware workloads to seamlessly migrate to Google Cloud without needing to re-architect or refactor their applications. The customer's VMware environment continues to run natively in a dedicated and private, software-defined data center stack on bare metal infrastructure located in Google Cloud data centers. Google is responsible for the management of the physical server infrastructure.

The all-flash NVMe-based storage can support the speed and performance required for demanding workloads, such as SQL server, SharePoint server, Microsoft Exchange server, and Windows Desktop OS VDI running on VMware. VMware Engine also has the ability to reduce the core count in the nodes to align with licensing requirements.

In this case, the dedicated server description<sup>6</sup> within the Microsoft Product Terms complies with the service description for Google Cloud VMware Engine, providing servers dedicated to the customer's use<sup>7</sup>, and is also subject to updated

 $<sup>^{1}</sup>$  The shared tenancy service description is available  $\underline{\text{here}}$ 

<sup>&</sup>lt;sup>2</sup> The sole-tenant service description is available <u>here</u>.

<sup>&</sup>lt;sup>3</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>4</sup> Google is now designated by Microsoft as a 'Listed Provider', effective October 1, 2019- http://aka.ms/listedproviders

<sup>&</sup>lt;sup>5</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122

<sup>&</sup>lt;sup>6</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>7</sup> The service description complies with the dedicated to customer's use provision for products that are eligible to be assigned to Listed Providers under the product-specific licensing terms. As part of the service, all customers get dedicated bare metal hosts with local attached disks that are physically isolated from other hardware. An ESXi hypervisor with vSAN runs on every node and the nodes are managed through customer-dedicated VMware vCenter and NSX.



outsourcing terms<sup>8</sup> for Listed Providers when hosting of customer software on dedicated servers like Google Cloud VMware Engine.

This document will provide guidance on how to navigate the licensing requirements to continue to run Microsoft workloads on GCP sole-tenant and Google Cloud VMware Engine as permitted by the Microsoft Product Terms. For brevity, this document will refer to both services collectively as sole-tenant for the purposes of Microsoft licensing considerations for dedicated host cloud services.

<sup>8</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122

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#### **HOW GOOGLE SUPPORTS MICROSOFT SOFTWARE**

#### Google is a Service Provider

As a Service Provider, Google provides hardware and infrastructure services, with additional Software Services<sup>9</sup> on Google shared-tenancy. Microsoft licenses are included in the cost of the Windows server instances purchased ondemand from Google shared tenancy. Google is responsible for providing the software images, and reporting monthly licensing usage of our customers to Microsoft under the Service Provider Licensing Agreement (SPLA).

#### Google is an Authorized Mobility Partner

As an approved 'Authorized Mobility Partner' (AMP), <sup>10</sup> Google is providing hardware and infrastructure services, with additional Software Services on Google shared tenancy. Customers that own Volume Licenses that are eligible for License Mobility <sup>11</sup> through Software Assurance can be assigned to Google shared tenancy by customers under their Volume Agreement(s). Under this extended use right, customers are responsible for uploading their own images, and reporting under the terms of their Volume Agreement(s) to Microsoft.

The customer cannot use License Mobility if they are providing a Software Service based on Microsoft software to their own end-customers. Windows server instances do not benefit from License Mobility, and can be purchased via ondemand instances from Google.

The list of eligible server products for License Mobility are defined in the Microsoft Product Terms, including but not limited to: Microsoft SQL server, Microsoft Exchange, Microsoft Skype for Business, Microsoft SharePoint, Microsoft System Center, Remote Desktop Services CAL, BizTalk server and eligible Dynamics products. In this document these products will be collectively referred to as Microsoft Application Servers.

#### Google is a Listed Provider

As a <u>Listed Provider</u>, Google is providing hardware and infrastructure services, on dedicated servers via <u>GCP sole-tenant</u> or dedicated VMware stack via <u>Google Cloud VMware Engine</u>. Customers that own Volume Licenses that are eligible for License Mobility through Software Assurance, eligible licenses can be assigned to Google dedicated servers by customers under their Volume Agreement(s). Under this extended use right, customers are responsible for uploading their own images, and reporting under the terms of their Volume Agreement(s) to Microsoft.

Some licenses that are not eligible for License Mobility (for example, Windows server), or where Software Assurance has not been purchased or has lapsed (for example SQL server), can still be assigned to dedicated servers - specific guidance is provided in this document. Our customers are also encouraged to refer to the Product Terms.

The customer cannot use License Mobility under their own Volume Licensing if they are providing a Software Service based on Microsoft software to their own end-customers. In this case, the customer should license eligible products under their own Service Provider Licensing Agreement.

#### Google is a Datacenter Provider to other Service Providers

As a Datacenter Provider (DCP), Google is providing hardware and infrastructure services, with additional Software Services, to another Service Provider on Google shared tenancy. The customer in-turn, is providing Software Services based on Microsoft software to their own end-customers. The customer is responsible for providing their own images, and reporting monthly licensing usage for their customers to Microsoft under their Service Provider Licensing

<sup>&</sup>lt;sup>9</sup>/Software Service' refers to the Microsoft definition and requirements for use of SPLA licensing. A customer "may not (and is not licensed to) use the Products to offer commercial hosting services to third parties" under their Volume Licensing. Ref: Microsoft Product Terms, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>10</sup> GCP is an authorized "License Mobility through Software Assurance Partner" to "host customer's software on shared servers", as described in the Microsoft <u>Product Terms</u>, April 2020, page 82 of 122.

<sup>&</sup>lt;sup>11</sup> The GCP shared tenancy service description conforms with the requirements for "License Mobility" as defined in the Microsoft <u>Product Terms</u>, April 2020, page 94 of 122



Agreement. Eligible products include Microsoft Office Professional Plus, Remote Desktop Services, Exchange server, and SharePoint server. The customer can purchase SQL server via on-demand instances from Google, or elect to license SQL server with Subscriber Access Licenses (SALs) under their own SPLA. Windows server instances are purchased ondemand from Google shared-tenancy.

Microsoft server products that are licensed under the Per Processor and Per Core metrics (Windows server, SQL server) are not eligible for licensing and use under the Service Provider's SPLA on GCP shared-tenancy.

The Service Provider needs to have the day-to-day management over the physical data center to accurately determine the processors and/or cores used to support infrastructure software to report to Microsoft. Accordingly, Products licensed under the per processor and per core licensing models in the SPLA are not eligible for software services delivered on top of a Data Center Provider's platform<sup>12</sup> and instead should be acquired from GCP.

#### Google is an Outsourcing Company to other Service Providers

As a <u>Listed Provider</u>, acting as a dedicated outsourcer to a Service Provider, Google is providing hardware and infrastructure services to another Service Provider on servers dedicated to the customer's use. Google is contracted as a 'dedicated outsourcing company' to the customer, providing dedicated servers via <u>GCP sole-tenant</u> or dedicated VMware stack via Google Cloud VMware Engine.

The customer in-turn, is providing Software Services based on Microsoft software to their end-customer. The customer is responsible for providing their own images, and reporting monthly licensing usage for their customers to Microsoft under their Service Provider Licensing Agreement. The customer with SPLA products licenses by core or physical processor (Windows server, SQL server) can be deployed to GCP sole-tenant.

The customer cannot use License Mobility if they are providing a Software Service based on Microsoft software to their own end-customers.

For the end-customer of the Service Provider, that owns Volume Licenses that are eligible for License Mobility through Software Assurance, licenses can be assigned to Google dedicated servers by customers under their Volume Agreement(s) providing the server remains dedicated to their sole use.

Under this extended use right, end-customers are responsible for uploading their own images, and reporting under the terms of their Volume Agreement(s) to Microsoft.

Some licenses that are not eligible for License Mobility (for example, Windows server), or where Software Assurance has not been purchased or has lapsed (for example SQL server), can still be assigned to dedicated servers subject to the updated outsourcing terms for Listed Providers - specific guidance is provided in this document.

The end-customer is responsible for all of the reporting and compliance obligations under their volume licensing agreement regardless of the physical location of the hardware upon which the software is used.

The end-customer should refer to their Microsoft Volume Agreement and binding contractual documents for additional information on reporting their licensing requirements to Microsoft.

#### **Google Services available On-Premises**

Some Google services are provided to customer's existing on-premises infrastructure like <u>Anthos GKE</u> on-premises. This service enables customers to modernize legacy applications in containers, on existing customer hardware.

In this case, the customer is responsible for deploying their own images, and all reporting and compliance obligations under their volume licensing agreement for Microsoft software deployed on their hardware. If the Microsoft software was migrated to dedicated servers in GCP, it would be subject to the updated outsourcing licensing terms for Listed Providers.

Please refer to your Microsoft Volume Agreement and binding contractual documents for additional information on reporting your licensing requirements to Microsoft.

<sup>&</sup>lt;sup>12</sup> Please refer to: 'Licensing Guide for Partners: Leveraging Data Center Providers and Software Service Resellers', Page 2 of 8



#### WINDOWS SERVER

There are two available options to deploy Windows servers on GCP: virtual machine instances and sole-tenant nodes<sup>13</sup>.

**Virtual Machine instances**: Windows server per-core licenses are included in the cost of the Windows server instances purchased on-demand and hosted in a shared-tenancy environment. Whether you bring your existing Windows server images to run on VM instances or use the pre-built <u>images</u> available in GCP, the license is included in the cost, and Windows server CALs are not required.

**Sole-tenant nodes**: GCP provides the option to bring your own licensing (BYOL) for Windows server with your own images to GCP sole-tenant and remain compliant for Microsoft licensing, subject to the updated outsourcer licensing terms<sup>14</sup> for Listed Providers.

A sole-tenant from GCP is a dedicated single-tenant host that is fully dedicated for your use. GCP will not support two customers to share the same set of resources, such as hardware or storage for the term of your subscription. In this case, the dedicated host description within the Microsoft Product Terms<sup>15</sup> applies to this service.

Windows server does not have 'License Mobility' rights to enable bringing your own licenses to a multi-tenant environment, so we only recommend assignment to our sole-tenant offering. Windows server licenses can only be assigned to physically dedicated sole-tenant hosts, subject to the updated outsourcing terms<sup>16</sup>.

#### **Updated Outsourcing Terms**

For Windows server volume licenses acquired on or after October 1, 2019, use on GCP sole-tenant is not permitted.

However, customers who are eligible under the following eligibility criteria, can continue to bring their Windows server licenses to GCP sole-tenant:

#### **Existing Licenses**

- For Windows server licenses acquired before October 1, 2019 are permitted subject to the Product Terms in effect when those licenses were acquired. This enables customers to continue to assign their existing licenses for versions released before October 1, 2019.
- For Windows server licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019, can also be assigned.<sup>18</sup>

#### Software Assurance Renewal

• If you are using software under perpetual licenses, for example acquired through an Enterprise Agreement (EA), or Server Cloud Enrollment (SCE), renewal of Software Assurance for perpetual licenses will not affect your perpetual use rights for existing versions and will remain consistent with licensing use on traditional outsourcer's hardware dedicated to your sole organization<sup>19</sup>.

#### **Subscription Renewal**

• If you are using software under subscription volume agreement, for example under an Enterprise Agreement Subscription (EAS), or subscribe to licenses under a Server Cloud Enrollment, you are bound to the new terms

<sup>&</sup>lt;sup>13</sup> For brevity, this document will refer to both GCP sole-tenant and Google Cloud VMware Engine services collectively as sole-tenant for the purposes of Microsoft licensing considerations for dedicated host cloud services.

 $<sup>^{14} \</sup> Please \ refer \ to \ Section \ 8. \ "Outsourcing \ Software \ Management" \ in \ the \ Microsoft \ \underline{\underline{Product Terms}}, \ April \ 2020, \ page \ 7 \ of \ 122$ 

<sup>&</sup>lt;sup>15</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>16</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122

 $<sup>^{17}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

<sup>&</sup>lt;sup>18</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

<sup>&</sup>lt;sup>19</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here



on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019<sup>20</sup>.

#### **Planning to Upgrade Version**

• If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will not be permitted to assign your Windows server volume licenses to GCP sole-tenant for those upgraded servers.

#### **New License Purchase**

• If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms, and restrictions for assignment of the new licenses to GCP sole-tenant acquired after that date will apply.

If you do not have eligible Windows server licenses or if you plan to run the latest versions of Windows server released after October 1, 2019, you can purchase <u>Windows server instances</u> on GCP sole-tenant. This will allow you to continue to use GCP sole-tenant for your Windows server workloads.

The following guidance for assignment of volume licenses for Windows server to GCP sole-tenant are subject to licenses and deployed version(s) meeting the eligibility criteria.

#### **License Reassignment**

Each sole-tenant node is associated with one physical server dedicated to hosting your VM instances. You can control VM placement to launch your instances to a dedicated host, and instance affinity will allow specific node affinities between your nodes and VM instances. This will enable you to control VM instance placement to satisfy the restriction of license reassignment once every 90 days.<sup>21</sup>

The license re-assignment rule will apply to your licensing of Windows server unless there is a permanent hardware failure. In this scenario when there is permanent failure of hardware<sup>22</sup> components, the sole-tenant node that is hosting the VM instances will use live migration<sup>23</sup> to move the VM instances to replacement host hardware automatically. If there is complete hardware failure, the VM will crash and restart automatically and a host-error is logged.

#### **License Reporting**

Windows server is licensed by the physical cores on each host. GCP provides visibility into the number of physical processors and physical cores, and number of Windows VMs running on the host machine to keep track of how your Windows server VMs use the resources of the dedicated host.

If you elect to bring your own licensing for Windows server, then this would also require Windows server CALs. Your organization may already be licensed for Windows server CALs<sup>24</sup> through Core CAL, Enterprise CAL, or Office 365 license packages such as Microsoft 365 E3, and Microsoft 365 E5.

You may also require additional licenses for Windows server Rights Management Services (RMS) CALs, or Remote Desktop Services (RDS) CALs.

Remote Desktop Services (RDS) CALs will be required should a licensed user, or licensed devices, directly or indirectly access RDS functionality, for example Remote Desktop Session Host (RDSH), or as a Connection Broker.

If you require more than two connections to Remote Desktop for administration, you may require additional licenses for Remote Desktop Services (RDS) CALs. Please work with your preferred Licensing Solution Provider (LSP) to purchase additional RDS CALs as required.

<sup>&</sup>lt;sup>20</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

<sup>&</sup>lt;sup>21</sup> Please refer to Section 9 "License Assignment and Reassignment" in the Microsoft Product Terms, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>22</sup> Please refer to Section 9 "License Assignment and Reassignment" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>23</sup> The description of live migration available for Compute Engine is available <u>here.</u>

<sup>&</sup>lt;sup>24</sup> It is recommended to refer to the 'CAL Equivalency' table in the Microsoft <u>Product Terms</u>, April 2020, page 84 of 122.



#### **Containers**

Windows server Standard supports two VMs, or two Windows server containers with Hyper-V isolation, and unlimited Windows server containers (without Hyper-V isolation), when the server is licensed appropriately with Windows server Standard per-core licenses<sup>25</sup>.

Each Windows server container with Hyper-V isolation used to host one or more Windows server Container(s) is considered one VM for licensing purposes.

A server licensed with Windows server Standard edition per-core licenses must be fully licensed again to run a further 2 VMs. The rules for licensing Windows server Containers with Hyper-V isolation are exactly the same as for VMs.

Windows server Datacenter edition supports unlimited OSEs, Windows server containers with Hyper-V isolation and Windows server containers (without Hyper-V isolation), when the server is licensed appropriately with Windows server Datacenter per-core licenses.

You are responsible for all reporting and compliance obligations under your volume licensing agreement regardless of the physical location of the hardware upon which the software is used.

Please refer to your Microsoft Volume Agreement and binding contractual documents for additional information on reporting your licensing requirements to Microsoft.

#### **Licensing with Datacenter Edition**

Sole-tenant is a dedicated host offering that provides a commercial benefit in licensing your sole-tenant(s) with Windows server Datacenter Edition or Core Infrastructure Suite (CIS) Datacenter Edition, for eligible licenses. This will support an unlimited number of Windows server VM instances and containers<sup>26</sup>, to run on the licensed host. This approach can be advantageous when you have a higher number of Windows server VM instances running on the sole-tenant node.

If your organization is unable to take advantage of the eligibility criteria for permitted use (see section 'Updated Outsourcing Terms' above) you will not be able to assign affected Windows server Datacenter licenses to GCP soletenant.

#### **Software Assurance**

It is not required to have Software Assurance to bring your own Windows server licenses to the GCP sole-tenant. However, it was beneficial to maintain active Software Assurance to enable access to 'New Version Rights' as new software versions are released, <sup>27</sup> and to leverage Software Assurance Benefits.

If new versions were released since your original license purchase, active Software Assurance coverage over that period would permit upgrade to released versions now in mainstream or extended support. This would avoid the additional licensing costs to access 'Extended Security Updates' 28. Google recommends that customers maintain or upgrade to a supported version.

Software Assurance renewal does not affect your perpetual use rights for existing versions<sup>29</sup>. However, if you upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms.

<sup>&</sup>lt;sup>25</sup> Please refer to the Microsoft <u>Product Terms</u>, April 2020, pages 33, 51, and 83 of 122. Microsoft publish abridged licensing guidance for containers in Windows server here

<sup>&</sup>lt;sup>26</sup> Please refer to 'Server Licenses (per core)' – Item 3 of the Microsoft <u>Product Terms</u>, April 2020, page 10 of 122.

<sup>&</sup>lt;sup>27</sup> Microsoft confer 'New Version Rights' in the Microsoft <u>Product Terms</u>, April 2020, page 87 of 122.

<sup>&</sup>lt;sup>28</sup> Please refer to 'Extended Security Updates frequently asked questions' <u>here</u>

<sup>&</sup>lt;sup>29</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>



GCP sole-tenant is ideal for leveraging licenses where active Software Assurance has not been maintained, or licenses were purchased without Software Assurance. Additionally, sole-tenant will support per-core, per processor, and server with CAL based license models to take advantage of your prior software licensing investments.

#### **Right to Run Prior Versions**

Microsoft 'downgrade rights' are available for Windows server and support downgrade to any prior version of the same product<sup>30</sup> The use rights for the licensed version will still apply.

For example, you can purchase Windows server 2019 and downgrade to an earlier version of the product, such as Windows server 2016.

GCP will allow you to run versions that are approaching the end of support or have reached the end of support. In this case you should work with Microsoft to ensure your Windows servers are covered with Extended Security Updates (ESU) available for purchase separately from Microsoft. Alternatively, you can opt to upgrade to a supported version released over your active Software Assurance period.

If you have purchased Windows server virtual machine instances on-demand, GCP will not maintain images in the gallery after the end of support date. It is therefore recommended to download any required images and retain them in a private repository prior to end of support, or upgrade to the latest supported version.

#### **Summary Table**

The following table provides a high level summary of the BYOL changes for Windows server GCP sole-tenant. Please refer to the Microsoft Product Terms for more information.

		<b>Enterprise Agreement</b> (signed before October 1 <sup>st</sup> 2 <u>019</u> )				<b>Enterprise Agreement Subscription</b> (signed before October 1 <sup>st</sup> 2019)		
	Current EA	True Up	Renewal	New, or Upgrade †	Current EAS	Additional Subscriptions	Renewal	New, or Upgrade †
BYOL Licensing Options	Licenses Already Purchased	Additional Licenses Purchased via 'True Up'	Renewal of current Software Assurance (SA)	New Licenses Purchased at Renewal	Licenses Already Purchased	Additional Subscription Quantities Mid-Term	Renewal of current Subscriptions*	New Subscriptions Purchased at Renewal
Windows Server OS license	BYOL permitted	BYOL permitted	BYOL permitted	Not permitted, or select SPLA	BYOL permitted	BYOL permitted	Not permitted, or select SPLA	Not permitted, or select SPLA
Windows Server CAL	BYOL permitted	BYOL permitted	BYOL permitted	Included under SPLA	BYOL permitted	BYOL permitted	Included under SPLA	Included under SPLA
'Unlimited VMs' with Windows Server Datacenter, assigned to host level	BYOL permitted	BYOL permitted	BYOL permitted	Not permitted	BYOL permitted	BYOL permitted	Not permitted	Not permitted
Remote Desktop Services CAL	BYOL permitted	BYOL permitted	BYOL permitted	BYOL permitted <b>with SA</b>	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted with SA
Infrastructure		Google Sole Tenant						

<sup>\*</sup> If you are using software under subscription licenses you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019.

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<sup>†</sup> If you want to upgrade to a new product version released on or after October 1, 2019, or purchase a new license after that date, you are required to follow the updated outsourcing terms.

<sup>&</sup>lt;sup>30</sup> Please refer to the 'Universal License Terms' in the Microsoft <u>Product Terms</u>, April 2020, Page 7 of 122.



#### **SQL SERVER**

There are two available options to deploy SQL server on GCP: virtual machine instances and sole-tenant nodes<sup>31</sup>.

**Virtual Machine instances**: SQL server per-core licenses are included in the cost of the Windows server instances purchased on-demand. Whether you <u>bring your existing SQL server images</u> to run on VM instances, or use the pre-built <u>images</u> available in GCP.

GCP provides images with Microsoft SQL server preinstalled on Windows server. For these SQL server images, GCP manages the license for both Windows server and SQL server, and includes the cost in your monthly bill. Create instances with SQL server and scale to large multi-node configurations when you need them.

Customers with SQL server licenses that are eligible for License Mobility with active Software Assurance can assign their licenses to virtual machine instances in GCP shared tenancy.

**Sole-tenant nodes**: GCP will also enable you to bring your own licensing (BYOL) for SQL server with your own images to GCP sole tenant and remain compliant for Microsoft licensing, subject to the updated outsourcer licensing terms<sup>32</sup> for **Listed Providers**.

#### **Updated Outsourcing Terms**

For SQL server licenses acquired on or after October 1, 2019, use on GCP sole-tenant is not permitted unless you have active Software Assurance or equivalent subscription rights, and you opt to leverage <u>License Mobility through Software Assurance</u> benefit.

However, customers who are eligible under the following eligibility criteria, can continue to bring their existing licenses to GCP sole-tenant without a requirement for active Software Assurance:

#### **Existing Licenses**

- For SQL server licenses acquired before October 1, 2019 are permitted, subject to the Product Terms in effect when those licenses were acquired.<sup>33</sup> This enables customers to continue to assign their existing licenses for versions released before October 1, 2019 with or without active Software Assurance.
- For SQL server licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019 can also be assigned<sup>34</sup> with or without active Software Assurance.

#### **Software Assurance Renewal**

 If you are using software under a perpetual licenses, for example acquired under an Enterprise Agreement (EA), or Server Cloud Enrollment (SCE), renewal of SA for perpetual licenses will not affect your perpetual use rights for existing versions and will remain consistent with licensing use on traditional outsourcer's hardware dedicated to your sole organization<sup>35</sup>.

#### **Subscription Renewal**

• If you are using software under subscription volume agreement, for example under an Enterprise Agreement Subscription (EAS), or subscribe to licenses under a Server Cloud Enrollment, you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019. Customers that maintain an active subscription will continue to be able to assign SQL server licenses to GCP sole-tenant over the original subscription term.

<sup>&</sup>lt;sup>31</sup> For brevity, this document will refer to both GCP sole-tenant and Google Cloud VMware Engine services collectively as sole-tenant for the purposes of Microsoft licensing considerations for dedicated host cloud services.

<sup>&</sup>lt;sup>32</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122

<sup>&</sup>lt;sup>33</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

<sup>&</sup>lt;sup>34</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

<sup>&</sup>lt;sup>35</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here



 You will not be permitted to assign your SQL server licenses to GCP sole-tenant without maintaining active Software Assurance, or an equivalent subscription - this could apply to scenarios where a 'buy-out' of the perpetual license is completed at the end of a subscription term, and Software Assurance (SA) was not subsequently purchased and maintained.

#### **Planning to Upgrade Version**

• If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will not be permitted to assign your SQL server licenses to GCP soletenant for those upgraded servers without maintaining active Software Assurance, or equivalent subscription rights to leverage the 'License Mobility through Software Assurance' benefit.

#### **New License Purchase**

• If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms. You will not be permitted to assign your SQL server licenses to GCP sole-tenant unless you have active Software Assurance or equivalent subscription rights to leverage license mobility rights.

If you do not have eligible SQL server licenses or if you plan to run the latest versions of Windows server released after October 1, 2019, you can also purchase <u>SQL server instances</u> on GCP sole-tenant.

#### **Software Assurance**

**Virtual Machine Instances** - Software Assurance is required to bring your own licenses to dedicated instances in Google Cloud Platform. 'License Mobility through Software Assurance'<sup>36</sup> for Google Cloud Platform allows you to deploy eligible Microsoft Application Servers on Google Cloud Platform using your existing application server licenses. You are required to maintain active Software Assurance for SQL server licenses, or SQL server Core licenses<sup>37</sup> to leverage 'License Mobility through Software Assurance' on GCP shared-tenancy.

**Sole-tenant** – If your organization is unable to take advantage of the eligibility criteria for permitted use (see 'Updated Outsourcing Terms' above) you will continue to be able to bring your own licensing to GCP sole-tenant via License Mobility, by maintaining active Software Assurance, or an equivalent subscription.

If new versions were released since your original license purchase, active Software Assurance coverage over that period would permit upgrade to released versions in mainstream or extended support. This would avoid the additional licensing costs to access 'Extended Security Updates' <sup>38</sup>. However, it may be beneficial to maintain active Software Assurance to enable access to 'New Version Rights' as new software versions are released <sup>39</sup> and to leverage Software Assurance Benefits.

Software Assurance renewal does not affect your perpetual use rights for existing versions<sup>40</sup>. If you upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms and maintain active Software Assurance, or an equivalent subscription.

GCP sole-tenant is still ideal for leveraging licenses where active Software Assurance has not been maintained, or licenses were purchased without Software Assurance, and are eligible for assignment to GCP sole-tenant, subject to the updated outsourcing terms. Additionally, sole-tenant will support per-core, per processor, and server with CAL based license models to take advantage of your prior software licensing investments.

<sup>&</sup>lt;sup>36</sup> Microsoft confers 'License Mobility' through Software Assurance in the Microsoft Product Terms, April 2020, page 94 of 122

<sup>&</sup>lt;sup>37</sup> The requirements by product and licensed model are in a table - the Microsoft <u>Product Terms</u>, February 2019, page 86 of 122.

<sup>&</sup>lt;sup>38</sup> Please refer to 'Extended Security Updates frequently asked questions' <u>here</u>

<sup>&</sup>lt;sup>39</sup> Microsoft confer 'New Version Rights' in the Microsoft <u>Product Terms</u>, April 2020, page 87 of 122.

<sup>&</sup>lt;sup>40</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>



#### Fail-over Use Right

Microsoft first introduced extended use rights for passive fail-over within public clouds, as a Software Assurance benefit from SQL server 2014<sup>41</sup>.

**Virtual Machine Instances** - When Software Assurance is active on the licensed primary SQL server, you are also granted fail-over rights. <sup>42</sup> Fail-over user rights allow a fail-over instance on qualifying shared servers in anticipation of a fail-over event. This is not supported when licenses are purchased on-demand from GCP.

Under this important Software Assurance Benefit, you may run a fail-over instance on the GCP shared tenancy server in anticipation of a fail-over event<sup>43</sup>.

Customers will not need to assign additional SQL server licenses for the fail-over instance but will need to acquire Windows server virtual machine instances from GCP shared tenancy.

If the licensed primary active instance is on GCP shared tenancy servers, the passive instance is also required to run on GCP shared tenancy servers. Please be aware that Microsoft does not intend the fail-over use right to be used for onpremises to 3<sup>rd</sup> party shared tenancy fail-over.

**Sole-Tenant** - If the licensed primary active instance is on a dedicated GCP sole-tenant, the fail-over instance is also required to run on dedicated hardware. Software Assurance for SQL server permits passive failover and movement between dedicated hosts.

**Fail-over servers for Disaster Recovery** - If you have licenses for SQL server 2019, for each primary active instance under active Software Assurance, one permitted fail-over instance can be used for high availability<sup>44</sup> in GCP sole-tenant, and, one<sup>45</sup> permitted fail-over instance specifically for disaster recovery purposes<sup>46</sup>.

Microsoft have improved published guidance on disaster recovery for SQL server in the Microsoft Product Terms<sup>47</sup>. This includes support for maintenance related operations for any permitted fail-over instance to perform:

- Database consistency checks or 'Checkdb'
- Log Back-ups
- Full Back-ups
- Monitoring resource and usage data

Microsoft requires that fail-over instances used for disaster recovery must be asynchronous and manual and may not serve SQL server data to users or devices or otherwise run active SQL server workloads.

These extended fail-over rights require Software Assurance for both the licensed server(s) and CALs, if any, and do not apply If you elect to deploy SQL server under License Mobility through Software Assurance 48 to GCP shared tenancy.

Fail-over scenarios can be complex, so it is recommended to refer to the <u>Microsoft Product Terms</u> and the <u>SQL server</u> <u>Licensing Guide</u> for more information.

<sup>&</sup>lt;sup>41</sup> Please refer to the Microsoft <u>Product Terms</u>, December 2015, page 6 & 81 of 91. "Customer may run passive fail-over Instances on the qualifying shared servers in anticipation of a fail-over event"

<sup>&</sup>lt;sup>42</sup> Please refer to 'Fail-Over Rights' in the Microsoft <u>Product Terms</u>, February 2019, page 31 of 122.

 $<sup>^{43}</sup>$  Please refer to 'Fail-Over Rights' in the Microsoft <u>Product Terms</u>, February 2019, page 95 of 122.

<sup>&</sup>lt;sup>44</sup> Please refer to 'Fail-Over Rights' in the Microsoft <u>Product Terms</u>, February 2019, page 31 of 122.

<sup>&</sup>lt;sup>45</sup> "Primary server licenses covered with SA include support for one Disaster Recovery secondary server only (outside Azure), and any additional secondary Disaster Recovery servers must be licensed for SQL Server" Ref: SQL server Licensing Guide

<sup>&</sup>lt;sup>46</sup> "High Availability replica is defined as a passive replica setup as synchronous replica with automated failover. Disaster Recovery replica is defined as a passive replica setup as an asynchronous replica with manual failover." Ref: <u>SQL server Licensing Guide</u>

<sup>&</sup>lt;sup>47</sup> Please refer to 'Fail-Over Rights' in the Microsoft Product Terms, February 2019, page 31 of 122.

<sup>&</sup>lt;sup>48</sup> Please refer to the Microsoft <u>Product Terms</u>, April 2020, Page 31 of 122.



#### **Right to Run Prior Versions**

Microsoft 'downgrade rights' are available for SQL server and support downgrade to any prior version of the same product.<sup>49</sup> For example, you can purchase SQL server 2019 and downgrade to an earlier version of the product, such as SQL server 2014. The use rights for the licensed version still apply.<sup>50</sup>

GCP will enable you to run versions that are approaching the end of support or have reached the end of support. In this case you should work with Microsoft to ensure your SQL servers are covered with Extended Security Updates (ESU) available for purchase separately from Microsoft. Alternatively, you can opt to upgrade to a supported version in mainstream or extended support made generally available under your license Software Assurance coverage period.

If you have purchased SQL server instances on-demand, GCP will not maintain images in the gallery after the end of support date. It is therefore recommended to download any required images and retain them in a private repository prior to end of support, or upgrade to the latest supported version.

#### **License Reporting**

When you bring your own licensing to GCP, you are still responsible for all reporting and compliance obligations under your volume licensing agreement regardless of the physical location of the hardware upon which the software is used.

When using 'License Mobility through Software Assurance,' you must complete a license verification process with Microsoft to confirm that you have the eligible licenses with active Software Assurance. To start the verification process and review additional details, go to the Microsoft License Mobility verification form in the GCP Console.

This is required for all workloads of eligible Microsoft Application Server products, as defined in the Microsoft Product Terms, including but not limited to: Microsoft SQL server, Microsoft Exchange, Microsoft SharePoint server, Microsoft Skype for Business server, Microsoft System Center, RDS CAL, BizTalk Server.

**Sole-tenant** – GCP provides reporting on the physical processors and physical cores, the total number of VM instances and containers running SQL server on the host machine, and the number of virtual cores assigned to the VMs to allow you to keep track of licensable resources on the dedicated host.

You can elect to license each individual VM, or container, based on the number of virtual cores<sup>51</sup> assigned to the VM or container supporting SQL server on the sole-tenant for SQL server Standard Edition or SQL server Enterprise Edition based on the version deployed. (Microsoft has a minimum requirement to license 4 cores for each individual VM, or container running SQL server).

Alternatively, notwithstanding the updated outsourcing terms, when your sole-tenant is appropriately licensed with SQL Enterprise Edition with active Software Assurance, for all physical cores on the server, this will support an unlimited number of SQL virtual machines instances to run on the licensed host. (Please see section below "Licensing for Unlimited Virtualization" for additional guidance).

If you elect to bring your own licensing for SQL servers purchased on a Server/CAL model, then this would also require SQL server CALs for the total number of users or devices that directly or indirectly access the SQL server.

Sole-tenant is a dedicated server, and thus you are eligible to leverage perpetual licenses where Software Assurance is active, but not maintained, or licenses were purchased without Software Assurance, subject to the updated outsourcing terms. Additionally, sole-tenant will support per-core, per processor, and server with CAL based license models to take advantage of your prior software licensing investments.

**Virtual Machine Instances** - Software Assurance is required to bring your own licenses to dedicated instances in GCP shared tenancy.

<sup>&</sup>lt;sup>49</sup> There is a useful Microsoft licensing brief on downgrade rights available <u>here.</u>

<sup>&</sup>lt;sup>50</sup> Please refer to the 'Universal License Terms' of the Microsoft <u>Product Terms</u> April 2020, Page 7 of 122.

<sup>&</sup>lt;sup>51</sup> Please refer to 'Server Licenses (per core)' – Item 2 – Licensing by Individual Virtual OSE' of the Microsoft Product Terms, April 2020, page 11 of 122.



You must license each individual VM, or container, based on the number of virtual cores<sup>52</sup> assigned to the SQL VM instance or container on the sole-tenant for SQL server Standard Edition or SQL server Enterprise Edition, based on the version deployed.

Alternatively, for SQL server Standard Edition only, you can elect to license your individual VM or container running SQL server on Server/CAL model.

Please refer to the licensing rules for 'License Mobility through Software Assurance' in the Microsoft <u>Product Terms</u> for the detailed licensing requirements for bringing your licenses to shared servers on GCP.

You are responsible for all of the reporting and compliance obligations under your volume licensing agreement regardless of the physical location of the hardware upon which the software is used.

Please refer to your Microsoft Volume Agreement and binding contractual documents for additional information on reporting your licensing requirements to Microsoft.

#### **Containers**

For shared tenancy or sole-tenant servers, the required SQL server core licenses are assigned to the individual container, and both individual VM and container are considered the same from a licensing perspective. This is the only licensing model available when licensing with SQL server Standard Edition.

Alternatively, notwithstanding the updated outsourcing terms, when your sole-tenant is appropriately licensed with SQL Enterprise Edition with active Software Assurance, for all physical cores on the server, this will support an unlimited number of containers to run on the licensed host.

#### **Licensing for Maximum Virtualization**

Sole-tenant is a dedicated host offering that provides a commercial benefit in licensing your sole-tenant(s) with SQL server Enterprise Edition and active Software Assurance. This will support an unlimited number<sup>53</sup> of SQL server VM instances and containers<sup>54</sup> to run on the licensed host. This approach can be advantageous when you have a higher number of SQL server VM instances or containers running on the sole-tenant node and elect to license the physical cores of the host server.

- For SQL server licenses acquired prior to October 1, 2019, with Software Assurance you can leverage unlimited virtualization with SQL Server Enterprise Edition on GCP sole-tenant.
- For SQL server licenses acquired after October 1, 2019, you will not have unlimited virtualization rights on GCP sole-tenant<sup>55</sup>. (Please refer to section on 'Updated Outsourcing Terms' above for additional guidance).
- If a SQL server instance for a version released on or after October 1, 2019, is subsequently deployed on GCP sole-tenant, you will no longer have unlimited virtualization rights on GCP sole-tenant.

<sup>&</sup>lt;sup>52</sup> Microsoft has a minimum number of 4 licensable cores per virtual machine instance. Please refer to 'License Mobility', Microsoft Product Terms, April 2020, Page 95 of 122).

<sup>&</sup>lt;sup>53</sup> Please refer to Microsoft <u>Product Terms</u>, April 2020, page 31 of 122.

<sup>&</sup>lt;sup>54</sup> For more information on licensing containers, please refer to the SQL Server 2019 Licensing Guide

<sup>&</sup>lt;sup>55</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>



#### **Summary Table**

The following table provides a high level summary of the BYOL changes for SQL server GCP sole-tenant. Please refer to the Microsoft Product Terms for more information.

	<b>Enterprise Agreement</b> (signed before October 1 <sup>st</sup> <u>2019)</u>				Enterprise Agreement Subscription (signed before October 1st <u>2019)</u>			
	Current EA	True Up	Renewal	New, or Upgrade †	Current EAS	Additional Subscriptions	Renewal	New, or Upgrade †
BYOL Licensing Options	Licenses Already Purchased	Additional Licenses Purchased via 'True Up'	Renewal of current Software Assurance (SA)	New Licenses Purchased at Renewal	Licenses Already Purchased	Additional Subscription Quantities Mid- Term	Renewal of current Subscriptions	New Subscriptions Purchased at Renewal
MS SQL vCores (Individual VM)	BYOL permitted	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted with SA
MS SQL Enterprise Core with SA (Host Layer) for 'Max Virtualization'	BYOL permitted	BYOL permitted	BYOL permitted	Not permitted	BYOL permitted	BYOL permitted	Not permitted	Not permitted
MS SQL Server + CAL	BYOL permitted	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted with SA
Windows Server OS license	BYOL permitted	BYOL permitted	BYOL permitted	Not permitted, or select SPLA	BYOL permitted	BYOL permitted	Not permitted, or <b>select SPLA</b>	Not permitted, or select SPLA
Infrastructure	Google Sole Tenant							

<sup>\*</sup> If you are using software under subscription licenses you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019.

<sup>†</sup> If you want to upgrade to a new product version released on or after October 1, 2019, or purchase a new license after that date, you are required to follow the updated outsourcing terms.



#### **MICROSOFT APPLICATION SERVERS**

For the purposes of this section, 'Microsoft Application Server' products include Microsoft SQL server, Microsoft Exchange, Microsoft Skype for Business Server, Microsoft SharePoint server, or Microsoft System Center servers, Dynamics CRM for customer service and sales applications<sup>56</sup>.

There are two available options to deploy Microsoft Application Servers on GCP: virtual machine instances and soletenant nodes.

**Virtual Machine Instances** - Software Assurance is required to bring your own licenses to shared tenancy Windows server instances in Google Cloud Platform. 'License Mobility through Software Assurance'<sup>57</sup> for Google Cloud Platform allows you to deploy eligible Microsoft Application Servers using your existing application server licenses and server images.

You are required to maintain active Software Assurance for eligible licenses to leverage <u>License Mobility through Software Assurance</u> benefit on Google Compute Engine.

**Sole-tenant** - GCP will also enable you to bring your own licensing (BYOL) for Microsoft Application Servers with your own images to GCP sole tenant and remain compliant for Microsoft licensing, subject to the updated outsourcer licensing terms<sup>58</sup> for <u>Listed Providers</u>.

#### **Updated Outsourcing Terms**

For Microsoft Application Server licenses acquired on or after October 1, 2019, use on GCP sole-tenant is not permitted unless you have active Software Assurance or equivalent subscription rights, and you opt to leverage License Mobility.

However, customers who are eligible under the following eligibility criteria, can continue to bring their existing licenses to GCP sole-tenant without a requirement for active Software Assurance:

#### **Existing Licenses**

- Use of existing versions of products licensed before October 1, 2019 are permitted subject to the Product Terms in effect when those licenses were acquired. <sup>59</sup> This enables customers to continue to assign their existing licenses for versions released before October 1, 2019 with or without active Software Assurance.
- Licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019, can also be assigned 60 with or without active Software Assurance.

#### **Software Assurance Renewal**

• If you are using software under a perpetual licenses, for example acquired under an Enterprise Agreement (EA), or Server Cloud Enrollment (SCE), renewal of SA for perpetual licenses will not affect your perpetual use rights for existing versions and will remain consistent with licensing use on traditional outsourcer's hardware dedicated to your sole organization<sup>61</sup>.

#### **Subscription Renewal**

• If you are using software under subscription volume agreement, for example under an Enterprise Agreement Subscription (EAS), or subscribe to licenses under a Server Cloud Enrollment, you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after

 $<sup>^{56}</sup>$  Please refer to the Microsoft <u>Product Terms</u> April 2020, for a complete list of eligible products

<sup>&</sup>lt;sup>57</sup> Microsoft confers 'License Mobility through Software Assurance' in the Microsoft <u>Product Terms</u>, April 2020, page 94 of 122.

<sup>&</sup>lt;sup>58</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122

 $<sup>^{59}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

<sup>&</sup>lt;sup>60</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

 $<sup>^{61}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>



- October 1, 2019. Customers that maintain an active subscription will continue to be able to assign Microsoft Application Server licenses to GCP sole-tenant.
- You will not be permitted to assign your Microsoft Application Server licenses to GCP sole-tenant without
  maintaining active Software Assurance, or an equivalent subscription this could apply to scenarios where a
  'buy-out' of the perpetual license is completed at the end of a subscription term, and Software Assurance (SA)
  was not subsequently purchased and maintained.

#### **Planning to Upgrade Version**

• If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will not be permitted to assign your Microsoft Application Server licenses to GCP sole-tenant for those upgraded servers without maintaining active Software Assurance, or equivalent subscription rights to leverage license mobility rights.

#### **New License Purchase**

If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated
outsourcing terms. You will not be permitted to assign your Microsoft Application Server licenses to GCP soletenant unless you have active Software Assurance or equivalent subscription rights to leverage license mobility
rights.

#### **Software Assurance**

**Virtual Machine Instances** - Software Assurance is required to bring your own licenses to dedicated instances in Google Cloud Platform. 'License Mobility through Software Assurance' allows you to deploy eligible Microsoft Application Servers on Google Cloud Platform using your existing application server licenses and server images.

**Sole-tenant** – If your organization is unable to take advantage of the eligibility criteria for permitted use (see section 'Updated Outsourcing Terms' above) you will continue to be able to bring your own licensing to GCP sole-tenant via License Mobility, by maintaining active Software Assurance, or an equivalent subscription.

Software Assurance renewal does not affect your perpetual use rights for existing versions<sup>63</sup>. If you upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms and maintain active Software Assurance, or an equivalent subscription.

GCP will enable you to run versions that are approaching the end of support or have reached the end of support, or you can opt to upgrade to a supported version in mainstream or extended support available under your license Software Assurance coverage period.

If new versions were released since your original license purchase, active Software Assurance coverage over that period would permit upgrade to released versions in mainstream or extended support. It is beneficial to maintain active Software Assurance to enable access to 'New Version Rights' as new software versions are released <sup>64</sup> and to leverage Software Assurance Benefits.

If you have purchased Microsoft application server instances on-demand, GCP will not maintain images in the gallery after the end of support date. It is therefore recommended to download any required images and retain them in a private repository prior to end of support, or upgrade to the latest supported version.

<sup>&</sup>lt;sup>62</sup> Microsoft confers 'License Mobility' through Software Assurance in the Microsoft Product Terms, April 2020, page 94 of 122

 $<sup>^{63}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

<sup>&</sup>lt;sup>64</sup> Microsoft confer 'New Version Rights' in the Microsoft <u>Product Terms</u>, April 2020, page 87 of 122. <u>Here</u>



GCP sole-tenant is ideal for leveraging licenses where active Software Assurance has not been maintained, or licenses were purchased without Software Assurance, and are eligible for assignment to GCP sole-tenant, subject to the updated outsourcing terms.

#### **License Reporting**

You can benefit from 'License Mobility through Software Assurance' to assign volume licenses to dedicated instances in GCP shared-tenancy and GCP sole-tenant. In this scenario, you are responsible for disclosing new license assignments used in GCP to Microsoft.

When using 'License Mobility through Software Assurance,' you must complete a license verification process with Microsoft to confirm that you have the eligible licenses with active Software Assurance. To start the verification process and review additional details, go to the <u>Microsoft License Mobility verification form</u> in the GCP Console.

This is required for all workloads of eligible Microsoft Server products, as defined in the Microsoft Product Terms, including but not limited to: Microsoft SQL server, Microsoft Exchange, Microsoft SharePoint, Microsoft Skype for Business, Microsoft System Center, RDS CAL, BizTalk Server and eligible Dynamics products.

You are responsible for all of the reporting and compliance obligations under your volume licensing agreement regardless of the physical location of the hardware upon which the software is used.

Please refer to your Microsoft Volume Agreement and binding contractual documents for additional information on reporting your licensing requirements to Microsoft.



#### **DEVELOPER LICENSING OPTIONS**

**Visual Studio subscriptions** - can be a practical approach to secure test and development use rights for Microsoft platform software like Windows Desktop OS, Windows server, and SQL server.

Visual Studio subscriptions while having a per-developer subscription model, can be cost effective for addressing non-production use for test, development and user acceptance testing. Visual Studio subscriptions support previous and current versions of SQL server and both Editions (Standard and Enterprise). Additionally, previous and current versions of Windows server and Windows Desktop OS are supported with eligible Visual Studio subscriptions.

**Sole-tenant** - Visual Studio subscriptions are eligible to be used with GCP sole-tenant for development and test purposes in non-production environments for licenses acquired prior to October 1, 2019 for the term of their subscription.

Visual Studio subscriber software may no longer be run on dedicated hosted cloud services such as GCP sole-tenant of October 1,  $2019^{65}$ .

For Visual Studio subscriptions, you are bound to the new updated outsourcing terms upon renewal of your subscription.

For licenses acquired on or after October 1, 2019, Visual Studio subscriber software may no longer be run on GCP soletenant as of October 1, 2019 under Visual Studio subscriptions.

Virtual Machine Instances - Visual Studio subscriptions are not suitable for shared tenancy<sup>66</sup> instances on GCP.

Developer licensing can be complex, so it is recommended to refer to the <u>Microsoft Product Terms</u> and the <u>Visual Studio</u> <u>Licensing Whitepaper</u> for more information.

**SQL Developer Edition** - is a free download and eligible for deployment in both sole-tenant and shared tenancy on GCP.

SQL Developer Edition can enable developers to install and access an unlimited number of SQL Developer Edition instances, and includes the same functionality included with SQL server Enterprise edition.

There are 'downgrade rights' in the Developer Edition that confer the right to use a prior version. However, it does not provide down-edition rights. You cannot run a different edition of SQL server in-place of Developer Edition.

Please be aware that SQL server Developer Edition does not include a licensed Windows server OS for development and would need to be covered separately.

<sup>&</sup>lt;sup>65</sup> Please refer to the Visual Studio Licensing Whitepaper March 2020, Page 15 of 34 - "on dedicated hardware hosted by a 3<sup>rd</sup> party"

<sup>&</sup>lt;sup>66</sup> Please refer to the Visual Studio Licensing Whitepaper March 2020, Page 13 of 34 - "on dedicated hardware hosted by a 3<sup>rd</sup> party"



#### WINDOWS DESKTOP OPERATING SYSTEM

Google will enable you to bring your own licensing for Windows Desktop Operating System to GCP sole-tenant<sup>67</sup> and remain compliant for Microsoft licensing, subject to the updated outsourcer licensing terms<sup>68</sup> for <u>Listed Providers</u>.

Windows Desktop OS does not have 'License Mobility' rights to enable bringing your own licenses to a multi-tenant environment, so we only recommend assignment to our sole-tenant offering. Windows Desktop OS licenses can only be assigned to physically dedicated sole-tenant hosts, subject to the updated outsourcing terms.

#### **Updated Outsourcing Terms**

For Windows Desktop OS volume licenses acquired on or after October 1, 2019, use on GCP sole-tenant is permitted under Windows VDA E3 or E5 user subscription licenses<sup>69</sup>.

#### **Existing Licenses**

- Use of existing versions of products licensed before October 1, 2019 are permitted subject to the Product Terms in effect when those licenses were acquired. This enables customers to continue to assign their existing licenses for versions released before October 1, 2019 during their existing enrollment term.
  - This would include Windows 10 E3 and E5 User Subscription Licenses, Windows VDA E3 and E5 User Subscription Licenses, Windows 10 Enterprise SA per device licenses, or Virtual Desktop Access per device subscription licenses.
- Licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after
  October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released
  prior to October 1, 2019, can also be assigned for their existing enrollment term.<sup>72</sup>

#### **Software Assurance Renewal**

• As an exception, customers renewing Windows Enterprise SA between October 1, 2019 and October 1, 2020, will have until October 1, 2020 to continue to run existing Windows virtual instances<sup>73</sup>, before requiring assignment of Windows VDA E3 or E5 user subscription licenses.

#### **Subscription Renewal**

- If you are using software under subscription volume agreement, for example under an Enterprise Agreement Subscription (EAS), you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019<sup>74</sup>.
- As an exception, customers renewing Windows Enterprise E3 or E5 user subscriptions between October 1, 2019 and October 1, 2020, will have until October 1, 2020 to continue to run existing Windows virtual instances<sup>75</sup>, before requiring assignment of Windows VDA E3 or E5 user subscription licenses.

 $<sup>^{\</sup>rm 67}$  Sole-tenant is a single-tenant server that is dedicated to one GCP account.

<sup>&</sup>lt;sup>68</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122

 $<sup>^{69}</sup>$  Please refer to the Microsoft  $\underline{\text{Product Terms}}$ , April 2020, page 47 of 122.

<sup>&</sup>lt;sup>70</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

<sup>71 &</sup>quot;You can continue to use Windows Enterprise under your current Software Assurance coverage or user subscription licenses; however, at renewal, your option to deploy Windows Enterprise on a Listed Provider's dedicated cloud services will require VDA E3/E5 (per user)". Ref: Microsoft Website

<sup>&</sup>lt;sup>72</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

<sup>&</sup>lt;sup>73</sup> Please refer to the Microsoft <u>Product Terms</u>, April 2020, page 47 of 122.

<sup>&</sup>lt;sup>74</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

<sup>&</sup>lt;sup>75</sup> Please refer to the Microsoft <u>Product Terms</u>, April 2020, page 47 of 122.



#### **Planning to Upgrade Version**

• If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will only be permitted to assign your Windows VDA E3 or E5 user subscription licenses to GCP sole-tenant.

#### **New License Purchase**

• If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms, and restrictions for assignment of the new licenses to GCP sole-tenant acquired after that date will apply. It is recommended to purchase Windows VDA E3 or E5 user subscription licenses going forward.

#### **Assigning a License**

Before you bring your own Windows Desktop OS images to GCP, you must first assign a Windows VDA E3 or E5 user subscription license to the end-user, referred to as a "licensed user".

To 'assign' a license means simply to designate that license to an eligible user that can access the Windows Desktop OS in a virtual machine.

#### **Running Windows Remotely**

You can bring your own Windows 7, Windows 8.1, or Windows 10 desktop and run it on GCP sole-tenant and remain license compliant. Under the assigned eligible volume license, you may access Windows Desktop OS remotely in a virtual machine as a benefit of Software Assurance<sup>76</sup> or an equivalent subscription - this extended use right is included in the Virtual Desktop Access subscription.

GCP will ensure isolation of the hardware and other resources to make sure it remains fully dedicated to your use.<sup>77</sup> GCP will not support two customers to share the same set of resources, such as hardware or storage for the term of your subscription.

#### **Selecting a License Model**

**VDA**<sup>78</sup> **User Subscription Licenses** – Under this licensing model, remote use of the Windows desktop OS deployed on a GCP sole-tenant is allowed for any assigned licensed user. There is no minimum 'primary' user requirement for the enduser accessing device, or a requirement for a 'qualifying' Windows OS to be installed on the accessing device.

**VDA Add-On for Microsoft 365 E3 or E5 User Subscription Licenses** – Under this licensing model, available to customers that purchase through an Enterprise Agreement, or Enterprise Agreement Subscription, a customer with 'VDA Add-On for M365 E3/E5 (SL)' may remotely use of the Window desktop OS deployed on dedicated servers.

The Microsoft Product terms states "Customer's VDA E3 and E5 Licensed Users may remotely access Windows software under these Remote Virtualization rights on any Listed Provider's Servers dedicated to Customer's use."<sup>79</sup>

Microsoft guidance is that - this SKU provides the full value of Windows VDA at a lower price for users licensed with Microsoft 365 E3 or E5. The VDA add-on allows Microsoft 365 E3/E5 users to access Windows Enterprise VDI on dedicated servers when the users don't have a primary device with a Qualifying Operating System (QOS). For example, a M365 E3/E5 user whose primary device is a thin client or Mac. (Note: This is not intended to address shared device scenarios).

This September 2019 Product Terms update<sup>80</sup> allows customers to assign Microsoft 365 user subscription licenses to any user, regardless of the user's primary device<sup>81</sup>. Microsoft also re-organized several clauses into the "Applicable License Terms" section for clarity. The virtualization rights included with Microsoft 365 E3 and E5 are limited to accessing

 $<sup>^{76}</sup>$  Please refer to the Microsoft  $\underline{\text{Product Terms}},$  April 2020, page 47 of 122

<sup>&</sup>lt;sup>77</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122.

<sup>&</sup>lt;sup>78</sup> 'Virtual Desktop Access' (VDA).

<sup>&</sup>lt;sup>79</sup> Please refer to the Microsoft <u>Product Terms</u>, April 2019, page 37 of 122.

<sup>&</sup>lt;sup>80</sup> Please refer to the Microsoft **Product Terms**, September 2019, page 5 of 117

 $<sup>^{\</sup>rm 81}$  Please refer to the Microsoft <code>Product Terms</code>, <code>September 2019</code>, page 5 of 117.



Windows Virtual Desktop on Azure. Microsoft 365 E3 and E5 does not include the virtualization rights required to access Windows Enterprise VDI. VDA adds these virtualization rights<sup>82</sup>.

#### **Volume Agreement**

You can acquire Windows VDA E3 and E5 licenses via several Microsoft Volume Agreements, but excludes the Microsoft Cloud Agreement<sup>83</sup>. Please be aware that Windows Desktop OS licensed via a Microsoft Cloud Agreement (MCA)<sup>84</sup> cannot be assigned to GCP and affected customers should purchase Windows VDA user subscription licenses via a separate Volume Agreement.

#### **Software Assurance**

Under the assigned volume license, you may access Windows Desktop OS remotely in a virtual machine as a benefit of Software Assurance for Windows or an equivalent subscription. It is recommended to maintain active Software Assurance via Windows VDA user subscription licenses, and to also enable access to 'New Version Rights' as new software versions are released, 85 and other Software Assurance Benefits.

#### **Right to Run Prior Versions**

This is commonly referred to as 'downgrade rights', Microsoft volume agreements provide you with the right to downgrade to any prior version of the same product.<sup>86</sup> The use rights for the licensed version will still apply.

For example, you may downgrade Windows 10 Enterprise to Windows 8.1 Enterprise, or Windows 7 Enterprise.

When purchased under a Microsoft Cloud Agreement (MCA), the right to run or install a prior version of Windows is not permitted.<sup>87</sup> The program also does not permit remote access of Windows Desktop OS in a virtual machine on Google Cloud Platform<sup>88</sup>.

<sup>&</sup>lt;sup>82</sup> Please refer to the Microsoft Product Terms, and confirm with your Microsoft representative as required - "Customer's VDA E3 and E5 Licensed Users may remotely access Windows software under these Remote Virtualization rights on any Listed Provider's Servers dedicated to Customer's use" Ref: Microsoft Product Terms, April 2020, page 47 of 122.

<sup>&</sup>lt;sup>83</sup> Please refer to the Microsoft Product Terms for a list of volume agreements Windows VDA can be purchased (Ref: Microsoft Product Terms, April 2020, Pages 42 of 122. The agreement is commonly referred to as Cloud Solution Provider (CSP) agreement.

<sup>&</sup>lt;sup>84</sup> Please refer to the Microsoft Product Terms for the use restrictions for Microsoft Cloud Agreement (Ref: Microsoft Product Terms, April 2020, Page 47 of 122).

<sup>&</sup>lt;sup>85</sup> Microsoft confers 'New Version Rights' in the Microsoft <u>Product Terms</u>, April 2020, page 87 of 122.

<sup>&</sup>lt;sup>86</sup> There is a useful Microsoft licensing brief on downgrade rights available <u>here.</u>

<sup>&</sup>lt;sup>87</sup> Please refer to the Microsoft Product Terms for the use restrictions for Microsoft Cloud Agreement - "This provision does not apply to SLs acquired under the Microsoft Cloud Agreement and Microsoft Customer Agreement" (Ref: Microsoft Product Terms, April 2020, Page 47 of 122).

<sup>&</sup>lt;sup>88</sup> Please refer to the Microsoft Product Terms for the use restrictions for Microsoft Cloud Agreement (Ref: Microsoft Product Terms, April 2020, Page 47 of 122).



#### **Summary Table**

The following table provides a high level summary of the BYOL changes desktop licensing for GCP sole-tenant. Please refer to the Microsoft Product Terms for more information.

		<b>Enterprise Agreement</b> (signed before October 1 <sup>st</sup> <u>2019</u> )				Enterprise Agreement Subscription (signed before October 1st 2019)		
	Current EA	True Up	Renewal	New, or Upgrade †	Current EAS	Additional Subscriptions	Renewal	New, or Upgrade †
BYOL Licensing Options	Licenses Already Purchased	Additional Licenses Purchased via 'True Up'	Renewal of current Software Assurance (SA)	New Licenses Purchased at Renewal	Licenses Already Purchased	Additional Subscription Quantities Mid-Term	Renewal of current Subscriptions *	New Subscriptions Purchased at Renewal
Windows Desktop OS	BYOL permitted	BYOL permitted	Permitted via 'Grace Period' §	VDA E3 or E5 Subscription	BYOL permitted	BYOL permitted	Permitted via 'Grace Period'‡	VDA E3 or E5 Subscription
Remote Desktop Services CAL	BYOL permitted	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted with SA
Office Professional Plus	BYOL permitted	BYOL permitted	Permitted via 'Grace Period' §	Not permitted, or <b>select SPLA</b>	BYOL permitted	BYOL permitted	Not permitted, or select SPLA	Not permitted, or <b>select SPLA</b>
Infrastructure	Google Sole Tenant							

<sup>\*</sup> If you are using software under subscription licenses you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019.

<sup>†</sup> If you want to upgrade to a new product version released on or after October 1, 2019, or purchase a new license after that date, you are required to follow the updated outsourcing terms.

<sup>§</sup> As an exception, customers renewing Windows SA, or Windows Enterprise E3/E5 USLs between October 1, 2019 and October 1, 2020 will have until October 1, 2020 grace period



The following table provides a high level summary of the BYOL changes for Listed Providers. This impacts GCP sole-tenant and other equivalent dedicated host services provided by Google. Please refer to the Microsoft Product Terms for more information.

		<b>Enterprise Agreement</b> (signed before October 1 <sup>st</sup> 2 <u>019)</u>				Enterprise Agreement Subscription (signed before October 1st 2019)			
	Current EA	True Up	Renewal	New, or Upgrade §	Current EAS	Annual Order	Renewal	New, or Upgrade §	
BYOL Licensing Options	Licenses Already Purchased	Order Additional Licenses	Renewal of current Software Assurance (SA)	New Licenses Purchased at Renewal	Licenses Already Purchased	Additional Subscription Quantities	Renewal of current Subscriptions†	New Licenses Purchased at Renewal	
Windows Server OS license	BYOL permitted	BYOL permitted	BYOL permitted	Not permitted, or select SPLA	BYOL permitted	BYOL permitted	Not permitted, or <b>select SPLA</b>	Not permitted, or select SPLA	
MS SQL Server*	BYOL permitted	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted	BYOL permitted	BYOL permitted with SA	BYOL permitted with SA	
'Unlimited VMs' with Windows Server Datacenter, or SQL Enterprise SA assigned to host level	BYOL permitted	BYOL permitted	BYOL permitted	Not permitted	BYOL permitted	BYOL permitted	Not permitted	Not permitted	
Windows Desktop OS	BYOL permitted	BYOL permitted	Permitted via 'Grace Period' ‡	VDA E3 or E5 Subscription	BYOL permitted	BYOL permitted	Permitted via 'Grace Period'‡	VDA E3 or E5 Subscription	
Office Professional Plus	BYOL permitted	BYOL permitted	Permitted via 'Grace Period' ‡	Not permitted, or select SPLA	BYOL permitted	BYOL permitted	Not permitted, or <b>select SPLA</b>	Not permitted, or select SPLA	
Visual Studio - MSDN Software Rights	BYOL permitted	BYOL permitted ¶	Software now hosted under SPLA	Software now hosted under SPLA	BYOL permitted ¶	BYOL permitted ¶	Software now hosted under SPLA	Software now hosted under SPLA	

<sup>\*</sup>This includes - SharePoint server, Exchange server, and Skype for Business server. Please refer to the Product Terms for 'License Mobility' eligible products for eligibility requirements.

- ‡ As an exception, for customers renewing SA after September 2019 but before October 2020, that used of software immediately prior October 1, 2019 may use Licenses acquired after October 1, 2019 but before October 1, 2020 on that Listed Provider until September 30, 2020. PLease refer to the specific product terms for Windows Desktop OS<sup>89</sup> and Office Professional Plus<sup>90</sup> respectively.
- § If you want to upgrade to a new product version released on or after October 1, 2019, or purchase a new license after that date, you are required to follow the updated outsourcing terms.
- | Visual Studio subscriber software may no longer be run on dedicated hosted cloud services such as GCP sole-tenant of October 1, 2019<sup>91</sup>. Customers can use software hosted by Google under the Services Provider License Agreement program (SPLA).
- ¶ For licenses acquired prior to October 1, 2019, use on Google's dedicated hosted sole tenant is generally consistent with licensing use on your own on-premises hardware or traditional outsourcers' hardware dedicated to your organization alone.

<sup>†</sup> If you are using software under subscription licenses you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019.

 $<sup>^{89}</sup>$  Please refer to the Microsoft  $\underline{\text{Product Terms}},$  April 2020, page 47 of 122

<sup>&</sup>lt;sup>90</sup> Microsoft <u>Product Terms</u>, April 2020, page 24 of 122.

<sup>&</sup>lt;sup>91</sup> Please refer to the Visual Studio Licensing Whitepaper March 2020, Page 15 of 34 - "on dedicated hardware hosted by a 3<sup>rd</sup> party"



#### **FAQS**

Here are a selection of common licensing questions and answers. We also recommend referring to binding documentation like the <u>Microsoft Product Terms</u> for guidance.

#### **GENERAL**

# Q. How will GCP enable me to meet my license reporting obligations to Microsoft?

#### License Usage - Self Reporting

- In addition to enabling control of VM placement to launch your instances on a dedicated host, GCP will keep a record of how your instances use sole-tenant resources, which will allow you to create your own usage reports.
- Windows server is licensed by the physical cores on each host. GCP provides visibility, including but not limited to, the number of physical processors and physical cores, and number of Windows VMs running on the host machine to allow you to keep track of how your individual Windows server VMs use the resources of the dedicated host.
- Additionally, for SQL server GCP provides reporting, including but not limited to, the
  physical processors and physical cores, and total number of VM instances running
  SQL server on the host machine, and the number of virtual cores assigned to the VMs
  to allow you to keep track of licensable resources of the dedicated host.

#### License Mobility Self Reporting

- When using 'License Mobility through Software Assurance,' you must complete a license verification process with Microsoft to confirm that you have the eligible licenses with active Software Assurance.
- GCP enables you to meet your licensing reporting obligations to Microsoft. To start
  the verification process and review additional details, go to the <u>Microsoft License</u>
  Mobility verification form in the GCP Console.
- This is required for all workloads of eligible Microsoft Server products, as defined in the Microsoft Product Terms, including but not limited to: Microsoft SQL server, Microsoft Exchange, Microsoft SharePoint, or Microsoft System Center, RDS CAL, BizTalk Server and eligible Dynamics products
- You are responsible for all of the reporting and compliance obligations under your volume licensing agreement regardless of the physical location of the hardware upon which the software is used.
- Please refer to your Microsoft Volume Agreement and binding contractual documents for additional information on reporting your licensing requirements to Microsoft.



#### WINDOWS SERVER

## Q. Can I bring my own Windows server licenses to GCP?

- Yes, you can bring your existing licensing for Windows server with your own images to GCP sole-tenant and remain compliant for Microsoft licensing.
- This is subject to the updated outsourcer licensing terms <sup>92</sup> for <u>Listed Providers</u> and should be reviewed carefully.
- For Windows server licenses acquired prior to October 1, 2019, use with GCP sole-tenant is permitted.
- For Windows server licenses acquired before October 1, 2019 are permitted subject to the Product Terms in effect when those licenses were acquired.<sup>93</sup> This enables customers to continue to assign their existing licenses for versions released before October 1, 2019.
- Windows server licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019, can also be assigned.<sup>94</sup>
- If you are using software under a perpetual licenses, renewal of Software Assurance for perpetual licenses will not affect your perpetual use rights for existing versions and will remain consistent with licensing use on traditional outsourcer's hardware dedicated to your sole organization<sup>95</sup>.
- If you are using software under subscription licenses you are bound to the new terms on the earlier of renewal of your subscription term or an upgrade to a version of software made available on or after October 1, 2019<sup>96</sup>.
- If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will not be permitted to assign your Windows server volume licenses to GCP sole-tenant for those upgraded servers.
- If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms, and restrictions for assignment of the new licenses to GCP sole-tenant acquired after that date will apply.
- If you do not have eligible Windows server licenses or if you plan to run the latest versions of Windows server released after October 1, 2019, you can purchase Windows server instances from GCP.

<sup>&</sup>lt;sup>92</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122

<sup>&</sup>lt;sup>93</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

 $<sup>^{94}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

<sup>&</sup>lt;sup>95</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

<sup>&</sup>lt;sup>96</sup> Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here



#### Q. Will I still benefit from Yes, for Windows server licenses acquired prior to October 1, 2019, you can unlimited virtualization on GCP get unlimited virtualization with Windows Server Datacenter edition on GCP sole-tenant. sole-tenant? You must assign core licenses for all the physical cores on the GCP sole-tenant node(s). For Windows server licenses acquired on or after October 1, 2019, you won't benefit from unlimited virtualization rights on GCP sole-tenant. It is not recommended to deploy or upgrade instances to new versions released onor after October 1, 2019, as you won't benefit from unlimited virtualization rights on GCP sole-tenant. Yes, Windows server per-core licenses are included in the cost of the Windows Q. Can I buy Windows server server instances purchased from GCP. licenses from GCP? Windows server instances are available with the Windows server OS preinstalled. In this case, the license is included in the cost. Windows server CALs are not required. If you require more than two connections to Remote Desktop for administration, you may require additional licenses for Remote Desktop Services (RDS) CALs. Please work with your preferred Licensing Solution Provider (LSP) to purchase additional RDS CALs as required. Yes, you may use your RDS User CALs for Windows server software running in Q. Can I Bring my Remote VMs on GCP shared tenancy servers<sup>97</sup>with Software Assurance. You are Desktop Services (RDS) CALs to required to submit 'Microsoft License Mobility verification form' when bringing GCP shared tenancy? your own licenses to GCP shared tenancy servers. There is support for two administrative Remote Desktop Services (RDS) connections

tenancy or GCP sole-tenant offerings.

## Q. When should I use Windows server licenses from GCP versus bringing my own licenses?

• Using Windows server instances from GCP will be easier to manage as the license is included in the cost. Windows server CALs are also not required.

Additional RDS licenses can be brought through License Mobility<sup>98</sup> and can be assigned to support access to dedicated instances in either GCP shared-

- It can be cost effective to purchase Windows server instances on-demand from GCP shared tenancy for use scenarios when the VM instance will be nonpersistent, or low Windows VM density on the sole-tenant.
- For customers who have purchased Windows server licenses on or after October 1, 2019, or upgraded to a version released on or after October 1, 2019, it is recommended to purchase Windows server instances from GCP.

<sup>&</sup>lt;sup>97</sup> Please refer to RDS 'Extended Use Rights' in the Microsoft <u>Product Terms</u>, April 2020, page 51 of 122.

<sup>&</sup>lt;sup>98</sup> Please refer to RDS 'Extended Use Rights' in the Microsoft <u>Product Terms</u>, April 2020, page 51 of 122 - " 4.3 Remote Desktop Services ("RDS") User CAL and User SL Extended Rights" the text is presented below (abridged):

<sup>&</sup>quot;Customer may use its RDS User CALs and User SLs with Windows Server software running in OSEs dedicated to its internal use on [...] shared or dedicated servers of a License Mobility through Software Assurance Partner for which it has completed and submitted the License Mobility Validation form. Other than administrative access by Customer's License Mobility through Software Assurance Partner, no other party may access the OSE(s). For any CAL or User SL Customer has used in this manner, it may later move to [...] a new License Mobility through Software Assurance Partner, but not sooner than 90 days after it initiated use in the environment it is leaving"



### Q. How do I license Windows server containers in GCP soletenant?

- Windows server Standard supports two VMs, or two Windows server containers with Hyper-V isolation, and unlimited Windows server containers (without Hyper-V isolation), when the server is licensed appropriately with Windows server Standard per-core licenses.
- Each Windows server container with Hyper-V isolation used to host one or more Windows server Container(s) is considered one VM for licensing purposes.
- A server licensed with Windows server Standard edition per-core licenses must be fully licensed again to run a further 2 VMs. The rules for licensing Windows server Containers with Hyper-V isolation are exactly the same as for VMs.
- Windows server Datacenter edition supports unlimited OSEs, Windows server containers with Hyper-V isolation and Windows server containers (without Hyper-V isolation), when the server is licensed appropriately with Windows server Datacenter per-core licenses.
- As Windows server licensing can be complex, please refer to your Microsoft Volume Agreement and binding contractual documents for additional information on reporting your licensing requirements to Microsoft.

Q. I understand from the Microsoft Product Terms that a license cannot move to another region or physical server for at least 90 days. How is this managed in GCP sole-tenant?

- Each sole-tenant node is associated with one physical server dedicated to hosting your VM instances. You can control VM placement to launch your instances to a dedicated host, and instance affinity will allow specific node affinities between your nodes and VM instances. This will enable you to control VM instance placement to satisfy the restriction of license reassignment once every 90 days.<sup>99</sup>
- The license re-assignment rule will apply to your licensing of Windows server unless there is a permanent hardware failure. In this scenario when there is permanent failure of hardware<sup>100</sup> components, the sole-tenant node that is hosting the VM instances will use live migration<sup>101</sup> to move the VM instances to replacement host hardware automatically. If there is complete hardware failure, the VM will crash and restart automatically and a host-error is logged.

<sup>&</sup>lt;sup>99</sup> Please refer to Section 9 "License Assignment and Reassignment" in the Microsoft Product Terms, April 2020, page 7 of 122..

<sup>&</sup>lt;sup>100</sup> Please refer to Section 9 "License Assignment and Reassignment" in the Microsoft Product Terms, April 2020, page 7 of 122.

 $<sup>^{101}</sup>$  The description of live migration for Compute Engine is available <u>here.</u>



#### **SQL SERVER**

## Q. Can I bring my existing SQL licenses to GCP shared-tenancy?

- Yes, you can benefit from 'License Mobility through Software Assurance' to assign your SQL server volume licenses to dedicated instances in GCP sharedtenancy.
- Software Assurance is required to bring your own SQL server licenses to shared tenancy Windows server instances in GCP.
- In this scenario, you are responsible for disclosing new license assignments used in GCP multi-tenant environments to Microsoft.
- When using 'License Mobility through Software Assurance,' you must complete a license verification process with Microsoft to confirm that you have the eligible licenses with active Software Assurance. To start the verification process and review additional details, go to the <u>Microsoft License Mobility</u> verification form in the GCP Console.
- This is required for all workloads of eligible Microsoft Application Server products, as defined in the Microsoft Product Terms, including but not limited to: Microsoft SQL server, Microsoft Exchange server, Microsoft Skype for Business server, Microsoft SharePoint server, or Microsoft System Center, RDS CAL, BizTalk Server and eligible Dynamics products.

## Q. Can I bring my existing SQL licenses to GCP sole-tenant?

- Yes, GCP will enable you to bring your existing licensing for SQL server with your own images to sole-tenant while remaining compliant for Microsoft licensing.
- This is subject to the updated outsourcer licensing terms<sup>102</sup> for <u>Listed Providers</u> and should be reviewed carefully to understand your options for your existing volume licenses investments.
- For SQL server licenses acquired before October 1, 2019, are permitted subject
  to the Product Terms in effect when those licenses were acquired. This
  enables customers to continue to assign their existing licenses for versions
  released before October 1 2019 with or without active Software Assurance.
- For SQL server licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019, can also be assigned with or without active Software Assurance.
- If you are using software under a perpetual licenses, for example acquired under an Enterprise Agreement (EA), or Server Cloud Enrollment (SCE), renewal of SA for perpetual licenses will not affect your perpetual use rights for existing versions and will remain consistent with licensing use on traditional outsourcer's hardware dedicated to your sole organization<sup>105</sup>.
- If you are using software under subscription volume agreement, for example under an Enterprise Agreement Subscription (EAS), or subscribe to licenses under a Server Cloud Enrollment, you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019. Customers that maintain an active

 $<sup>^{102}</sup>$  Please refer to Section 8. "Outsourcing Software Management" in the Microsoft  $\frac{Product\ Terms}{Product\ Terms}$ , April 2020, page 7 of 122

 $<sup>^{103}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

 $<sup>^{104}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. Here

 $<sup>^{105}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>



	subscription will continue to be able to assign SQL server licenses to GCP soletenant over the original subscription term.
	<ul> <li>You will not be permitted to assign your SQL server licenses to GCP sole-tenant without maintaining active Software Assurance, or an equivalent subscription - this could apply to scenarios where a 'buy-out' of the perpetual license is completed at the end of a subscription term, and Software Assurance (SA) was not subsequently purchased and maintained.</li> </ul>
	• If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will not be permitted to assign your SQL server licenses to GCP sole-tenant for those upgraded servers without maintaining active Software Assurance, or equivalent subscription rights to leverage the 'License Mobility through Software Assurance' benefit.
	• If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms. You will not be permitted to assign your SQL server licenses to GCP sole-tenant unless you have active Software Assurance or equivalent subscription rights to leverage license mobility rights.
	<ul> <li>If you do not have eligible SQL server licenses or if you plan to run the latest versions of Windows server released after October 1, 2019, you can also purchase <u>SQL server instances</u> from GCP.</li> </ul>
Q. Will I still benefit from unlimited virtualization on GCP	Yes, for SQL server licenses acquired prior to October 1, 2019, with Software     Assurance you can get unlimited virtualization rights on GCP sole-tenant.
sole-tenant?	You must assign core licenses for all the physical cores on the GCP sole-tenant node(s).
	• It is not recommended to deploy or upgrade instances to new versions released on or after October 1, 2019, as you won't benefit from unlimited virtualization rights on GCP sole-tenant.
	<ul> <li>For SQL server licenses acquired on or after October 1, 2019, you won't have unlimited virtualization rights on GCP sole-tenant.</li> </ul>
Q. Can I disable hyper-threading to reduce the threads made available to the VM?	<ul> <li>Disabling Simultaneous Multi-Threading (SMT) will impact licensing requirements for virtual machines licensed through License Mobility under the virtual core metric.</li> </ul>
	Google provides control to disable SMT, and reporting to support compliance.
	<ul> <li>When using 'License Mobility through Software Assurance,' you must complete a license verification process with Microsoft to confirm that you have the eligible licenses with active Software Assurance.</li> </ul>
	<ul> <li>GCP enables you to meet your licensing reporting obligations to Microsoft. To start the verification process and review additional details, go to the <u>Microsoft</u> <u>License Mobility verification form</u> in the GCP Console.</li> </ul>
Q. How do I license containers supporting SQL server?	<ul> <li>For shared tenancy or sole-tenant servers, the required SQL server core licenses are assigned to the individual container, and both individual VM and container are considered the same from a licensing perspective.</li> </ul>
	Notwithstanding the updated outsourcing terms, when your sole-tenant is appropriately licensed with SQL Enterprise Edition with active Software



	<ul> <li>Assurance, for all physical cores on the server, this will support an unlimited number of containers to run on the licensed host.</li> <li>This is subject to the updated outsourcer licensing terms<sup>106</sup> for <u>Listed Providers</u> and should be reviewed carefully to understand your options for your existing volume licenses investments.</li> </ul>
Q. Can I buy SQL server from GCP?	Yes, SQL server per-core licenses are available and included in the cost of the Windows server instances purchased from GCP.

#### MICROSOFT APPLICATION SERVERS

For the purposes of this section, 'Microsoft Application Server' products include Microsoft SQL server, Microsoft Exchange server, Microsoft SharePoint server, Microsoft Skype for Business server, Microsoft System Center, RDS CAL, BizTalk Server, or eligible Dynamics products.

Q. Can I bring my existing
Microsoft Application Server
licenses to GCP shared tenancy?

- Yes, you can benefit from 'License Mobility through Software Assurance' to assign your Microsoft Application Server volume licenses to dedicated instances in GCP shared-tenancy.
- Software Assurance is required to bring your own Microsoft Application Server licenses to shared tenancy Windows server instances in GCP.
- In this scenario, you are responsible for disclosing new license assignments used in GCP multi-tenant environments to Microsoft.
- When using 'License Mobility through Software Assurance,' you must complete a license verification process with Microsoft to confirm that you have the eligible licenses with active Software Assurance. To start the verification process and review additional details, go to the <u>Microsoft License Mobility</u> <u>verification form</u> in the GCP Console.
- This is required for all workloads of eligible Microsoft Server products, as defined in the Microsoft Product Terms, including but not limited to: Microsoft SQL server, Microsoft Exchange server, Microsoft Skype for Business server, Microsoft SharePoint server, or Microsoft System Center, RDS CAL, BizTalk Server and eligible Dynamics products.

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 $<sup>^{106}</sup>$  Please refer to Section 8. "Outsourcing Software Management" in the Microsoft <u>Product Terms</u>, April 2020, page 7 of 122



#### Q. Can I bring my existing Microsoft Application Server licenses to GCP sole-tenancy?

- Yes, GCP will enable you to bring your own licensing for Microsoft Application Servers with your own images to both sole-tenant and shared tenancy while remaining compliant for Microsoft licensing.
- This is subject to the updated outsourcer licensing terms<sup>107</sup> for <u>Listed Providers</u> and should be reviewed carefully to understand your options for your existing volume licenses investments.
- Use of existing versions of Microsoft Application Server products licensed before October 1, 2019 are permitted subject to the Product Terms in effect when those licenses were acquired. This enables customers to continue to assign their existing licenses for versions released before October 1, 2019 with or without active Software Assurance.
- Microsoft Application Server licenses under existing enrollments with an
  effective date prior to October 1, 2019 but acquired after October 1, 2019
  under the Enterprise Agreement (EA) True-up order process, for any product
  version released prior to October 1, 2019, can also be assigned with or without
  active Software Assurance.
- If you are using software under a perpetual licenses, for example acquired under an Enterprise Agreement (EA), or Server Cloud Enrollment (SCE), renewal of SA for perpetual licenses will not affect your perpetual use rights for existing versions and will remain consistent with licensing use on traditional outsourcer's hardware dedicated to your sole organization.
- If you are using software under subscription volume agreement, for example
  under an Enterprise Agreement Subscription (EAS), or subscribe to licenses
  under a Server Cloud Enrollment, you are bound to the new terms on the
  earlier of renewal of your subscription or an upgrade to a version of software
  made available on or after October 1, 2019. Customers that maintain an active
  subscription will continue to be able to assign Microsoft Application Server
  licenses to GCP sole-tenant.
- You will not be permitted to assign your Microsoft Application Server licenses
  to GCP sole-tenant without maintaining active Software Assurance, or an
  equivalent subscription -this could apply to scenarios where a 'buy-out' of the
  perpetual license is completed at the end of a subscription term, and Software
  Assurance (SA) was not subsequently purchased and maintained.
- If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will not be permitted to assign your Microsoft Application Server licenses to GCP sole-tenant for those upgraded servers without maintaining active Software Assurance, or equivalent subscription rights to leverage license mobility rights.
- If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms. You will not be permitted to assign your Microsoft Application Server licenses to GCP sole-tenant unless you have active Software Assurance or equivalent subscription rights to leverage license mobility rights.

#### Q. I have purchased Microsoft 365 and my SharePoint, Skype for Business, and Exchange Server licenses are covered under the Microsoft 365 User

 No, you now cannot bring your SharePoint server, Skype for Business, server and Exchange server licenses licensed under Microsoft 365 extended use

<sup>&</sup>lt;sup>107</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122



## Subscription Licenses. Can I bring these server licenses to GCP?

rights. Microsoft refer customers to the updated licensing terms for Listed Providers. 108

 Microsoft licensing does not support deployment to GCP shared tenancy when covered under a Microsoft 365 E3/E5, or Microsoft 365 A3/A5 user subscription licenses under extended use rights<sup>109</sup>.

#### **DEVELOPER LICENSING OPTIONS**

## Q. Can I bring my Visual Studio Subscription (MSDN) licenses to GCP?

- Visual Studio subscriber software is eligible to be used with GCP sole-tenant for development and test purposes in non-production environments for licenses acquired prior to October 1, 2019 only for the remaining subscription term.
- Visual Studio subscriber software may no longer be run on dedicated hosted cloud services such as GCP sole-tenant as of October 1, 2019<sup>110</sup>.
- For Visual Studio subscriptions, you are bound to the new updated outsourcing terms upon renewal of your subscription.
- For licenses acquired on or after October 1, 2019, Visual Studio subscriber software may no longer be run on GCP sole-tenant as of October 1, 2019.
- Customers would need to license their volume licensing images as production instances, under eligible volume licenses with License Mobility, or purchase instances on-demand from GCP.
- Visual Studio subscriber software are not suitable for shared tenancy instances on Google Cloud Platform, and are not included within the 'License Mobility Software Assurance' Benefit.

#### Q. Can I buy Visual Studio Subscription (MSDN) licenses from GCP?

No, please work with your preferred Licensing Solution Partner (LSP).

#### Q. Can I bring my SQL server Developer Edition licenses to GCP?

 Yes, SQL server Developer Edition is available as a <u>free download</u>. It is eligible for deployment in both sole-tenant and shared tenancy on Google Cloud Platform.

<sup>&</sup>lt;sup>108</sup> Microsoft state "Dedicated Servers that are under the management or control of an entity other than the Customer [...] subject to the Outsourcing Software Management clause" [Ref: Microsoft <u>Product Terms</u>, April 2020, page 61 of 122]. Under this clause, 'Authorized Outsourcer means any third party service provider that is not a Listed Provider, and is not using a Listed Provider as a Datacenter Provider as part of the Outsourcing service" [Ref: Microsoft <u>Product Terms</u>, April 2020, page 6 of 122]

<sup>&</sup>lt;sup>109</sup> Microsoft Product Terms, April 2020, page 60 of 122...

<sup>&</sup>lt;sup>110</sup> Please refer to the <u>Visual Studio Licensing Whitepaper March 2020</u>, Page 15 of 34 - "on dedicated hardware hosted by a 3<sup>rd</sup> party"



#### WINDOWS DESKTOP OPERATING SYSTEM

#### Q. Can I bring my Windows Desktop OS licenses to GCP sole tenant?

- Yes, Microsoft licensing will support you to bring your own Windows Desktop
  OS licenses to enable access to genuine Windows Desktops running in GCP
  sole-tenant and remain license compliant.
- For Windows Desktop OS volume licenses acquired on or after October 1, 2019, use on GCP sole-tenant is permitted under Windows VDA E3 or E5 user subscription licenses.
- Use of existing versions of products licensed before October 1, 2019 are permitted subject to the Product Terms in effect when those licenses were acquired. This enables customers to continue to assign their existing licenses for versions released before October 1, 2019 during their existing enrollment term.
- Licenses acquired under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019, can also be assigned for their existing enrollment term.
- As an exception, customers renewing Windows Enterprise SA between October 1, 2019 and October 1, 2020, will have until October 1, 2020 to continue to run existing Windows virtual instances , before requiring assignment of Windows VDA E3 or E5 user subscription licenses.
- If you are using software under subscription volume agreement, for example under an Enterprise Agreement Subscription (EAS), you are bound to the new terms on the earlier of renewal of your subscription or an upgrade to a version of software made available on or after October 1, 2019.
- As an exception, customers renewing Windows Enterprise E3 or E5 user subscriptions between October 1, 2019 and October 1, 2020, will have until October 1, 2020 to continue to run existing Windows virtual instances, before requiring assignment of Windows VDA E3 or E5 user subscription licenses.
- If you elect to upgrade to a new version released on or after October 1, 2019, you must deploy that new version under the updated outsourcing terms. You will only be permitted to assign your Windows VDA E3 or E5 user subscription licenses to GCP sole-tenant.
- If you elect to purchase a new license on or after October 1, 2019, you are required to follow the updated outsourcing terms, and restrictions for assignment of the new licenses to GCP sole-tenant acquired after that date will apply. It is recommended to purchase Windows VDA E3 or E5 user subscription licenses going forward.

#### Q. Can I bring my Windows Desktop OS licenses to GCP shared-tenancy?

 No, but you can run a desktop 'experience' based on Windows server OS and Windows server Remote Desktop Services (RDS) or similar technologies. Windows server per-core licenses are available with the provided Windows server instances purchased from GCP.



Q. I am using Remote Desktop Services (RDS) licenses to deliver a 'look and feel' Windows Desktop experience on GCP shared tenancy. Do I require licenses for Windows Desktop OS?	<ul> <li>No, a Windows Desktop OS license is not required when running a 'look and feel' server desktop on Windows server with Remote Desktop Services (RDS) or similar virtualization technologies.</li> </ul>
Q. I am using Remote Desktop Services (RDS) licenses to deliver a 'look and feel' Windows Desktop experience on GCP	Windows server instances are available with the Windows server OS pre- installed. In this case, the license is included in the cost. Windows server CALs are not required.
shared tenancy. What licenses	<ul> <li>You may require additional licenses for Remote Desktop Services (RDS) CALs.</li> <li>Please work with your preferred Licensing Solution Provider (LSP).</li> </ul>
do I require?	• There is support for two administrative Remote Desktop Services (RDS) connections (Additional RDS licenses can be brought through License Mobility).
Q. I am using Remote Desktop Services (RDS) licenses to deliver a 'look and feel' Windows Desktop experience on GCP shared tenancy. Do I require Software Assurance?	<ul> <li>Yes, you may use your RDS User CALs for Windows server software running in VMs on GCP shared tenancy servers<sup>111</sup> with Software Assurance. You are required to submit 'Microsoft License Mobility verification form' when bringing your own licenses to GCP shared tenancy servers.</li> </ul>

Q. My software licensing reseller has sold me a Microsoft Cloud Agreement (MCA); can I bring my Windows VDA E3 subscription licenses to GCP sole-tenant?

- No, you cannot use Windows Desktop OS licensed via a Microsoft Cloud Agreement (MCA)<sup>112</sup> (also known as Cloud Solution Provider (CSP) Agreement) on GCP.
- You can use Windows VDA E3 or E5 user subscription licenses, or VDA Add-On for Microsoft 365, purchased via Enterprise Agreement (EA), Microsoft Products and Services Agreement (MPSA), or other volume licensing programs.
- Q. Can I purchase Windows Desktop OS from GCP?
- No, GCP does not sell Microsoft Windows Desktop licenses.
- Q. Can I leverage Robotic Process Automation under the Microsoft 365 Unattended License?
- No, Microsoft does not permit use of Robotic Process Automation (RPA) under the Microsoft 365 E3/A3 Unattended License<sup>113</sup> to be used with GCP as a Listed Provider.

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 $<sup>^{111}</sup>$  Please refer to RDS 'Extended Use Rights' in the Microsoft  $\underline{\text{Product Terms}}$ , April 2020, page 51 of 122.

<sup>&</sup>lt;sup>112</sup> Please refer to the Microsoft <u>Product Terms</u> for the use restrictions for Microsoft Cloud Agreement (Ref: Microsoft Product Terms, February 2019, Page 41 of 122).

<sup>&</sup>lt;sup>113</sup> Please refer to the Microsoft Online Service Terms, June 2020, page 22-23.



#### **MICROSOFT OFFICE**

Q. Can I deploy Office Professional Plus on GCP shared- tenancy with License Mobility?	<ul> <li>No, Microsoft does not grant License Mobility for Office Professional Plus. You may bring your own licenses for use with sole-tenant servers that GCP ensures are fully dedicated to your use. Please see the terms below.<sup>114</sup></li> </ul>
Q. Can I bring my own license to GCP sole-tenant?	<ul> <li>Yes, for Office Professional Plus licenses for versions acquired prior to October 1, 2019, use on GCP sole-tenant is permitted<sup>115</sup>.</li> </ul>
	<ul> <li>In this specific scenario, licenses can only be upgraded to versions generally available before October 1, 2019.</li> </ul>
	• Office Professional Plus licenses under existing enrollments with an effective date prior to October 1, 2019 but acquired after October 1, 2019 under the Enterprise Agreement (EA) True-up order process, for any product version released prior to October 1, 2019, can also be assigned.
	<ul> <li>For Office Professional Plus license acquired on or after October 1, 2019, use on GCP sole-tenant is not permitted with or without Software Assurance</li> </ul>
	• For customers with Office Professional Plus renewing Software Assurance after September 2019 but before October 2020, customers with Office Professional Plus already deployed on GCP sole-tenant prior to October 1, 2019 can continue to do so until September 30, 2020 <sup>116</sup> .
Q. Can I bring my own licenses for Office 365 ProPlus to GCP?	No, deployment of Office 365 ProPlus Shared Computer Activation (SCA) mode is not permitted on GCP as a Listed Provider.

 $<sup>^{114}</sup>$  Please refer to section 'Desktop Applications'- Item 1, of the Microsoft  $\underline{\text{Product Terms}}$ , April 2020, page 10 of 122.

 $<sup>^{115}</sup>$  Please refer to "Updated licensing terms for dedicated hosted cloud services" November 2019. <u>Here</u>

 $<sup>^{\</sup>rm 116}$  Microsoft <u>Product Terms</u>, April 2020, page 24 of 122.



#### SERVICE PROVIDERS

#### Q. I am a Service Provider. Can I use my own SPLA on GCP shared-tenancy?

- Yes, SPLA is available for Service Providers providing Software Services to their end-customers, based on Microsoft software, on GCP shared-tenancy.
- Under this scenario, GCP is providing hardware and infrastructure services, with additional software services, to another service provider, on Google sharedtenancy.
- A Service Provider's SPLA licenses can be used on GCP shared-tenancy for all User Subscriber Access (SAL) based applications.
- Under this scenario, GCP is classified as a "Datacenter Provider" (DCP) in the Service Provider Use Rights (SPUR).
- The SPUR confers products eligible to run in GCP shared-tenancy as "DCP Eligible".
- The Service Provider provides their own images, and is responsible for reporting monthly licensing usage, under their own respective SPLA. Eligible products include Microsoft Office, Remote Desktop Services, and Exchange Server.
- The Service Provider can purchase SQL server from Google via on-demand instances, or license SQL with Subscriber Access Licenses under their own SPLA.
- Microsoft permits a Service Provider to deploy on a Datacenter Provider, to use and report application products under their own SPLA. This is because Service Providers can accurately count User Subscriber Access Licenses. Accordingly, the Service Provider does not need to know the physical hardware specifications to appropriately license application products under their own SPLA<sup>117</sup>.
- The Service Provider with SPLA products licenses by core or physical processor (Windows server, SQL server) can be deployed to GCP sole-tenant.
- It is recommended that customers that utilize their own SPLA, refer to the <u>Service Provider Use Rights</u> (SPUR).

#### Q. I am a Service Provider. Will the updated outsourcer licensing terms for Listed Providers apply to GCP sole-tenant?

- Yes, the changes apply to both first and third-party offerings on GCP soletenant<sup>118</sup>.
- In this case, GCP is providing only hardware and infrastructure services to another Service Provider, via GCP sole tenant. When GCP is acting as a dedicated outsourcer, the hardware allocated is dedicated to the Service Provider.
- GCP is contracted as a dedicated outsourcing company to the Service Provider, and only provides the hardware and day-to-day management via the GCP sole

<sup>&</sup>lt;sup>117</sup> Please refer to: 'Licensing Guide for Partners: Leveraging Data Center Providers and Software Service Resellers', Page 7 of 8

<sup>&</sup>lt;sup>118</sup> Please refer to the announcement and FAQs on the <u>Microsoft Website</u>



tenant. The Service Provider in-turn is providing 'software services' to an endcustomer based on Microsoft software.

- Licenses that are eligible for 'License Mobility through SA', can be assigned to GCP sole tenants by the end-customer of the Service Provider via BYOL, when the servers remain dedicated to their use.<sup>119</sup>
- This is subject to the updated outsourcer licensing terms<sup>120</sup> for <u>Listed Providers</u> and should be reviewed carefully to understand options for your endcustomers.
- For BYOL, the end-customer of the Service Provider is responsible for uploading their own images and reporting under volume licensing to Microsoft.
- The end-customer is responsible for all of the reporting and compliance obligations under their volume licensing agreement regardless of the physical location of the hardware upon which the software is used.
- The end-customer should refer to their Microsoft Volume Agreement and binding contractual documents for additional information on reporting their licensing requirements to Microsoft.
- When the Service Provider is providing a Software Service based on Microsoft software, the Service Provider will provide their own images, and is responsible for reporting monthly licensing usage, for any required licenses, under their own respective Service Provider Licensing Agreement (SPLA).
- The Service Provider with SPLA products licenses by core or physical processor (Windows server, SQL server) can be deployed to GCP sole-tenant.

#### Q. Can I license Per-Processor or Per Core products via my own SPLA and deploy them on GCP shared-tenancy?

- No, Per Processor and Per Core products (Windows server, SQL server) are not eligible for licensing and use under the Service Provider's SPLA on GCP sharedtenancy.
- The Service Provider needs to have the day-to-day management over the
  physical data center to accurately determine the processors and/or cores used
  to support infrastructure software to report to Microsoft. Accordingly, Products
  licensed under the per processor and per core licensing models in the SPLA are
  not eligible for software services delivered on top of a Data Center Provider's
  platform<sup>121</sup>and instead should be acquired from GCP.

#### Q. I am a Service Provider. Can I use my Volume Licenses and leverage License Mobility through SA?

 No, volume licensing is limited to internal use only<sup>122</sup>. License Mobility through Software Assurance does not allow volume licensing customers to provide a Software Service to third-parties.

<sup>&</sup>lt;sup>119</sup> Microsoft <u>Product Terms</u>, April 2020, page 95 of 122.

<sup>&</sup>lt;sup>120</sup> Please refer to Section 8. "Outsourcing Software Management" in the Microsoft Product Terms, April 2020, page 7 of 122

<sup>121</sup> Please refer to: 'Licensing Guide for Partners: Leveraging Data Center Providers and Software Service Resellers', Page 2 of 8

<sup>122</sup> Microsoft Product Terms, April 2020, page 6 of 122."Customers may not (and is not licensed to) use Products for commercial hosting purposes to third-parties [...] unless expressly permitted by Microsoft"



#### Q. I am a Service Provider. Can my end-customers use their Volume Licenses and leverage License Mobility through SA on GCP shared-tenancy?

- Yes, licenses that are eligible for <u>License Mobility</u><sup>123</sup> and covered with active Software Assurance (SA), can be deployed to third party shared datacenter environments like GCE.
- Google, as an '<u>Authorized Mobility Partner</u>', <sup>124</sup> can enable License Mobility on eligible Microsoft Server products on GCE.
- 'License Mobility through SA' enables end-customers under their Volume Agreement(s), to move eligible server applications to a service provider's shared hardware infrastructure. The application instance should be dedicated to the end-customer<sup>125</sup>.
- The list of eligible server products for License Mobility are defined in the
   <u>Microsoft Product Terms</u>, including but not limited to: Microsoft SQL server,
   Microsoft Exchange, Microsoft Skype for Business, Microsoft SharePoint,
   Microsoft System Center, RDS CAL, BizTalk Server and eligible Dynamics
   products. In this document these products will be collectively referred to as
   Microsoft Application Servers.
- The end-customer should use their Volume Licensing images.

## Q. What are Self Hosting Rights?

- Independent Software Vendors (ISVs) can leverage self-hosting rights<sup>126</sup> as an extended use right of Software Assurance for eligible products as part of a 'Unified Solution'.
- GCP sole-tenants are not required for Self-Hosting rights for SQL server, as Google is an <u>Authorized Mobility Partner</u>.
- Windows server does not benefit from self-hosting rights<sup>127</sup>on GCP shared-tenancy and windows server instances can be acquired from GCP.
- The solution can be deployed on GCP shared-tenancy or GCP sole-tenant 128.
- The Service Provider is not permitted to combine SPLA and self-hosting rights for each application.

#### Q. Is GCP validated under the 'Windows Server Virtualization Validation Program'? (SVVP)

• The program does not apply to vendors that are hosting Windows Server or other Microsoft products through the Microsoft Service Provider License Agreement Program (SPLA)<sup>129</sup>. Support for SPLA customers is provided under the SPLA agreement by GCP.

<sup>&</sup>lt;sup>123</sup> The GCP shared tenancy service description conforms with the requirements for "License Mobility" as defined in the Microsoft Product Terms, April 2020, page 94 of 122

<sup>&</sup>lt;sup>124</sup> GCP is an authorized "License Mobility through Software Assurance Partner" to "host customer's software on shared servers", as described in the Microsoft Product Terms, April 2020, page 82 of 122.

 $<sup>^{125}</sup>$  "The application instance (virtual instance) must be dedicated for your organization's use." Ref: 'License Mobility through Software Assurance Licensing Guide, March 2018', Page 3 of 12 – here.

<sup>&</sup>lt;sup>126</sup> Microsoft define the eligibility requirements for Self-Hosted Applications in the Microsoft Product Terms, April 2020, page 95 of 122

<sup>&</sup>lt;sup>127</sup> Ref: Microsoft <u>Product Terms</u>, April 2020, page 95-96 of 122

<sup>&</sup>lt;sup>128</sup> Ref: Microsoft <u>Product Terms</u>, April 2020, page 96 of 122

<sup>&</sup>lt;sup>129</sup> Ref: <u>https://www.windowsservercatalog.com/svvp.aspx</u>