

Windows Desktop Licensing for Small Businesses

Getting genuine Windows® software can save you time and money and will reduce security risks and legal liability. Know the facts below to ensure your organization is properly licensed.

Frequently Asked Questions

Q. My organization is looking for the most cost-effective way to acquire new PCs running Windows operating systems. What is the best way to obtain PCs with fully licensed Windows software?

A. The most cost-effective way to acquire genuine Windows licenses is to purchase PCs with the Windows software preinstalled by a computer manufacturer.

Q. If my organization has a Volume Licensing agreement that currently provides a Windows upgrade, are my PCs still required to have a license for the full Windows operating system as well?

A. Yes. *All* Volume Licensing agreements provide only the license for the Windows upgrade—not the full Windows license. You are required to have a separate license for the initial full eligible operating system deployed on any PC.

Q. If my organization purchases PCs with Windows desktop operating systems preinstalled by a PC manufacturer, can those operating systems be transferred to newly purchased PCs that are acquired without operating systems?

A. No. An OEM Windows operating system may never be transferred from the PC on which it was originally installed, even if the PC is no longer in use.

Q. I would like to save my organization money by buying my PCs without Windows operating systems. What are the risks in doing this?

A. Getting Windows preinstalled on your PC is your most cost-effective option, but this can only be done at the same time you purchase your PC. Getting the Windows license “after the fact” will limit your options, will be more costly, and will increase your risk of getting a counterfeit or unlicensed copy.

Windows Desktop Licensing Rules:

Each PC running Windows desktop software needs to have its own FULL Windows desktop license.

There are only two ways to acquire the initial full Windows license on a new PC:

1. Preinstalled on a PC via a PC manufacturer—the most cost-effective way to acquire a Windows license.
2. Through retail stores as full packaged product.

Microsoft® Volume Licensing agreements cover the Windows desktop UPGRADE ONLY.

This is true for **all** Volume Licensing agreements including Open License, Open Value, Select License, Enterprise Agreements, and any Academic Volume Licensing agreements—regardless of whether the agreement was purchased with or without Software Assurance. Windows upgrades are designed to upgrade a previously acquired qualifying license. An organization must first have the full qualifying underlying license before using a Volume Licensing agreement to upgrade that license to a new or different version.

Keeping Your Organization Properly Licensed:

- ⊙ When purchasing PCs make sure your purchase includes a genuine operating system preinstalled.
- ⊙ Resellers may attempt to save costs by excluding the Windows license. Getting Windows software preinstalled is your most cost-effective option. Getting an unlicensed PC is likely to cost you more in the long run.
- ⊙ Using a Volume Licensing agreement to install the initial full Windows license on an unlicensed PC will leave your organization mislicensed and legally non-compliant.
- ⊙ Acquiring a Windows “Home” or “Starter” version preinstalled and then using a Volume Licensing agreement to upgrade to a “Professional” or “Business” version is not covered by Volume Licensing* and will result in legal non-compliance. For a current list of qualifying underlying licenses eligible for Windows upgrade under Volume Licensing visit <http://www.microsoftvolumelicensing.com/userights/PL.aspx>.
- ⊙ Make sure you understand licensing rules to keep your organization compliant.



Legalization Options:

If your business finds itself at risk, there are options for legalizing. Visit www.microsoft.com/piracy/knowthefacts/legalizationsolutions.aspx.

Visit www.microsoft.com/piracy/knowthefacts/windowslicensing.aspx for more information.

*The exception to this is Academic Volume Licensing agreements which do cover Windows Home and Starter versions as qualifying underlying licenses.

