



New Commerce Experience Recently Asked Questions

What is Microsoft's New Commerce Experience (NCE)?

Microsoft's new order, provision, and billing platform for seat-based licenses in CSP. Includes Microsoft 365, Dynamics 365, Power Platform, and Windows 365.

How will the new NCE subscriptions be priced?

Annual commitment will be aligned to current pricing in legacy, with monthly commitment being priced at a 20% premium. From 1st March it's worth noting that, separately to the introduction of NCE, Microsoft increased the prices of the following M365 SKUs from March 1st, 2022: Microsoft 365 Business Basic, Microsoft 365 Business Premium, Office 365 E1, Office 365 E3, Office 365 E5 and Microsoft 365 E3. The increases are applicable for new customers and customer renewals. View the [increased prices](#).

Does the Monthly Premium offer (20% increase on annual price) or the announced price increases for the 6 selected subscriptions in March 22 affect partner margin?

No. The monthly premium uplift and the price increase is to be applied to the Microsoft RRP across all buying motions (Microsoft direct, CSP etc.) to ensure a level RRP. The monthly premium and the announced price increases for selected subscriptions do not affect partner margin.

What are the refund policies for cancellation?

Microsoft advise a partner can receive a prorated refund of the initial subscription payment only within the first 72 hours after the order is placed or renewed. After 72 hours of the term, the subscription cannot be cancelled and payment for the remainder of the term must be made.

Why do monthly term subscriptions cost more than annual-term ones in new commerce?

Microsoft advise the new monthly term subscriptions in NCE are billed by Microsoft at a 20% higher price than annual term offers of the same type because they give the partner the ability to cancel on behalf of the customer at any time without incurring additional payments for the remainder of an annual term. The premium pricing is in line with

standard practice in the Microsoft Web Direct program and in other industries – for example, an airline ticket with a higher price that's refundable instead of a lower-priced non-refundable ticket.

Can customers on an annual subscription opt to pay monthly?

Yes, despite being on an annual subscription, customers can pay monthly.

Can I change an Annual Term commitment offer to Monthly commitment offer?

Microsoft advise this is only possible with the first 72 hours of placing an order for an annual commitment offer and would require you to cancel the annual commitment offer within 72 hours of placing the order to receive a pro-rated refund for the annual commitment offer. You can then place the order for the Monthly commitment offer. You cannot switch from a Annual commitment offer to a Monthly commitment offer outside of the initial 72 hours.

When I transition legacy customers to new annual commitment offers in NCE, how can I explain why the cancellation policy will be enforced?

Microsoft state the cancellation-policy enforcement in the NCE is aligned with similar standard policies both within Microsoft and of competitors. In the new commerce experience, customers are rewarded with more favorable pricing for longer terms in which pricing is locked in for the entire term, as opposed to monthly term subscriptions that have a higher price at time of purchase and are subject to price increases month to month.

To which NCE offers should I transition my legacy subscription customers?

Microsoft advise that transitioning to NCE is the time to assess each customer's needs and develop a holistic transformation strategy, including an opportunity to increase seat counts, plan for upgrades, and upsell other solutions and value-added services.

For example:

- Customers with a stable or expanding workforce will be attracted to annual term offers due to price predictability. Even with the enforcement of the new cancellation policy in the NCE, those customers will be able to cancel a subscription within first 72 hours of each annual term.
- Customers with variability in workforce due to seasonality or business uncertainty will likely prefer monthly term offers that allow cancellation or seat reduction in any month.

Will there be a provision to cancel an annual-term or multi-year subscription if a customer goes bankrupt or stops paying?

Microsoft encourage partners to perform credit-worthiness checks on customers and to advise customers with uncertain financial situations to consider purchasing monthly-term subscriptions. These best practices protect the partner from becoming liable for the total cost of an annual-term subscription in the NCE if the customer cannot pay for the entire term.

Can monthly term subscriptions be changed to annual term easily in NCE? Some businesses need subscriptions or additional seats only during peak times of year, for example.

Yes, a customer's subscription can be changed from monthly term to annual term in NCE. However, Microsoft have confirmed that this only applies so long as the subscription does not have a promotional offer applied (Microsoft restriction).

Can I suspend an annual commitment offer in NCE?

Yes, Microsoft have advised Annual commitment subscriptions can be suspended. Please note it does not stop the billing.

Can I mix and match Annual commitment offers and Monthly commitment offers in NCE on the same customer?

Yes, an end customer could have both a monthly committed offer and annual committed offer for the same seat-based offer at the same time, with the appropriate number of seats in each committed term offer. For example, to accommodate its permanent and seasonal employees.

Can I adjust the number of seats on an annual commitment in NCE?

Microsoft state within 72 hours of purchase you can reduce the number of seats, but once this time has elapsed the seat count is locked for the term with only additions allowed. If you make additions during this time, you won't be able to reverse the changes. At renewal of the term the 72 hours period for cancelations/seat reductions will come back into effect and you can make any changes. You will be able to schedule these changes in advance to automatically apply at renewal. Please note that for monthly term subscriptions, the seat count can be increased or decreased at any time (with decreases taking effect the following month).

What if a technical problem with Microsoft prevents me making changes to my licenses before their initial 72-hour period ends? Who will be liable?

Microsoft have advised if a technical problem within the API/Processing process prevents changes within the 72-hour period, a support ticket can be raised with supporting evidence and Microsoft will review these on a case-by-case basis.

With NCE for seat-based subscriptions, when a customer purchases an annual-term subscription from Partner A, are they allowed to move that subscription to Partner B within that year's term? Or are they locked in with Partner A until the term ends at the end of the year?

No, moving subscriptions across partners is not a supported feature. Partners can cancel subscriptions but must adhere to the cancellation policies regarding their committed term. For example, if the customer purchases a subscription from Partner B after the first 72 hours of the term of the subscription purchased from Partner A, then Partner A will not be able to cancel that original subscription on behalf of the customer and there will not be any refund for the remainder of the annual term of the subscription with Partner A. In that case, it would be best for the customer to wait until the time of renewal of the Partner A subscription to purchase the same subscription from Partner B, and then to not renew the subscription with Partner A.

While the above is correct when moving between partners that have different providers, Giacom are investigating creating tools to make moving end customers between Giacom partners possible – view our NCE roadmap for further details including expected release dates.

Will the NCE changes apply to all CSP partners worldwide?

Yes, all partner types in CSP (Indirect Provider, direct bill, indirect reseller) worldwide will be included in the NCE.

Will I need to sign or accept any new or different agreements?

The Microsoft Partner Agreement that partners accept to activate their CSP tenants will continue to be the standard agreement for partners. Customers will continue to accept the Microsoft Customer Agreement (MCuA) that governs their purchases from CSP partners.

Giacom have issued updated Subject Specific Terms (SSTs) to incorporate NCE changes made by Microsoft. These must be agreed by the primary account user before Thursday

10th March. It takes just a few minutes to agree to the new SSTs in Cloud Market and we strongly recommend doing so in advance of the deadline to avoid service disruption. Read more information and instructions on how to [agree the updated SSTs](#).

Will legacy and NCE coexist, and if so, for how long?

Microsoft state Legacy and NCE will be available side by side for provisioning in CSP for a period of time (the exact number of months is to be determined). We want partners to have ample opportunity to become accustomed to the NCE features and functionalities, migrate legacy subscriptions to the NCE, and adjust customer billing and accounting operations based on the standardized NCE invoicing process and schedule. The formal announcement for sunsetting the legacy platform and offers will be announced at a later date.

How will the NCE affect partner profitability?

Microsoft advise NCE in CSP will help increase profitability for partners by providing a durable and scalable business model and improving operational efficiency in the CSP program. With the new cancellation policy and premium pricing for the new monthly term offers, the NCE encourages customers to commit to long-term subscription ownership and leverage the CSP program benefits, including the partners' bundling of Microsoft offers with their own solutions, IP, and value-added services. Partners will also be able to monetize the flexibility of the monthly subscription term, and to increase customer lifetime value with the ability to upgrade to Enterprise subscriptions in the middle of the term (not enabled for Windows 365 offers). Finally, the NCE will improve subscription-management capabilities, optimize offer ingestion, and increase accounting efficiency.

Can I upgrade an annual commitment offer in NCE ie M365 Business Basic to M365 Business Standard?

Yes, full upgrades (all seats) to an upgraded offer are allowed. As we look to build out Microsoft NCE this will be self-service in Cloud Market. For further info view our [NCE roadmap](#) including expected release dates.

Can I downgrade an annual commitment offer in NCE ie M365 Business Standard to M365 Business Basic?

No, following the 72-hour period in which you can make changes, Microsoft advise the chosen offer is locked for the term.

What is happening to the customers I have on the legacy platform today?

From 10th March 2022 Microsoft require all new subscription orders for Microsoft 365, Dynamics 365, Power Platform and Windows 365 to be processed to one (or a mix and match) of the new Monthly or Yearly commitment offers via NCE.

From 1st July 2022, all legacy renewals for Microsoft 365, Dynamics 365, Power Platform and Windows 365 must be migrated and processed to one (or a mix and match) of the new Monthly or Yearly commitment offers via NCE.

Are there any changes to Azure?

The changes detailed in these FAQs effects M365/D365 and other seat-based subscriptions. Azure was the first service to move to NCE and as such the transition has already begun from legacy Azure to the new Azure Plan. All new customers for Azure must now purchase the Azure Plan. Those with Azure should already be aware of these changes, however if in doubt, please reach out to our team.

Can partner A and partner B sell an annual subscription for the same SKU to the same customer tenant?

Microsoft have confirmed that this is possible. However, the 300-seat limit on certain SMB SKUs applies to the aggregate of seats on a customer's multiple subscriptions on that SKU, not to each subscription on that SKU.

In March 2022, will there be any price changes for Charity and Education?

Microsoft advise the changes are currently for commercial Modern Workplace offers only. Pricing changes to Nonprofit and Education offers in the Modern Workplace product suite have not been confirmed yet, and Microsoft currently don't have a timeline for these changes.

What happens if a customer company is bought by another company and their businesses are consolidated?

Microsoft advise both customer entities will have to continue the existing terms of their respective subscriptions before consolidation.

When I order a subscription with a monthly term, does the price at the time of order remain in effect as long as the subscription is active?

No, at each monthly renewal of the subscription on a monthly term, the price charged to the partner for the next month's term will be the price in effect at the time of renewal, not the price in effect when the subscription was originally purchased. However, an annual term subscription's pricing is locked for the entire year's term; when that subscription renews, it will be charged at the price in effect at that time.

How do I migrate my customers from legacy to NCE?

We have [free migration tools](#) to help make the transition quick and simple for you.

Will there be any changes to the CSP Incentives I receive today?

Yes, there will be changes made to the CSP Incentives for licenses on the NCE platform. For more details, including the new [NCE Incentive rates](#).

Why does the monthly term option cost more than the annual term option for seat-based and licensed-based subscriptions in the New Commerce Experience (NCE)?

Monthly term subscriptions in the New Commerce Experience cost more because it provides the flexibility to cancel or reduce seats on the subscription at the end of the month's term, instead of the Customer being committed to the full annual term without the ability to cancel or reduce seats over the course of the term.

We encourage CSP Indirect Resellers to perform credit-worthiness checks on Customers before purchasing annual term subscriptions to protect the CSP Indirect Reseller from becoming liable for the total cost of an annual term subscription if the Customer cannot pay for the entire term.

If a customer is considered a risk for uncertain financial situations, payment default or insolvency, please consider either of the following best practices as recommended by Microsoft.

- Request that the Customer purchase the monthly term subscription option that allows the subscription to be canceled at the end of any month.
- Do not sell to the Customer.

CSP Indirect Resellers will be responsible for payment of any outstanding amounts regardless of whether the Customer can't or won't pay for the subscriptions due to bankruptcy, dissolution of the business relationship or commercial disagreement, merger or acquisition of the Customer Company, or any other reasons not directly related to an error or technical issue on the part of Microsoft.

Microsoft Cloud Solutions Program Cancellation Policies (New Commerce Experience)

General Information

- Microsoft Cloud Solutions Program Cancellation Policies applies to Microsoft products and services in the New Commerce Experience only and does not apply to the Legacy Commerce Experience.
- Microsoft Cloud Solutions Program Cancellation Policies does not apply to Marketplace Offers or Third Party Offers.
- Exclusions and variances to the Microsoft Cloud Services Program Cancellation Policies may apply.
- Cancellation period begins at the time on the clock at which the order or renewal is processed.
- Cancellation period includes all days of the week and does not exclude weekends or holidays.
- Cancellation requests submitted outside business hours may not be reviewed until the next business day.

Business hours and days are 8:00am to 5:00pm (Trinidad and Tobago Time)
Monday to Friday - excluding holidays in Trinidad and Tobago.
Trinidad and Tobago observe Atlantic Standard Time all year. There are no Daylight-Saving Time clock changes for calendar year 2022.

- MC3 Florida Corp. / Servi Cloud Dominicana SRL will not accept cancellation requests that are outside the cancellation period. No exceptions.

- Cancellation effective date is the date that the cancellation request is accepted and successfully processed.
Cancellation effective date is NOT the date that the cancellation request is submitted.
- Indirect Resellers will continue to be billed by MC3 Florida Corp. / Servi Cloud Dominicana SRL for the usage that the Customer incurs until the cancellation request is accepted and successfully processed.
- Indirect Resellers will continue to be billed by MC3 Florida Corp. / Servi Cloud Dominicana SRL for the remaining billing term if the cancellation request is rejected.
- More information can be found in the Microsoft Partner Agreement, Microsoft Customer Agreement and Microsoft Product Terms.
- Microsoft Cloud Services Program Cancellation Policies may change at any time without notice at the discretion of Microsoft and/or MC3 Florida Corp. / Servi Cloud Dominicana SRL.

Azure Plan

- To cancel an Azure Plan, the Indirect Reseller must follow the steps below:
 - A user with "Owner" rights to the Azure Plan subscription must access the Azure Portal and cancel all the active subscriptions that are billed under the same Azure Plan with MC3 Florida Corp. / Servi Cloud Dominicana SRL.
 - After the above process is completed, the Indirect Reseller must request the cancellation of the Azure Plan subscription through the MC3 Florida Corp. / Servi Cloud Dominicana SRL Cloud Storefront.

NOTE: If the Indirect Reseller does not have "Owner" access to the Azure Tenant of the Customer, the Indirect Reseller must send an email to MC3 Support (support_cca@mc3cloud.com) and an MC3 Support Agent will assist with the cancellation process.

- Indirect Resellers will receive a final invoice from MC3 Florida Corp. / Servi Cloud Dominicana SRL for the usage that the Customer incurred in the last billing cycle after the Azure Plan Subscription is cancelled.

- Indirect Resellers will not receive a credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. as billing is based on usage which is stopped after the Azure Plan Subscription is cancelled.

Azure Plan Reservations

- Azure Plan Reservations cannot be cancelled by MC3 Florida Corp. / Servi Cloud Dominicana SRL.
Azure Plan Reservations can only be cancelled by the Customer or Indirect Reseller in the Azure Portal by the account owner.
- Indirect Resellers will receive a 100% credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is less than or equal to five (5) days from the date of order and there is no usage.
- Indirect Resellers will receive a prorated credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is less than or equal to five (5) days from the date of order and there is usage.
- Indirect Resellers will receive a prorated credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is more than five (5) days from the date of order and there is no usage.
- Indirect Resellers will receive a prorated credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is more than five (5) days from the date of order and there is usage.
- Azure Plan Reservation cancellations may be subject to a 12% early termination fee which will be deducted from the prorated credit memo.
- The total cancelled commitment cannot exceed USD \$50,000.00 in a twelve (12) month rolling window per customer.

Seat-Based or License-Based

- Cancellation period is the first seven (7) days from the date of order or renewal.
- Cancellation requests must be submitted by the Indirect Reseller through the MC3 Florida Corp. / Servi Cloud Dominicana SRL Cloud Storefront.
Exception Only - If the Subscription is not available in the Cloud Storefront, a Storefront User from the Indirect Reseller can send an email to mc3orders@mc3.fr to manually submit a cancellation request.

The email must include the following cancellation instructions: Customer Company Name, Microsoft ID, Subscription ID, Product, Quantity, Effective Date.

- Indirect Resellers will receive a prorated credit memo (Proration calculated daily) from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is less than or equal to seven (7) days from the date of order or renewal.

Perpetual Software

- Cancellation period is the first thirty (30) days from the date of order.
- Cancellation requests must be submitted by the Indirect Reseller through the MC3 Florida Corp. / Servi Cloud Dominicana SRL Cloud Storefront.
Exception Only - *If the Asset is not available in the Cloud Storefront, a Storefront User from the Indirect Reseller can send an email to mc3orders@mc3.fr to manually submit a cancellation request. The email must include the following cancellation instructions: Customer Company Name, Microsoft ID, Product, Quantity, Effective Date.*
- Indirect Resellers will receive a 100% credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is less than or equal to thirty (30) days from the date of order.

Software Subscriptions

- Cancellation period is the first thirty (30) days from the date of order.
- Cancellation requests must be submitted by the Indirect Reseller through the MC3 Florida Corp. / Servi Cloud Dominicana SRL Cloud Storefront.
Exception Only - *If the Asset is not available in the Cloud Storefront, a **Storefront User** from the Indirect Reseller can send an email to mc3orders@mc3.fr to manually submit a cancellation request. The email must include the following cancellation instructions: Customer Company Name, Microsoft ID, Product, Quantity, Effective Date.*
- Indirect Resellers will receive a 100% credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is the same day of the order.
- Indirect Resellers will receive a prorated credit memo from MC3 Florida Corp. / Servi Cloud Dominicana SRL. if the cancellation effective date is greater than one (1) and less than or equal to thirty (30) days from the date of order.

For more information you can contact your MC3 Caribbean Territory Manager

Puerto Rico: michael_lopez@mc3.fr

Dominican Republic: luis_guzman@mc3.fr

West Indies I (Jamaica based): kaylah_bogle@mc3.fr

West Indies II, III (Trinidad based): melissa_kowlessar@mc3.fr

Visit our website www.mc3caribbean.com and our storefront latamcsp.mc3.cloud