Program Overview for MAR & RRP
Microsoft Refurbisher Programs offer refurbishers reduced royalty software licenses for genuine Microsoft software, tools to help with software pre-installation, marketing support, and recognition as a member of a Microsoft program.
1 in 5 PCs sold every year are refurbished

Global Installed Base ≈ 1 Billion PCs

- Reused PCs, 44%
- Disposed, 34%
- Stored, 22%
- Commercially Resold, 18%
- Repurposed/Individual Sales, 24%
- Donated, 2%

Refurbisher Opportunity
<table>
<thead>
<tr>
<th><strong>Target</strong></th>
<th>Large PC Refurbishers</th>
<th>Small and Medium Refurbishers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume Requirements</strong></td>
<td>Minimum of 1000 Windows Licenses per month</td>
<td>No volume requirements</td>
</tr>
<tr>
<td><strong>Geographic Availability</strong></td>
<td>Worldwide China</td>
<td>Worldwide, except China</td>
</tr>
<tr>
<td><strong>License Types</strong></td>
<td>Commercial</td>
<td>Commercial &amp; Citizenship</td>
</tr>
<tr>
<td><strong>Agreement</strong></td>
<td>Standard Partner Agreement</td>
<td>Simplified, Online Agreement</td>
</tr>
<tr>
<td><strong>License Distribution</strong></td>
<td>Licensed software, COAs and media provided directly from Microsoft Authorized Replicators</td>
<td>Licenses provided through distributors for Commercial licenses, issued from program website for Citizenship licenses</td>
</tr>
</tbody>
</table>
To be considered for the programs, Refurbishers must have:

- Sufficient source of secondary PCs that are eligible for MAR Windows licensing
- The technical competence required to pre-install Windows operating systems correctly
- Appropriate security measures in place to ensure the safe storage and handling of Certificates of Authenticity (COA)
- Adequate systems for data wiping and reporting, including conformance to United States Department of Defence, National Institute of Standards and Technology, or similar standards on all hard disks
- Conformance with applicable local health, safety, and environmental regulations
- One year marketing plan enable a MAR to sell at least 1,000 refurbished PCs preinstalled with genuine MAR licenses per month or 12,000 a year
The RPK is a proprietary tool designed to manage all the software resources used to refurbish computers; such as Windows distributions, product keys, out-of-box drivers, Windows updates, Microsoft applications, third-party applications, company logos, and support information.

RPK functionality includes:

- Network-based or CD/USB-based methodology to configure, store and deploy generic or customized operating system images; eliminates the need to build individual images for machines.
- Ability to automatically configure drivers from a comprehensive, updated driver library certified by Windows Hardware Quality Lab.
- Allows the creation of a hard drive recovery image.
- Includes support for Windows 7, Office & Windows Server operating systems.

Access to specialized deployment tools

The RPK is free to Microsoft Authorized Refurbishers, but requires a fee for Registered Refurbishers.
Program Benefits

Benefits to Refurbishers:

- Provides recognition and status as a Microsoft Refurbisher
- Creates the opportunity to build additional revenue and margin via market differentiation
- Provides access to proprietary tools to simplify Windows deployment on refurbished PCs
- Provides access to cost effective operating system licenses for refurbished PCs to provide end user customers an end-to-end solution
- For Microsoft Authorized Refurbishers – a direct relationship with Microsoft including marketing support and account management

Benefits to End User Customers:

- Assurance of a PC preinstalled with a genuine operating system license sourced from a quality driven and legitimate supplier
- Creates opportunity to purchase a solution rather than just hardware
- Allows access to benefits of downloads, updates, and enhanced features
- Provides upgrade path to future releases of the Windows operating system software
- Recovery Solutions available
Why Sales people should push MAR vs no OS

MAR enables you to sell higher value items and reach your revenue targets quicker.

If a Naked PC sells for $50 and a MAR PC for $75 then selling a MAR PC generates 50% more revenue per sale.

MAR enables you to get more profit per sale.

If a Naked PC sells for $50 and a MAR PC for $75 and profit is 5% of price then selling a naked PC makes $2.5 but a MAR PC makes $3.75.

MAR enables your resellers to make more profit per sale.

If a reseller adds 10% margin to every PC sold, then the margin on a $75 MAR PC is $7.5 rather than $5, hence $2.5 more profit for your reseller.

In the examples above, for every 1000 MARs PCs you sell you will do $25,000 more revenue and generate an extra $1250 of profit for you and extra $2500 for your resellers.
Microsoft RRP
Registered Refurbisher Program
Registered Refurbisher Program (RRP) – How it Works

1. **Apply To Program**
   - Refurbishers go to the Registered Refurbisher Program Portal & apply to join the program.
   - www.microsoft.com/registeredrefurb

2. **Order Product COAs**
   - Program SKUs are a Refurbisher style COA that has a serial number but no product key.
   - Refurbishers purchase Commercial SKUs from OEM Distributors ($').

3. **Obtain Product Activation Keys**
   - Use Credentials to login to program portal. Enter program COA Serial No. & old COA Serial No. to obtain a new product key for customer activation ($0).
   - Records transaction details, deactivates old COA, remote audit of old COA lookup data, Records recipient if Citizenship SKU.

4. **Resell PC with pre-installed software to customer**
   - Program SKU is installed on a Refurbished PC.
   - *For Windows only - limited to used PC’s with existing Windows COAs.
   - PC resold to customer. (With recovery media if Commercial SKUs)

- Refurbishers purchase Citizenship SKUs from web portal ($'s). Delivery time approximately 10 days from payment received.
- Refurbishers go to the Registered Refurbisher Program Portal & apply to join the program.
- www.microsoft.com/registeredrefurb
- Refurbishers purchase Citizenship SKUs from web portal ($'s). Delivery time approximately 10 days from payment received.
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- Records transaction details, deactivates old COA, remote audit of old COA lookup data, Records recipient if Citizenship SKU.
- Program SKU is installed on a Refurbished PC.
- *For Windows only - limited to used PC’s with existing Windows COAs.
- PC resold to customer. (With recovery media if Commercial SKUs)
There is no set enrollment period. Any Refurbisher can apply to join the program at anytime during the year.

• The Registered Refurbisher Program agreement is an annual agreement that runs to September 30th each year.

• Refurbishers must remain in good standing to retain Registered Refurbisher status. I.e. adhere to environmental standards, data wiping, security and legal licensing.

• Applicants sign an online agreement on the Program Portal website: www.microsoft.com/registeredrefurb, then submit an application.

• Microsoft’s Anti-Piracy group verifies and reviews all applications.

• Applicants receive and e-mail notification of application status, typically within 14 days.
Registered Refurbisher Program
– Available License Types

- **Commercial licenses** can be supplied to any type of customer, including end user customers who are consumers or small businesses.

- **Citizenship licenses** are available for Eligible Recipients only.
  - These licenses are available for certain customer groups such as educational institutions, non-profit charitable organizations, and other approved recipients.
Software versions available:

- Commercial licenses:
  - Windows 7 Home premium
  - Windows 7 Professional

- Citizenship licenses:
  - Windows 7 Professional
  - Microsoft Office 2010
  - Microsoft MultiPoint Server

*Note: Not all products are available in all countries. Refer to Product Availability by Country table for breakdown.
Refurbisher orders and installs software with these steps:

Commercial License Ordering:
- Licenses ordered through Microsoft Authorized Distributors. Each 3 pack include 3 COAs and 3 sets of recovery media.
- Physical Recovery Media or a hard disk based recovery image must be supplied with each PC.

Citizenship License Ordering:
- Licenses are provided by ordering through the Registered Refurbisher program website. There is a 20 license minimum order level.

Installation Process:
1. Refurbisher preinstalls software with program license and original pre-existing COA still affixed to the PC
2. Refurbisher attaches a new refurbisher COA to the refurbished PC
3. A Product Key information sheet, including the Product Key for the PC is provided.
4. Also:
   - If the license is a commercial license, either the Recovery Media pack or a hard drive recovery image must be included.
   - If the license is a citizenship license, there is no Recovery Media but a hard disk based recovery image can be optionally included.
   - Depending on the software product supplied, a physical rather than End User License Agreement may be included.
Program participants will be supplied specially designed COAs

- Each COA will have:
  - Product name
  - Statement, “For Use on Refurbished PC Only – No Commercial Value – For Authentication Purposes Only.”
- Registered Refurbisher Program COAs do not include Product Keys
  - Available through Program Website
  - Pre-existing COA and new COA serial numbers are required
  - Citizenship licenses also require information about the recipient, including name, location, and recipient type
Microsoft Authorized Refurbisher Program

MAR Overview
Microsoft Authorized Refurbisher Program
– How it Works

1. **Apply To Program**
   - Refurbisher (parent company) signs normal agreement.
   - Refurbisher receives training including RPK technical training.

2. **Order Products**
   - Order COAs and recovery media kits (if required) from Authorized Replicator.
   - Special Refurbisher COAs include Product Keys and Refurbisher's name.

3. **Install OS on PCs**
   - Pre-install OS on refurbished PCs. Affix new COA onto PCs.

4. **Sell refurbished PC to end user**
   - After purchase, end users activate the software using the Product Key found on the COA.
Refurbisher orders and installs Windows with these steps:

1. Windows COAs and Recovery Media packs are acquired through established ordering processes with Authorized Replicators.
   - The optional Recovery Media pack includes recovery media packaged in a slim-line DVD case with a printed wrap.

2. Refurbisher installs the Windows software onto the refurbished PC using the OPK* and the RPK*

3. Refurbisher attaches a refurbisher COA to the refurbished PC
   - Additional preinstalled software such as Microsoft Office, Windows Live Services or Microsoft Security Essentials may also be available

4. Refurbisher supplies the PC, including either the Recovery Media pack or a hard drive recovery image, to an end customer, reseller or broker

* OPK – OEM Preinstallation Kit, RPK – Refurbisher Preinstallation Kit
There is no set enrollment period. Refurbishers can apply to become a Microsoft Authorized Refurbisher anytime during the year.

- Candidates are identified by a Microsoft account manager or by contacting Susan Smith, v-ssmit@microsoft.com
- Refurbishers must sign a Refurbishment License Agreement and a Logo License Agreement and complete the application process.
- Program participants must renew their program membership annually by August 1st and remain in good standing to retain Microsoft Authorized Refurbisher status.

**Benefit for New MARs:**
- Introductory pricing for the Fiscal year of enrollment
- Invitation to annual WW MAR Summit in Redmond, WA (usually Sept)
- Marketing dollars are accrued based on previous 6 month purchases
- Value add profit enhancement system offering
Microsoft Authorized Refurbisher Program
– Certificate of Authenticity (COA)

Program participants will be supplied specially designed COAs labels

• Each COA will have:
  – Refurbisher Brand Name
  – Unique product key
  – Product name
  – Statement, “For Use on Refurbished PC Only – No Commercial Value – For Authentication Purposes Only.”

• COAs are obtained through established distribution processes from Authorized Replicators.
## FY13 – Product Offering & Pricing Summary

### MAR Pricing Model

<table>
<thead>
<tr>
<th>Product Family</th>
<th>Current Product Version &amp; Pricing</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Windows Client</strong></td>
<td></td>
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<tr>
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<tr>
<td><strong>Windows Client</strong></td>
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<td></td>
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<tr>
<td><strong>Windows Server</strong></td>
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<tr>
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<tr>
<td><strong>Windows Server</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Microsoft Office</strong></td>
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<tr>
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</tbody>
</table>

#### Windows Client

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>20K+</td>
<td>$10.00</td>
<td>$20.00</td>
<td>$115.00</td>
<td>$84.00</td>
</tr>
<tr>
<td>10-20K</td>
<td>$12.00</td>
<td>$25.00</td>
<td>$115.00</td>
<td>$84.00</td>
</tr>
<tr>
<td>- 10K</td>
<td>$15.00</td>
<td>$30.00</td>
<td>$115.00</td>
<td>$84.00</td>
</tr>
</tbody>
</table>

#### Windows Server

<table>
<thead>
<tr>
<th>Version</th>
<th>Offering</th>
<th>Platform</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Server 2008 32 bit SP2</td>
<td>Standard</td>
<td>32 &amp; 64 bit</td>
<td>$605.00</td>
</tr>
<tr>
<td>Server 2008 64 bit SP2</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Microsoft Office

<table>
<thead>
<tr>
<th>Version</th>
<th>Offering</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office 2013 Single Image OPK</td>
<td>Home &amp; Student</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

### Windows Multipoint Server 2011

- Client Access License
  - (1 Device): $46
1. Review your marketing plan with your Microsoft Account Manager and/or Business Development Manager
2. Request a conference call with your Technical team and a Microsoft System Engineer to review the technical requirements for Windows imaging
3. If your Account Manager approves your marketing plan and you wish to apply for the MAR program:
   1. Complete the following:
      a. Microsoft Credit Application with 2 years of audited financials
      b. MAR Application
      c. Bill to and Ship to Form
      d. Continuing Subsidiary form (if you will be ordering COAs in other countries only)
      e. A list of Brand names for your COAs up to 15
   2. Annual license forecast by SKU
   3. MTD (Marketing Fund Agreement)
   4. Logo Agreement
   5. Set up training for your Technical Staff
   6. Apply for Credit with a local Authorized Replicator for COAs
   7. Review the MAR Resource Guide
   8. Set up your MOO (Microsoft OEM Operations) password for monthly reporting
Thank You
Windows Installation Rules

The original COA that is affixed to the qualified PC determines the product you may install:

<table>
<thead>
<tr>
<th>Eligibility Matrix</th>
<th>MAR COA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior COA</td>
<td>Win7 Home</td>
</tr>
<tr>
<td>XP Starter, Vista Starter, Win7 Starter</td>
<td>NO</td>
</tr>
<tr>
<td>Win 2000 (and prior versions)</td>
<td>YES</td>
</tr>
<tr>
<td>Win XP Home</td>
<td>YES</td>
</tr>
<tr>
<td>Win XP Pro</td>
<td>YES</td>
</tr>
<tr>
<td>Win Vista Home Basic &amp; HP</td>
<td>YES</td>
</tr>
<tr>
<td>Win Vista Business &amp; Ultimate</td>
<td>YES</td>
</tr>
<tr>
<td>Win7 HP</td>
<td>YES</td>
</tr>
<tr>
<td>Win7 Pro &amp; Ultimate</td>
<td>YES</td>
</tr>
</tbody>
</table>

**Example scenarios for MAR COA eligibility:**

- Original COA is XP Home => OK to pre-install W7 Home
- Original COA XP PRO => OK to pre-install W7 Home, W7 PRO
- Original COA Vista Home => OK to pre-install W7 Home ONLY
- Original COA Vista PRO => OK to pre-install W7 Home or W7 PRO
- Original COA W7 Home => OK to pre-install W7 Home ONLY
- Original COA W7 PRO => OK to pre-install W7 Home or W7 PRO
Microsoft Office 365 subscription suites
Office 365 is a cloud-based service hosted by Microsoft. It brings together the familiar Microsoft Office desktop applications with cloud-based business email, shared calendars, instant messaging (IM), videoconferencing, and file sharing.
There's a great Office 365 choice for everyone, and it's the easiest way to work together.

<table>
<thead>
<tr>
<th>Home Premium</th>
<th>Small Business Premium</th>
<th>University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Best for families who want Office on up to 5 household PCs or tablets</td>
<td>Ideal for businesses with 1-10 employees who want familiar Office applications, professional email, HD video conferencing, and shared documents.</td>
<td>Best value, especially for higher education students and faculty who want the latest versions of all our best-in-class applications on 2 PCs</td>
</tr>
<tr>
<td>$99.99/yr MSRP</td>
<td>$149.99/yr MSRP</td>
<td>$79.99/4yrs MSRP</td>
</tr>
<tr>
<td>Part# 6GQ-00024</td>
<td>Part# 6SR-00009</td>
<td>Part# R4T-00042</td>
</tr>
</tbody>
</table>