

# Software Assurance (SWA) Renewal and Reenlistment Policy Changes

Revision	Date	Changes
1.0	31 May, 2019	Initial version
1.1	5 June, 2019	Added FAQ on Voucher purchases
1.2	13 June, 2019	Updated Policy 4f and FAQ on MiVO400 Voucher purchases

The information conveyed in this document is confidential and proprietary to Mitel® and is intended solely for Mitel employees and members of Mitel's reseller channel who specifically have a need to know this information. If you are not a Mitel employee or a Mitel authorized PARTNER, you are not the intended recipient of this information. Please delete or return any related material. Mitel will enforce its right to protect its confidential and proprietary information and failure to comply with the foregoing may result in legal action against you or your company.



## Summary

Mitel announces the following policy changes to Software Assurance (SWA) Renewals and Reenlistments:

- Change to quote validity period
- Introduction of backdating of the start of new SWA coverage
- Increases to Reenlistment Fees.
- Changes to SWA Reenlist part codes: price changes and new parts.

Changes are effective on July 8<sup>th</sup>, 2019 and affect Mitel products and associated applications, worldwide, as listed below. Mitel will honor existing SWA quotes as defined in the Transition Policy below.

## SWA Renewal and Reenlistment Policy Changes

Effective July 8<sup>th</sup>, 2019, per the “New Policy” section below, Mitel announces the following significant policy changes to SWA Renewals and Reenlistments. Below there are diagrams to illustrate renewal and reenlist timelines and fees, a table that compares past Mitel policies to the new policy, and a table that shows which products are affected by the new policy.

The new policy is designed to drive behaviors in the partner community to:

- Ensure continuous SWA coverage
- Renew coverage before SWA expiry or at worst, in-month after expiry
- Reenlist SWA coverage at the earliest opportunity

To make the most effective use of the new policy, please take time to read the Best Practices and Questions & Answers sections below.

To help implement the new policies, existing Reenlistment part codes are increasing in price. Unless a reenlistment part code is a unit price, e.g., EUR2.0 or USD 1.0, reenlistment prices will be increasing to 100% of 1 year of SWA Subscription Fees. See affected parts in the table below. Price change effectivity is July 8<sup>th</sup>, 2019.

To align practices with other Mitel solutions, Mitel is introducing additional SWA reenlistment part codes for all Application Management Center (AMC) products and for MiVoice Connect. Where Reenlistment Fees are applicable, these new parts will appear in AMC and MiVoice Connect SWA quotes separately from Subscription Fees. New parts shown in the table below will be available on July 8<sup>th</sup>, 2019.

For SWA quotes generated before the effective date, please review the section below on Transition Policies.

For more information please consult the Software Assurance Program Guide on InfoChannel.

## New Policy

(applicable to all Mitel products, per table below)

If SWA Renewal is done before the expiration of the SWA coverage or within 30 days after the expiration, which we call the grace period, then SWA Reenlistment is not required. Once the 30-day period after the expiration of SWA coverage has passed, SWA Reenlistment will be required.

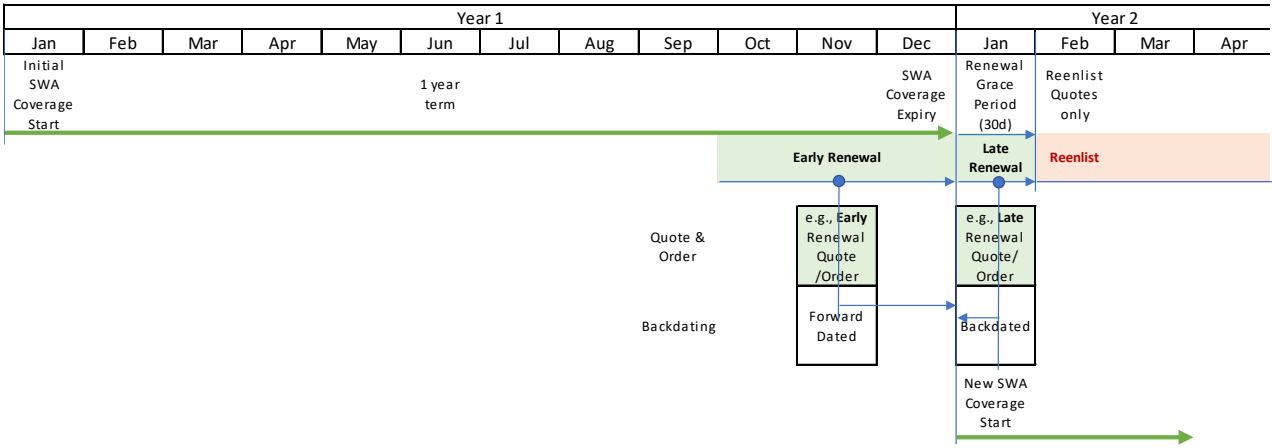
### SWA Renewal:

1. **Renewal Quotes** can be generated and ordered in advance of expiry of existing SWA coverage as well as within a 30-day “Grace Period” following of the expiration of the coverage. The maximum quote validity is 120 days from date of quote, i.e., when quoting at least 90 days in advance of expiry. There is no minimum quote validity, i.e., when quoting on the last day of the Grace Period.
2. **Grace Period (Renewal Quote Validity):** Renewal quotes can be ordered for up to 30 days after expiry of the previous SWA coverage with no reenlistment fees. Once the 30-day Grace Period has passed, Renewal quotes will expire and can no longer be ordered.
3. **SWA Subscription Fees** will be calculated based on covered licenses or assets, coverage term and coverage level.
4. **Renewal Term:** coverage duration or term is nominally 1, 2, 3, 4 or 5 years; custom terms will be prorated. The maximum renewal term is 5 years.
5. **Renewal Backdating:** Renewal orders will start new SWA coverage on the day after expiry of the previous SWA coverage: see Renewal Scenarios diagram below. Early orders made before SWA expiry will be forward dated while late orders made during the Grace Period will be backdated.

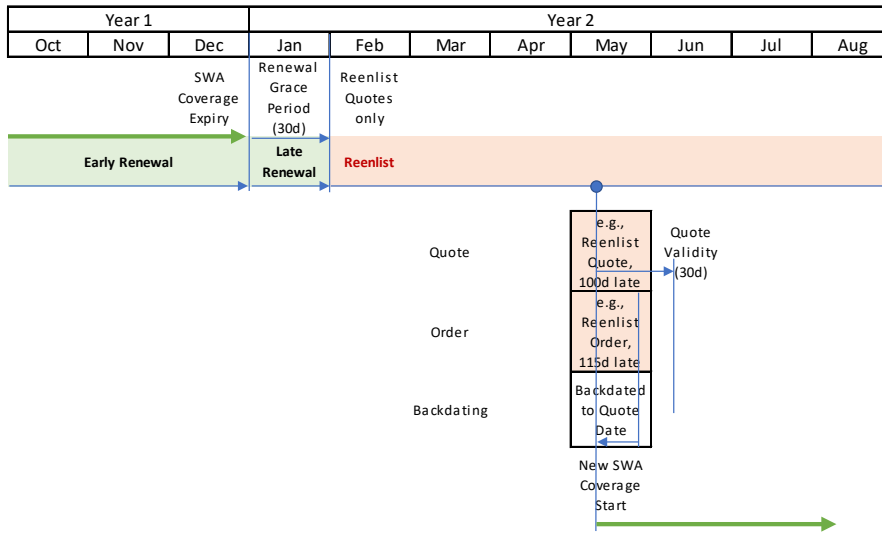
### SWA Reenlistment:

1. **Reenlistment Quotes** are required once the 30-day Grace Period has ended.
2. **Reenlistment Quote Validity:** Reenlistment Quotes are valid for 30 days, and during that time they can be ordered. 30 days after quote generation, Reenlistment Quotes expire and can no longer be ordered. At this time, a new Reenlistment Quote must be generated with updated Reenlistment Fees.
3. **Subscription Fees** as defined above.
4. **Reenlistment Fees** include a fixed “Penalty Fee” and a variable “Expired Period Fee”:
  - a. Reenlistment Fees are calculated as percentages multiplied by the 1 year Subscription Fee for coverage, without multi-year discounting.
  - b. The Penalty Fee will be 33%.
  - c. The Expired Period Fee will be equal to (today’s date *minus* the expiry date of previous SWA coverage) / 365 days, expressed as a percentage.
  - d. The total Reenlistment Fee will be capped at a maximum of 100%.
  - e. Example Reenlistment Fee: 100 days after expiry of previous SWA coverage with an annual SWA list price of \$500:
$$(33\% + 100/365) \times \$500$$
$$= 0.33 \times \$500 + 0.274 \times \$500$$
$$= \$165 + \$137$$
$$= \$302 \text{ (Reenlistment Fee)}$$
  - f. For MiVoice Office 400 and Mitel Alarm Server, when purchasing Reenlistment part numbers via a Voucher, please note that Reenlistment Fees will be fixed at 100% (not variable).
5. **Reenlistment Term** is a minimum of 1 year, exclusive of Reenlistment Fees, and a maximum of 5 years (defined above in “Renewal Term”).
6. **Reenlistment Backdating:** New SWA coverage will be backdated to start on the date the quote is generated: see Reenlistment Scenario diagram below.

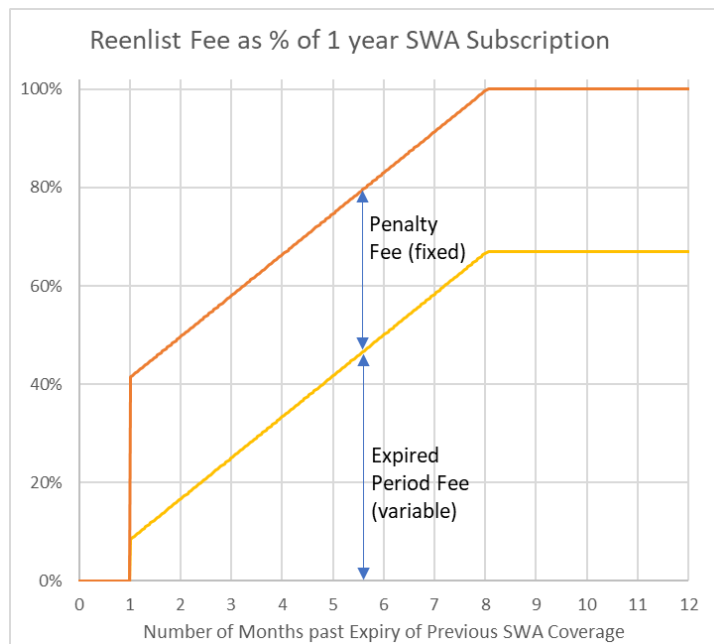
### Renewal Scenarios:



### Reenlist Scenario:



### Reenlist Fee Structure (Orange line):



## Policy Comparison <sup>[1]</sup>

	Policy before July 2018	Current (old) Policy	New Policy Effective July 2019
<b>Grace Period for Renewal</b> (days after previous expiry date that a renewal quote can still be ordered)	30 days	0 days	30 days
<b>Backdating of Renewals</b> (to previous expiry date + 1 day)	Yes	n/a	Yes
<b>Renewal Quote Validity</b>	90 days, must be ordered before end of Grace Period	120 days, must be ordered before end of SWA expiry	120 days, must be ordered before end of Grace Period
<b>Reenlistment Fee</b> (% of 1 year of subscription fees) <sup>[2]</sup>	100%	20%	~40 – 100% (variable, capped)
<b>Backdating of Reenlistments</b>	Yes, to date of Quote	Yes, to date of Quote	Yes, to date of Quote
<b>Reenlistment Quote Validity</b>	90 days	120 days	30 days

Notes:

[1] This table excludes MiVoice Connect policies

[2] Excludes third party/OEM products

## Mitel Products in Scope for New Policy

	New Policy Enforced	Policy Variance (always 100% Reenlist Fees)
<b>Application Management Center (AMC) Products</b>	<ul style="list-style-type: none"> <li>• MiVoice Business</li> <li>• MiCollab / UCC</li> <li>• Mitel Border Gateway</li> <li>• Open Integration Gateway</li> <li>• NuPoint</li> <li>• MiCC Business</li> <li>• MiVoice Office 250</li> <li>• MiCC Office</li> </ul>	
<b>Licenses &amp; Services (SLS) Products</b>	<ul style="list-style-type: none"> <li>• MiVoice MX-One &amp; applications</li> <li>• MiCC Enterprise</li> <li>• MiVoice Office 400 &amp; Mitel Alarm Server</li> <li>• Connected Guest (Mitel Hospitality)<sup>[1]</sup></li> <li>• MiVoice Connect &amp; applications<sup>[2]</sup></li> </ul>	Voucher-Based Reenlistments
<b>AKOP Products</b>	<ul style="list-style-type: none"> <li>• MiVoice 5000 &amp; applications</li> </ul>	
<b>Other Products</b>		<ul style="list-style-type: none"> <li>• MiVoice Call Recording</li> <li>• Third Party License Servers</li> <li>• Toshiba</li> </ul>

Notes:

[1] When Connected Guest SWA is in SLS.

[2] When MiVoice Connect migrates to Licenses & Services (SLS) and new asset repository.

## Best Practices for Mitel's SWA Renewal and Reenlist Policy

In the new Mitel policy, you either Renew or Reenlist. Please consider the best practices below that will save you money, and more importantly ensure you are getting the best value from your Mitel solution:

### 1. Choose Renewal over Reenlistment:

- Quote SWA **Renewals** well in advance of expiry of SWA coverage, typically quoting 90 - 120 days in advance.
- If you are running late, then you can now quote SWA **Renewals** even up to 30 days after expiry (during the Grace Period).
- **Ordering Renewals** can be any time before the end of the 30 day Grace Period.
- Renewals have no Reenlistment Fees.
- Reenlistment Fees include a **Penalty Fee** which is now 33% vs. current policy of 20% (of your annual subscription fees).
- Reenlistment fees also include an **Expired Period Fee** that increases each day after the expiry of SWA coverage: so the longer you wait to reenlist, the higher the fees up to a maximum of 100% at 8 months past SWA expiry.

### 2. Order Renewals before expiry of the previous SWA term, or before the end of the 30 day Renewal grace period:

- Avoid the Reenlistment Fees that start on day 31 after SWA expiry.

### 3. Reenlist expired SWA coverage as early as possible after lapse of coverage:

- There is no advantage to wait to reenlist as Reenlistment Fees are on a daily increasing scale up to 8 months past expiry, so the longer you wait, the more you pay for lack of coverage (equivalent to being subscribed to SWA).

### 4. If you are over 8 months past SWA expiry, then be prepared to pay Reenlistment Fees of 100% of your annual SWA Subscription Fees.

### 5. Order Reenlistments 30 days or less from generating a quote:

- Reenlistment Quotes are only valid for 30 days, not 120 days as in the past.
- Avoid having to requote Reenlistment with updated (often higher) reenlistment fees.

## Transition Policies

Software Assurance renewal quotations created before the effective date will be honored after the Renewal and Reenlistment policy change, with the following conditions:

- AMC and AKOP existing quotations will be honored up to and including the "orderable by" date on the quote.
- SLS existing quotations will be invoiced with the price at the time of the order. After the new policy effective date, existing quotations will be impacted by the policy change.
- If you make any changes to an existing quote, it will be updated with current pricing.
- After the "orderable by" date you need to generate or request a new quote.
- In the absence of "orderable by" date on the quote, the quote will be honored a maximum of 120 days after its generation or up to 30 days after the current expiry of the Software Assurance contract, whichever comes first.

Note: In the normal course of business, Mitel SWA renewal quotes are produced 90-120 days in advance of a renewal date.

## Price Change to Existing Reenlistment Part Numbers

Reenlistment Fees for AKOP, SLS and MiContact Center Business (in AMC) are charged using dedicated part numbers. To accommodate changes to the reenlistment fees, the following existing part numbers are increasing in price.

Part number	Description
51304505	MX TS TelSys SWA Reinstate
51304518	MX TS Tel User SWA Reinstate
51304531	MX TS TelGateway SWA Reinstate
51304544	MX Prov Mgr Sys SWA Reinstate
51304557	MX Prov Mgr User SWA Reinstate
FAF901655/AR	MX MSP Sys SWA Reinstate
FAF901656/AR	MX MSP ext SWA Reinst 1y
FAF901660/AR	BluStar Client Re-enlist SWA
84L00006AAA-A	MMC 4 user Re-enlist SWA
51305455	MX Fb Basic Re-enlist SWA
51305468	MX Fb Entry Re-enlist SWA
51305577	MX Fb Std Re-enlist SWA
51305590	MX Fb Prem Re-enlist SWA
51305603	MX Fb Mobile Re-enlist SWA
51305616	MX Fb Cordless Re-enlist SWA
54007102	SWAS MiCCEnt Lite Agent Reenli
54007109	SWAS MiCCEnt MM Agent Reenlist
54008973	SWAS MiCCEnt Web Agent Reenli
54007123	SWAS MiCCEnt IVR Sess Reenlist
54007116	SWAS MiCCEnt MngtUser Reenlist
54007095	SWAS MiCC Ent System Reenlist
51305116	CMG Sys Re-enlist SWA
51305113	CMG Prem Usr Re-enlist SWA
51305119	CMG CWI Re-enlist SWA
51305122	Att Sys Re-enlist SWA
51305125	Att Usr Re-enlist SWA
51305158	Att QM sys Re-enlist SWA
51305128	Att CMG user Re-enlist SWA
51305131	CMG Att MSC Re-enlist SWA
51305134	CMG VR Sys Re-enlist SWA
51305137	CMG VR Usr Re-enlist SWA
51305140	CMG VR VM Re-enlist SWA
51305143	CMG VR SA port Re-enlist SWA
51305152	CMG IC Sys Re-enlist SWA
51305155	CMG IC Port Re-enlist SWA
84D00019AAA-A	SW Assur 415 reinstate
84D00020AAA-A	SW Assur 430 reinstate
84D00021AAA-A	SW Assur 470/VA reinstate
84D00022AAA-A	SW Assur MiVO 400 1 user reinstate
84D00028AAA-A	SW Assur MiVO 400 20 users reinstate
84D00032AAA-A	SW Assur MiVO 400 50 users reinstate
84D00036AAA-A	SW Assur MiVO 400 100 users reinstate
54009809	SW Assur SMBC reinstate
54007436	Alarm Server SWA Reenlist fee
84-00003AAA-R	MiV5000 SWAS Reenlist Unit Fee
84-00003BAA-R	MiV5000 mger Reenlist Unit Fee
84-00003CAA-R	MiV5000 CC Reenlist Unit Fee
54006936	CC Re-enlist Penalty for SW Assurance
54010232	SWA Hospi 470/VA reinstate



54010232	SWA Hospi 470/VA reinstate
54010245	SWA Hospi MiVO 400 20 users reinstate
54010245	SWA Hospi MiVO 400 20 users reinstate
54010245	SWA Hospi MiVO 400 20 users reinstate

## New Reenlistment Part Numbers

In case of Reenlistment Quote, Reenlistment Fees are charged using dedicated part numbers. For the products listed in the table below, new part numbers are created for Reenlistment Fees:

Product	Part number	Description
MiVoice Business	54010378	SWA Reenlist MiVoice Business
MiVoice Business	54010406	SWA Reenlist MiVoice Bus Multi-Instance
Mitel Designated License Manager (DLM)	54010386	SWA Reenlist Designated License Mgr
MiCollab with MiVoice Business	54010409	SWA Reenlist MiCollab w/ Voice
Enterprise Manager	54010376	SWA Reenlist Enterprise Manager
MiCollab	54010405	SWA Reenlist MiCollab
MiCollab	54010379	SWA Reenlist UC Advanced
MiCollab	54010384	SWA Reenlist UC Mobile
Mitel Unified License Manager (ULM)	54010407	SWA Reenlist ULM Aggregate Business
Mitel Unified License Manager (ULM)	54010389	SWA Reenlist ULM Aggregate Enterprise
MiVoice Border Gateway	54010383	SWA Reenlist MiVoice Border Gateway
Open Interfaces Gateway	54010408	SWA Reenlist BPI Gateway
NuPoint	54010380	SWA Reenlist NUPOINT Std Edition
NuPoint	54010381	SWA Reenlist NUPOINT 640E
NuPoint	54010404	SWA Reenlist NUPOINT 640
Secure Recording Connector	54010382	SWA Reenlist SECURE RECORDING CONNECTO
MiVoice Office 250	54010385	SWA Reenlist MiVoice Office
MiContact Center Office	54010387	SWA Reenlist - Customer Service Mgr
Mitel Business Dashboard	54010388	SWA Reenlist - Business Dashboard
MiContact Center Business: ASR and TTS	54010390	CC Re-enlist Penalty ASR/TTS SWA
MiVoice Connect	54010391	Partner Support Reenlist
MiVoice Connect	54010392	Enterprise Support Reenlist

Products that are not present in this list already have dedicated part numbers for Reenlistment Fees: the existing part numbers continue to be used with the new policy.

## Questions & Answers

Q: Are pre-existing quotations for Software Assurance generated before July 8<sup>th</sup> orderable as quoted?

A: AMC and AKOP quotations are still orderable and registerable until July 8<sup>th</sup>, 2019 as configured, although configuration changes will trigger a requote with new policies. There are some price changes for reenlistment parts that will impact SLS quotes on July 8<sup>th</sup>, 2019. So if ordered after July 8<sup>th</sup>, existing quotes will invoice at the new price. From July 9<sup>th</sup> onwards, Software Assurance quotes must be purchased with the new policies.

Q: Do I still have 120 days to purchase a SWA quote?

A: Quoting a SWA Renewal 90 - 120 days before expiry of the current SWA coverage is still best practice. Please be aware that SWA **Renewal** Quote validity is maximum 120 days or is defined by the end of the 30 day Grace Period, whichever comes first. This is to drive on time / in-month renewal rates. For **Reenlistment** quotes, you only have 30 days from date of quote to purchase.

Q: What is "Backdating"?

A: There are two kinds of backdating. For **Renewals**, your new SWA coverage is backdated to start on the day after the expiry of the previous SWA coverage. For **Reenlistments**, your new SWA coverage is backdated to start on the date of the Reenlistment quote.

Q: Why are Reenlistment Fees variable?

A: Before July 2018, Reenlistment fees were 100% of 1 year of SWA coverage. In July 2018, these fees were changed to 20% of 1 year of SWA coverage. Neither was optimal for driving renewal best practices. Mitel is now aligning to industry reenlistment fee structures and introducing a fixed Penalty fee (1/3<sup>rd</sup> of 1 year of SWA coverage) plus a variable Expired Period fee. This fee structure encourages renewal on time and if applicable, reenlistment as early as possible.

Q: Can I still order a Renewal Quote 1 day after the 30 day Grace Period?

A: No. You need to obtain a Reenlistment Quote with applicable Reenlistment Fees. This policy is enforced in the License server.

Q: Why do MiVoice Office 400 and Mitel Alarm Server Voucher-based Reenlistments always have 100% Reenlistment Fees?

A: Voucher-based Reenlistments do not have the opportunity to prorate the Reenlistment Fees part codes which are priced at 100% of 1 year of SWA coverage. Vouchers are used primarily for MiVoice Office 400 and Mitel Alarm Server Renewals and Reenlistments.

Q: If I pre-purchased a voucher for Reenlistment of MiVoice Office 400 and/or Mitel Alarm Server, is my price protected after the effective date of this bulletin?

A: Yes, you can use SWA reenlistment parts purchased in a voucher before the policy change to Reenlist SWA after the effective date of this bulletin regardless of the price of purchase.

Q: For MiVoice Connect support Renewals, can I optionally backdate even with Reenlistment?

A: No. Backdating is only for Renewals ordered during the 30 day Grace Period. If you are trying to align contact dates, then we recommend that you order 1 year plus your remaining term for the current year (exclusive of expired days).

Q: If I need to Reenlist a long-expired customer, e.g., 2014, do I pay Reenlistment Fees for the entire expired period?

A: No, Reenlistment Fees are capped at 100% of 1 year of SWA Subscription Fees.