

## Update Bulletin

### Microsoft “OEM” and “Embedded” Operating Systems

February 11, 2003

StoreNext has been able to offer StoreNext Dealers favorable pricing on Microsoft Windows 2000 operating systems on TeamPoS 2000 terminals under Fujitsu’s OEM agreement with Microsoft.

**Effective immediately a change in Microsoft licensing practice requires that StoreNext TeamPoS 2000 packages include the operating system — this will affect all current and future shipments, including proposals currently in process.**

In the past, inclusion of an OEM operating system with a TeamPoS terminal was optional. The ordering PINs for the TeamPoS terminal the OEM operating system were separate, enabling terminal purchases with or without the OEM operating system.

The terms of Microsoft OEM operating system agreements have changed and this arrangement is no longer available. Similar to the way Microsoft operating systems are packaged with PCs, the new Microsoft OEM agreement mandates that OEM operating system software must be sold bundled with the terminal – OEM operating systems *cannot* be priced, sold or shipped separately as we have done in the past.

Marketing Bulletin 1047 (Issue 22) has been updated with the new required PINs for operating system recovery and upgrade media. Additional critical information is provided below.

#### PRODUCT AND CONFIGURATION CHANGES

The Microsoft change requires modifications in the products and procedures under which StoreNext has traditionally operated.

- The most obvious change is that the ISS45 TeamPoS 2000 packages will now come bundled with Windows 2000 Professional operating system software. The new Issue 10 of Marketing Bulletin 1157 describes the new pricing for these packages – prices on these packages have been increased to include the cost of Windows. (If you do the arithmetic, you will note that the new net price to Dealers is very close to the former net price for the TeamPoS package and Windows 2000 when purchased and discounted separately.)
- There are no changes to **ISS45 Express** system prices. All Express systems have included Windows 2000 OEM licenses for all terminals for several months. The only change for Express will be that the Dealer will no longer need to load the OEM operating system – this will be done prior to shipment to the Dealer.
- Dealers will benefit from another term of the new agreement requiring that the operating systems be loaded prior to shipping to the Dealer. There are no additional charges for this service, which will save you time and effort during the staging and installation process.
- Current shipments will be imaged with Microsoft Windows 2000 Professional with Service Pack 3. This has been validated with ISS45.

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## SOFTWARE LICENSE PROCESS

- A Certificate of Authenticity (COA) sticker will be placed on each TeamPoS 2000 prior to leaving our integration facility.
- An End User License Agreement (EULA) will be shipped with each terminal.
- In the future, if updates or upgrades are ordered, a new EULA will be provided (see below).

## RECOVERY

The methods for recovery have changed.

- Dealers may purchase a recovery CD-ROM (maximum of one per system) at nominal cost.
- There are no special license or other requirements or paperwork (EULA or COA) when a Dealer uses the recovery CD to replace the same operating system on the same machine.
- The recovery CD-ROM will be used to load warranty-replaced or other TeamPoS units as sourced as spares, repairs or Customer Care shipments.

## UPDATES AND UPGRADES

- An operating system *update* refers to the installation of an updated version of the *same* operating system on a previously loaded embedded/OEM terminal.
- Performing the update requires the purchase of the update media (when an update image is available). No more than one update CD-ROM can be purchased per system, and the media must replace the old recovery media in any location where the update was undertaken, and the old down-level media must be destroyed.
- A new EULA (End User License Agreement) will accompany the purchase of the update media. If a single unit of media is to be used to update more than one system, the EULA must include: "Authorized Number of Installations of **Update** Software = \_\_\_."
- An operating system *upgrade* is different – this is the replacement of an existing operating system with a newer one, for example, replacing NT with Windows 2000 or replacing Windows 2000 with XP. Upgrades may only be ordered for TeamPoS terminals where an operating system was previously installed.
- The upgrade process requires the purchase of Field Upgrade licenses (see Marketing Bulletin 1047) as well as upgrade CD-ROM. This CD-ROM must replace the old recovery media in any location where the upgrade was undertaken, and the old down-level media must be destroyed.
- A new EULA will accompany the purchase of the licenses and media. If a single unit of media is to be used to upgrade more than one system, the EULA (End User License Agreement) must be modified to include the following: "Authorized Number of Installations of **Upgrade** Software = \_\_\_."

## WARRANTY UNITS

TeamPoS 2000 units coming from warranty or customer care will normally ship without an operating system installed. Warranty replacement is an application for which the Recovery CD-ROM (see above) is designed. Existing DOS installations are also accommodated in this manner.

## EFFECTIVE DATE AND PROCESS

Changes are effective immediately.

- Orders in house including separate terminal packages and operating systems will be converted to the new configurations.
- Orders in house with terminal packages that do not include operating systems will have the packages updated and repriced, and Dealers will be notified of the change. StoreNext will be unable to honor unshipped TeamPoS 2000 orders without the embedded operating system.
- There will be no Dealer impact on ISS45 Express orders.<sup>1</sup> These packages already include Windows 2000, and all configuration changes will be done internally.
- All new orders for terminal packages must employ the updated configuration and pricing.

To Your Success,

***Tony***  
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*Antony van Beverter*

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<sup>1</sup> Except for the fact that Dealers will no longer need to load the Windows 2000 operating system.