

## Bridge to the Cloud 2 NCE Promotion

#### February 2023

**Updated June 2023**: Updates to FAQ, product mapping table, additional content on ordering process and calculation of minimum licensing requirement



## Announced: Bridge to the Cloud 2 Promo

This overview reflects only key terms. Consult <a href="https://aka.ms/bttc2">https://aka.ms/bttc2</a> (partner login required) for complete terms and conditions and FAQ. Microsoft may modify this promotion's terms and conditions or discontinue it at any time.

#### **Benefits**

- Reduces customer's cost in moving to modern Dynamics 365 online offering, when migrating from Dynamics on-prem (benefit of EP)
- Offers Dynamics 365 online licenses, as well as continuing EP for legacy on-prem system during migration.

#### **Customer Eligibility**

- Existing Dynamics on-premises system (as of 1-Sep-2022) with a current/active Enhancement Plan (or lapsed < 30 days)
- Migrating to functionally similar Dynamics 365 online product (with no prior subscription)
- Commercial customer
- Customer's CSP cost not less than its EP cost (at suggested pricing per month)

#### Offer

- Discount: 40% discount\* for 3-year fixed term (non-renewable, non-cancellable) Signup Period: February 1, 2023 December 31, 2024 Licensing Program: NCE Partner-Led (CSP)

- Product: Most Dynamics 365 online products

Illustrative Pricing Example – Business Central

| Dynamics 365              | Cloud NCE (CSP) (Commercial) |                 | Promotion*** |                 | On-Prem EP |                 |
|---------------------------|------------------------------|-----------------|--------------|-----------------|------------|-----------------|
| Business Central          |                              | Partner Price** |              | Partner Price** |            | Partner Price^^ |
| (\$ / named user / month) | ERP Price*                   | (at 30% disc)   | ERP Price#   | (at 30% disc)   | ERP Price^ | (at 18% disc)   |
| BC Premium                | \$ 100.00                    | \$ 70.00        | \$ 60.00     | \$ 42.00        | \$ 39.66   | \$ 32.52        |
| BC Essentials             | \$ 70.00                     | \$ 49.00        | \$ 42.00     | \$ 29.40        | \$ 28.33   | \$ 23.23        |
| BC Team Members           | \$ 8.00                      | \$ 5.60         | \$ 4.80      | \$ 3.36         | \$ 5.66    | \$ 4.64         |
| BC Device                 | \$ 40.00                     | \$ 28.00        | \$ 24.00     | \$ 16.80        | \$ 16.29   | \$ 13.36        |

<sup>\*</sup> Suggested retail price. Final customer price determined by reseller and may vary.

<sup>#</sup> Suggested retail price after applying 40% BTTC2 discount. Final customer price determined by reseller and may vary.

<sup>\*\*</sup> Calculation assumes 30% partner discount (margin). Excludes incentives that may apply. Depending on type of partner, discount % may vary.

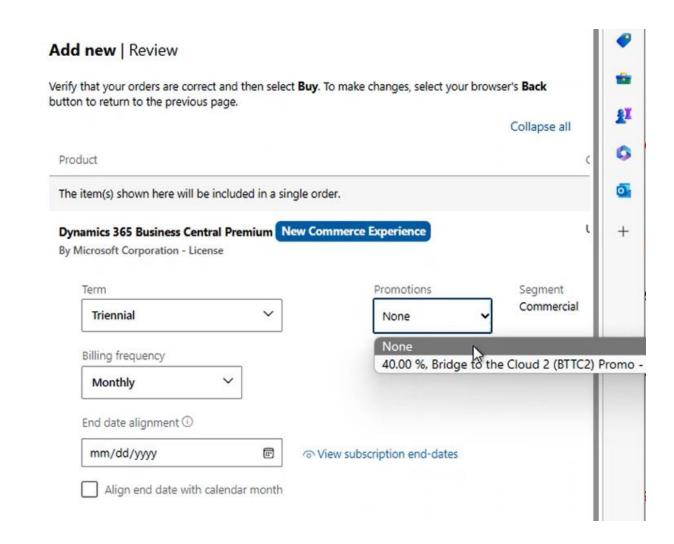
<sup>\*\*\*</sup> Excludes impact of additional \$0 users that may apply when migrating from systems with high concurrent to named user ratio.

<sup>^</sup> Calculated at current list price and current standard EP%. Values may vary based on reseller pricing, historical pricing and/or alternative support plan.

<sup>^^</sup> Calculation assumes 18% partner discount. Actual % will vary based upon partner relationship/tier. See SPA discount schedule.

## How to apply the 40% promo discount in Partner Center?

- From the Partner Center main menu, select "Customers" and then choose the applicable customer.
- Select "+ New Subscription".
- On the Online Services tab, search for the desired Dynamics 365 product. It must be labelled "New Commerce Experience" to be eligible for the promotion.
- Enter desired quantity and select "Add to Cart".
- Add any additional products to be purchased to the cart. Select "Review".
- On the review screen, choose the "Triennial" term for the promotional products (only purchases with a fixed 3-year term are eligible).
- Select "40.00%, Bridge to the Cloud 2 (BTTC2) Promo" from the "Promotions" dropdown box.
- Select "Details" to confirm that you've selected the "Bridge to the Cloud 2" promotion. Then select "Done".
- Select "Buy" to complete the purchase.



## How to calculate the minimum licensing requirement

Check the customer's Enhancement cost in PartnerSource Business Center: search for the customer account, select the preferred Enhancement quote and check the total cost (including EP, SQL Embed, etc)

Divide EP cost by 12 to determine the monthly cost

Calculate the monthly cost of the subscription to assess if the customer has met the minimum licensing requirement.

#### **Example 1 – Named Users On Prem**

BCOP customer has an annual EP cost of \$ 5,040 USD.

Customer must license a Bridge to the Cloud 2 Subscription value of at least \$ 420 per month.

If customer licenses 10 x BC Essentials users at \$42 per user, they will meet the minimum licensing requirement.

Customer can choose any combination of BC Promo seats to meet this requirement.

Any additional seats licensed above the minimum licensing requirement will be eligible for the 40% promo discount throughout the promo term.

BCOP customers can only request additional zero cost users if they have transitioned from Dynamics NAV to BCOP and received free 'Upgrade' users as part of this transition (see next example for \$0 user calculation).

#### **Example 2 – Concurrent Users On Prem**

Dynamics NAV customer has an annual EP cost of \$ 5,040 USD. Customer can license 10 x BC Essentials users to meet the minimum licensing requirement but requires a higher seat count for Business Central due to the move from concurrent to named user licensing.

If they license a subscription equal to twice their monthly EP cost, they can request additional zero cost users up to the same amount (2 X monthly EP).

If customer licenses 20 BC Essentials seats through the promo, operations can grant the customer 20 additional BC Essentials seats at no extra cost for use during the promo term.

Total seats = 40 BC Essentials Total subscription cost = \$ 840 per month

Any additional seats required above this amount will need to be licensed through CSP and will be eligible for the 40% promo discount throughout the promo term.

# **On-Prem to Cloud: Migration Promo Comparison**

This overview only lists key terms. Consult detailed promotion documentation for complete terms and conditions and FAQ (e.g., <a href="https://aka.ms/bttc2">https://aka.ms/bttc2 for BTTC2</a> promo). Microsoft may modify these promotions' terms and conditions or discontinue them at any time.

| Promotion                              | Bridge to the Cloud 2 (BTTC2) [Effective: 1-Feb-2023]                     | Bridge to the Cloud (BTTC) [DISCONTINUED]                | Cloud Migration Promo (CMP) [DISCONTINUED 1-Jul-2023]    |
|--|---|--|--|
| Migration from                         | Most Dynamics on-prem products  | Dynamics SMB products (BCOP/NAV/GP/SL)                   | Most Dynamics on-prem products                           |
| Migration to                           | Functionally similar Dynamics 365 online                                  | D365 Business Central online                             | Functionally similar Dynamics 365 online                 |
| Eligibility                            | Active EP & Dynamics 365 online cost ≥EP cost                             | Active EP & Dynamics 365 online cost ≥EP cost            | Active EP/SA   |
| Discount & Term                        | 40% discount<br>3 yr term; non-renewable                                  | 60% Discount;<br>1 yr term, renewable 3x                 | 40% discount<br>3 yr term; non-renewable                 |
| Adjust for concurrent users (BC only)* | Yes, when D365 online cost > 2x EP cost, then \$0 users during promo term | Yes  | No   |
| Migration Support<br>Options           | Dual access rights<br>& Dual Use Rights (DUR)                             | Dual access rights,<br>No Dual Use Rights (DUR)          | Dual access rights<br>& Dual Use Rights (DUR)            |
| Signup Period                          | Feb 1, 2023 – Dec 31, 2024  | Expired Dec 31, 2022                                     | Aug 1, 2021 – Jun 30, 2023                               |
| Purchase using                         | NCE Partner-Led (CSP) for commercial (not educ, gov, etc) customers       | Legacy CSP for commercial (not educ, gov, etc) customers | Legacy CSP for commercial (not educ, gov, etc) customers |

<sup>\*</sup> Applicable only for migrations to Dynamics 365 Business Central, which is licensed per named user, from a Dynamics system that was licensed per concurrent user

# Product eligibility and mapping table

In response to partner feedback, customers licensed on a Dynamics ERP product can migrate to any Dynamics 365 online product in the Dynamics ERP Mapping table

| Dynamics ERP                     |   |  |  |  |
|----------------------------------|---|--|--|--|
| FROM: On-Prem Product            | TO: Eligible Cloud Product  |  |  |  |
| TROW. OII-FIEII FIOUUCE          | Note: Commercial only, on 3-year purchase option only.<br>NCE, Partner-Led only     |  |  |  |
| Dynamics 365 Business<br>Central | Dynamics 365 Business Central Premium / Dynamics 365 Business Central Essentials /  |  |  |  |
| Dynamics NAV Dynamics GP         | Dynamics 365 Business Central Device /<br>Dynamics 365 Business Central Team Member |  |  |  |
| Dynamics SL<br>Dynamics XAL      | Dynamics 365 Commerce Attach to Qualifying<br>Dynamics 365 Base Offer               |  |  |  |
| Business Edition                 | Dynamics 365 Commerce   |  |  |  |
| Dynamics C5                      | Dynamics 365 Finance  |  |  |  |
| Dynamics 365 for<br>Operations   | Dynamics 365 Finance Attach to Qualifying Dynamics 365 Base Offer                   |  |  |  |
| Dynamics AX                      | Dynamics 365 Supply Chain Management  |  |  |  |
| Dynamics RMS/POS                 | Dynamics 365 Supply Chain Management Attach to Qualifying Dynamics 365 Base Offer   |  |  |  |
|                                  | Dynamics 365 Operations – Activity  |  |  |  |
|                                  | Dynamics 365 Operations – Device  |  |  |  |
|                                  | Dynamics 365 Team Members   |  |  |  |
|                                  | Dynamics 365 Human Resources  |  |  |  |
|                                  | Dynamics 365 Human Resources Attach to<br>Qualifying Dynamics 365 Base Offer        |  |  |  |

|                       | Dynamics CRM   |
|-----------------------|--|
|                       | <u>TO</u> : Eligible Cloud Product   |
| FROM: On-Prem Product | Note: Commercial only, on 3-year purchase option only.<br>NCE, Partner-Led only          |
|                       |  |
| Dynamics CRM          | Dynamics 365 Customer Service Enterprise   |
|                       | Dynamics 365 Customer Service Enterprise Attach to<br>Qualifying Dynamics 365 Base Offer |
|                       | Dynamics 365 Field Service   |
|                       | Dynamics 365 Field Service Attach to Qualifying Dynamics 365 Base Offer                  |
|                       | Dynamics 365 Sales Enterprise Edition  |
|                       | Dynamics 365 Sales Enterprise Attach to Qualifying<br>Dynamics 365 Base Offer            |
|                       | Dynamics 365 Supply Chain Management   |
|                       | Dynamics 365 Supply Chain Management Attach to Qualifying Dynamics 365 Base Offer        |
|                       | Dynamics 365 Team Members  |
|                       | Dynamics 365 Customer Service Professional   |
|                       | Dynamics 365 Customer Service Professional Attach to Qualifying Dynamics 365 Base Offer  |
|                       | Dynamics 365 Sales Professional  |
|                       | Dynamics 365 Sales Professional Attach to Qualifying Dynamics 365 Base Offer             |

# Bridge to the Cloud 2 Promo: Partner Action

Partner Sign-up

If you are not yet a CSP partner, please begin the process at: <a href="https://docs.microsoft.com/en-us/partner-center/enrolling-in-the-csp-program">https://docs.microsoft.com/en-us/partner-center/enrolling-in-the-csp-program</a>

- Purchase Licenses on NCE (CSP) for Customer
  Utilize the designated SKUs and apply Bridge to the Cloud 2 promotion
- Gather Required Information

  CSP order confirmation and TenantId
  Customer's PSBC account number for on-premises license
  - Submit a Case
    - SPA partners: Submit a case to your local ROC through <u>PartnerSource Business Center</u>
    - Non-SPA partner (no access to PSBC): Submit the case to your local ROC through the alias below:
      - US, Canada, LATAM: <a href="mailto:mbsorder@microsoft.com">mbsorder@microsoft.com</a>
      - Europe, Middle East, Africa: <a href="mailto:mbsquery@microsoft.com">mbsquery@microsoft.com</a>
      - APOC, China, Japan, India: <a href="mailto:mbslques@microsoft.com">mbslques@microsoft.com</a>
    - **Maintain Compliance**
    - Partners are responsible for customer compliance
    - Compliance checks conducted regularly by Operations
    - Customers which become inactive (or below minimum required revenues) on CSP are subject to EP lapsed fees since expiration of their paid EP.

# Bridge to the Cloud 2 Promo – Partner Resources

- Bridge to the Cloud 2 Policy and FAQ (on Partner Transform website)
- Dynamics 365 product documentation
- · Dynamics 365 Licensing Guide (general licensing information/dual access rights)
- Dynamcs 365 online availability
- · Resources for information on moving to online services:
  - Transform your business by migrating to the cloud
  - <u>Transitioning to Dynamics 365 Business Central (partner resources)</u>
- · Questions? Please reach out to your local <u>Regional Operations Center</u> (PSBC access required)

## **Common Questions**

# Will CSP price changes (including currency fx updates) impact Bridge to the Cloud 2 customers?

- The price of seat-based cloud offers in legacy CSP and new commerce CSP is determined by the price in effect upon subscription's purchase (or renewal if later) and remains unchanged during the subscription's term. Such price is also applied to seats added during the subscription's term.
- The Bridge to the Cloud 2 promotion provides a 40% percent discount on subscription pricing (as set forth in the prior paragraph). Therefore, CSP cloud price updates will apply to new or renewal subscriptions purchased after the date on which the price update takes effect (with final customer pricing determined by the channel partner). More information on pricing updates is available <a href="here">here</a>.

## **Common Questions**

Do I need to contact operations at each EP anniversary to request \$0 EP renewal?

Partners need to contact their local ROC only when the customer first enrols in the promo.

Partner should provide proof that customer licensed the required value of promo seats. Operations will then renew the customer for a \$0 three-year plan (with annual installments).

At each EP anniversary during the three-year term, Operations will review to ensure that the customer continues to meet the minimum licensing requirement and will then renew the \$0 EP for the forthcoming year.

### **Common Questions**

#### How can a partner determine the minimum licensing requirement for a customer?

For SPA partners (assigned as partner of record on on-premises license):

- Create a quote for customer through My Messages in PSBC
- Validate cost of customer's EP renewal (include SQL and Universal Code fees, where applicable)
- Divide annual EP renewal cost on quote (before partner margin) by 12 for monthly CSP minimum
- Note: Value is based on suggested customer EP price before subtracting partner margin

For non-SPA partners (not assigned as partner of record on on-premises license):

- Contact your local ROC to request a screenshot of the customer's total license value and calculation of the annual EP cost.
- When doing so, provide an email from an individual listed on customer's account in PSBC or using the customer's email address (i.e., xxx@customer.com) giving permission for MS to share customer's license value with [Partner Name].