

# MICROSOFT SOFTWARE LICENSE TERMS

## MICROSOFT DYNAMICS AX 3.x, AX 4.x, AX 2009

## MICROSOFT DYNAMICS GP 9.x, GP 10.x, GP 2010

## MICROSOFT DYNAMICS NAV 4.x, NAV 5.x, NAV 2009

## MICROSOFT DYNAMICS SL 6.x, SL 7.0

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- updates,
- supplements,
- Internet-based services, and
- support services

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**If you comply with these license terms, you have the rights below.**

### 1. OVERVIEW.

a. **Software.** The software may include

- server software;
- client software that can be installed on devices and used with the server software;
- additional components that may be separately licensed; and
- any fixes, patches or updates for the software.

b. **License Model.** The software is licensed based on

- the number of copies of system databases that you install;
- the number of your users or devices that access the system database; and
- additional components you license.

### 2. DEFINITIONS.

- "you" means the legal entity that has agreed to these license terms and your affiliates;
- "Affiliate" means any legal entity that owns, is owned by, or that is under common ownership with a party;
- "ownership" means more than 50% ownership;
- "client software" means the software that allows a single personal computer, workstation, terminal, handheld computer, personal digital assistant, or other electronic device ("device or devices") to access or use the server software or to use certain aspects of the server software when disconnected from the server; "server software" means the software that provides services or functionality on your server (your computers capable of running the server software are "servers");
- "system database" means the underlying database that controls your users and financial reporting units;
- "point of sale device" means one device, used by any user, to access your system database for the purpose of completing customer facing sales or services transactions;
- "business process outsourcing" means the contracting of a specific critical or non-critical business task, function or process to a third-party service provider, where (i) the services provided include direct or indirect access to the software, and (ii) the software license is not obtained directly from Microsoft; and

- “partner” means the partner that has signed a partner agreement with Microsoft authorizing the partner to market and distribute the software.

### 3. INSTALLATION AND USE RIGHTS.

- Server Software.** You may install an unlimited number of copies of the server software to access your system database. However, you may only use the number of copies that your license key permits. You may not duplicate license keys without Microsoft’s prior written consent.
- Client Software.** You may install an unlimited number of copies of the client software. However, you may use the client software only with the server software.
- Additional Components.** You may install an unlimited number of copies of the additional components you have licensed for your system database. You must obtain a separate license for each system database if you wish to install an additional component for multiple system databases. You may not duplicate license keys without Microsoft’s express written consent. For additional information and license restrictions regarding additional components, see [www.microsoft.com/dynamics/purchase/editionsandlicensing.mspx](http://www.microsoft.com/dynamics/purchase/editionsandlicensing.mspx).

### 4. ADDITIONAL LICENSING REQUIREMENTS AND/OR USE RIGHTS.

- User Licenses.** In addition to the server software license, you must acquire user licenses for the total number of users that access the system database directly or indirectly. User licenses are specific to a system database and may not be used with or shared among different system databases. You may license concurrent users, named users, device CALs or the external connector depending on the type of access to the system database that the user requires. For users that are your or your affiliates’ employees, contractors or agents, you must license concurrent users, named users and/or device CALs. For all other access to the system database, including access where no individual users are involved, you must license the external connector, concurrent users, named users or device CALs. The types of user licenses are,
  - “Concurrent users” are licenses that allow any individual to access the system database. The number of concurrent users licensed refers to the maximum number of individuals that may access the system database simultaneously;
  - “Named users” are licenses that are specific to individual users and may not be shared among individual users;
  - “Device Client Access Licenses (device CAL)” are licenses that permit one point of sale device, used by any user, to access the system database; and
  - “External connector” is a license that allows any third party user to access a single system database. “Third party users” are any concurrent user or named user that is not your or your affiliates’ employees, contractors or agents.

For additional information about the types of user licenses and the license restrictions regarding user licenses, see [www.microsoft.com/dynamics/purchase/editionsandlicensing.mspx](http://www.microsoft.com/dynamics/purchase/editionsandlicensing.mspx).

- Multiplexing.** Hardware or software you use to
  - pool connections,
  - reroute information,
  - reduce the number of devices or users that directly access or use the software, or
  - reduce the number of devices or users the software directly manages,
 (sometimes referred to as “multiplexing” or “pooling”), does not reduce the number of licenses you need.
- External Connector Licenses.** You must assign each external connector license you acquire to a system database. Each external connector license assigned to a system database permits any number of third party users to access that system database. You do not need concurrent, named user or device CAL licenses for those users. You may not use the external connector for business process outsourcing purposes. However, you may use the software to provide business process outsourcing services to unaffiliated third parties provided that they do not access the software or system database.
- Third Party Hosting.** You may have a third party host the software on your behalf solely for access by you and your affiliates. You may not permit your third party hosting vendor to allow access to the software by unaffiliated third parties except as otherwise allowed through an external connector license. Your third party hosting vendor must agree to be bound by these terms.
- License Grant for Templates.** You may copy and use templates provided with the software and identified for such use in documents and projects that you create. You may distribute those documents and projects non-



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- 9. FAIL-OVER RIGHTS.** You may run a single passive fail-over instance of your system database for temporary support.
- 10. LICENSE TRANSFER.** You may not transfer the software to a third party without Microsoft's prior written consent. If permitted, there may be additional charges for transferring the software to a third party.
- 11. DOCUMENTATION.** Any person that has valid access to your computer or internal network may copy and use the documentation for your internal, reference purposes.
- 12. ACADEMIC EDITION SOFTWARE.** You must be a "Qualified Educational User" to use software marked as "Academic Edition" or "AE." If you do not know whether you are a Qualified Educational User, visit [www.microsoft.com/education](http://www.microsoft.com/education) or contact the Microsoft affiliate serving your country.
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- 15. SUPPORT SERVICES.** Microsoft provides support services for the software as described at [www.support.microsoft.com/common/international.aspx](http://www.support.microsoft.com/common/international.aspx).
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- 17. ENTIRE AGREEMENT.** This agreement (including the warranty below), and the terms for supplements, updates, Internet-based services and support services that you use, are the entire agreement for the software and support services.
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  - a. United States.** If you acquired the software in the United States, Washington state law governs the interpretation of this agreement and applies to claims for breach of it, regardless of conflict of laws principles. The laws of the state where you are located govern all other claims, including claims under state consumer protection laws, unfair competition laws, and in tort.
  - b. Outside the United States.** If you acquired the software in any other country, the laws of that country apply.
  - c. Attorneys' Fees and Costs.** If you or Microsoft files a lawsuit, brings an action or otherwise pursues a claim against the other in connection with or arising out of this agreement or the software, the prevailing party will be entitled to recover its reasonable attorneys' fees, costs and other expenses (including any appeal).
- 19. LEGAL EFFECT.** This agreement describes certain legal rights. You may have other rights under the laws of your state or country. You may also have rights with respect to the party from whom you acquired the software. This agreement does not change your rights under the laws of your state or country if the laws of your state or country do not permit it to do so.

**20. DEFENSE OF INFRINGEMENT AND MISAPPROPRIATION CLAIMS.** Microsoft will defend you against any claims made by an unaffiliated third party that the software infringes its patent, copyright or trademark or misappropriates its trade secret, and will pay the amount of any resulting adverse final judgment (or settlement to which Microsoft consents).

You must notify us promptly in writing of the claim and give us sole control over its defense or settlement. You agree to provide us with reasonable assistance in defending the claim, and Microsoft will reimburse you for reasonable out of pocket expenses that you incur in providing that assistance. The terms "misappropriation" and "trade secret" are used as defined in the Uniform Trade Secrets Act, except in the case of claims arising outside the United States, in which case "misappropriation" will mean intentionally unlawful use and "trade secret" will mean "undisclosed information" as specified in Article 39.2 of the TRIPs agreement.

Our obligations will not apply to the extent that the claim or adverse final judgment is based on (i) your use of the software after Microsoft notifies you to discontinue use due to such a claim; (ii) your combining the software with a non-Microsoft product, data or business process including third party add-ons or programs; (iii) damages attributable to the value of the use of a non-Microsoft product, data or business process; (iv) your altering or modifying the software, including any modifications by third parties; (v) your distribution of the software to, or its use for the benefit of, any third party; (vi) your use of Microsoft trademark(s) without express written consent to do so; or (vii) for any trade secret claim, your acquiring a trade secret (a) through improper means; (b) under circumstances giving rise to a duty to maintain its secrecy or limit its use; or (c) from a person (other than Microsoft or its affiliates) who owed to the party asserting the claim a duty to maintain the secrecy or limit the use of the trade secret. You will reimburse us for any costs or damages that result from these actions.

If Microsoft receives information concerning an infringement or misappropriation claim related to the software, Microsoft may, at its expense and without obligation to do so, either (i) procure for you the right to continue to run the software, or (ii) modify the software or replace it with a functional equivalent, to make it non-infringing, in which case you will stop running the software immediately. If, as a result of an infringement or misappropriation claim, your use of the software is enjoined by a court of competent jurisdiction, Microsoft will, at its option, either procure the right to continue its use, replace it with a functional equivalent, modify it to make it non-infringing, or refund the amount paid and terminate this license.

If any other type of third party claim is brought against you regarding Microsoft's intellectual property, you must notify us promptly in writing. Microsoft may, at its option, choose to treat these claims as being covered by this section. This Section 20 provides your exclusive remedy for third party infringement and trade secret misappropriation claims.

**21. LIMITATION ON AND EXCLUSION OF DAMAGES. You can recover from Microsoft and its suppliers only direct damages up to the amount you paid for the software except for claims covered by Section 20. You cannot recover any other damages, including consequential, lost profits, special, indirect or incidental damages.**

This limitation applies to

- anything related to the: (i) software, (ii) services, (iii) content (including code) on any third party Internet sites, or (iv) third party programs; and
- claims for breach of contract, breach of warranty, guarantee or condition, strict liability, negligence, loss of data, damage to records or data, loss of goodwill, loss as a consequence of a business interruption or any other tort to the extent permitted by applicable law.

It also applies even if

- repair, replacement or a refund for the software does not fully compensate you for any losses; or
- Microsoft knew or should have known about the possibility of the damages.

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## LIMITED WARRANTY

- A. LIMITED WARRANTY.** The software will perform substantially as described in the original user documentation Microsoft provides for the software.
- B. TERM OF WARRANTY; WARRANTY RECIPIENT; LENGTH OF ANY IMPLIED WARRANTIES.** The limited warranty covers the software for one year after acquired by you. If you receive supplements, updates, or replacement software during that year, they will be covered for the remainder of the warranty or 30 days, whichever is longer.
- To the extent permitted by law, any implied warranties, guarantees or conditions last only during the term of the limited warranty. Some jurisdictions do not allow limitations on how long an implied warranty, guarantee or condition lasts, so these limitations may not apply to you.
- C. EXCLUSIONS FROM WARRANTY.** This warranty does not cover problems caused by your acts (or failures to act), the acts (or failures to act) of others, including but not limited to, modifications or implementations made by you, a partner, or any other third party acting on your behalf, or events beyond Microsoft's reasonable control.
- D. REMEDY FOR BREACH OF WARRANTY.** Microsoft will repair or replace the software at no charge. If Microsoft cannot repair or replace it, Microsoft will refund up to the amount your partner paid for the software to Microsoft. It will also repair or replace supplements, updates and replacement software at no charge. If Microsoft cannot repair or replace them, it will refund up to the amount Microsoft charged for them, if any. You must uninstall the software and return any media and other associated materials to Microsoft with proof of purchase to obtain a refund. These are your only remedies for breach of the limited warranty.
- E. CONSUMER RIGHTS NOT AFFECTED.** You may have additional consumer rights under your local laws, which this agreement cannot change.
- F. WARRANTY PROCEDURES.** You need proof of purchase for warranty service, if the licenses you claim covered by the warranty are not reflected in Microsoft's internal records. To make a claim under this warranty, you should contact your partner. If your partner is unable to assist you, please contact Microsoft at
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    - Microsoft Customer Service and Support, One Microsoft Way, Redmond, WA 98052-6399.
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- H. LIMITATION ON AND EXCLUSION OF DAMAGES FOR BREACH OF WARRANTY.** The Limitation on and Exclusion of Damages clause above applies to breaches of this limited warranty.

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