



Pax8 Microsoft NCE Guide

About this guide

This guide provides an overview of Microsoft's new commerce experience (NCE) and how to implement it through Pax8. We hope this will answer your questions and provide everything you need to get started. If you have any questions, please reach out to your representative.

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Microsoft CSP new commerce experience

What is NCE?

The new commerce experience (NCE) 'per seat' model for Microsoft 365, Dynamics 365, and Power Platform subscriptions is the latest in the evolution of their CSP program. It provides re-sellers with new tools to simplify and manage subscriptions.

Why is it important to our partners?

The changes coming with NCE will potentially require some action on our partners' side. Partners need to be mindful of the changes coming to pricing vs. annual commitments, any Legacy offers not available on NCE, and any potential price increases.

What this means for our partners

Greater agility and customer alignment

- Pricing benefits for annual term subscriptions that provide price protection
- Enforced cancellation policy
- Increased upgrade availability

Operational efficiency and cost savings

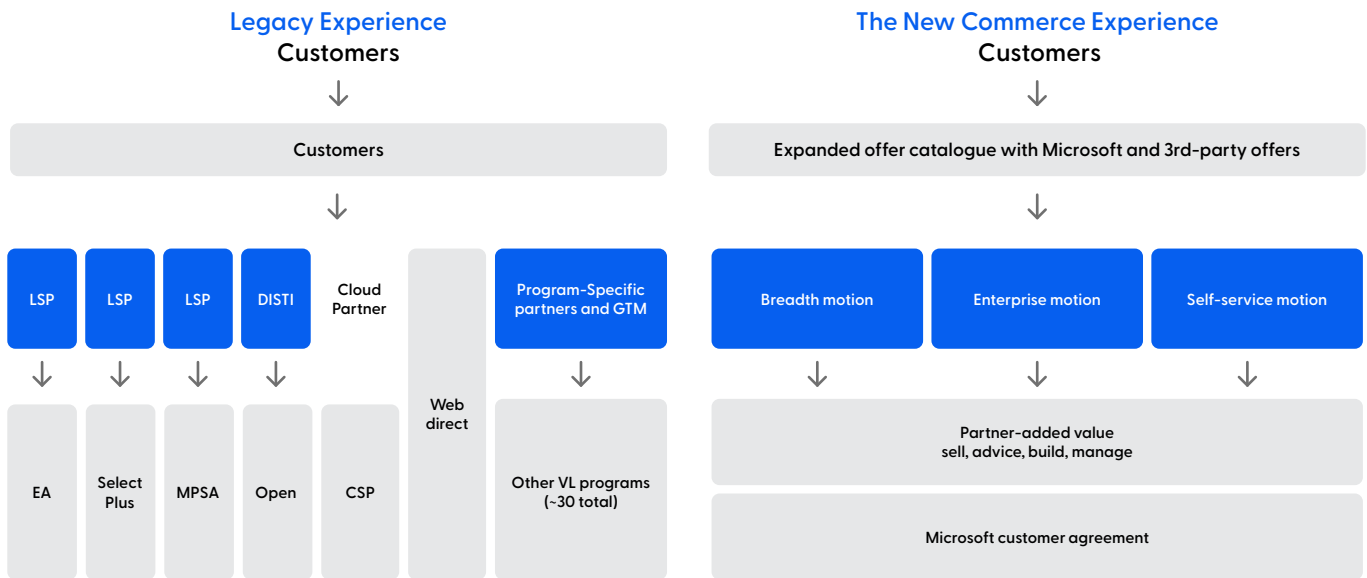
- Improved subscription management capabilities
- Automated subscription changes at renewal
- Easier product management

More choices for customers

- Premium price monthly term subscriptions that allow cancellations or seat-count reduction as needed
- Easier adoption of new products and add-ons available separately
- Consumption-based billing for telco offers

A single connected platform experience

NCE provides a streamlined approach for partners when purchasing.



NCE is for commercial offers only

NCE will not be available for Nonprofit and Education licenses at this time. These subscription types will remain on CSP Legacy until further notice and are unaffected by the NCE term agreements and policies.

Dates and deadlines

January 10, 2022

NCE for Modern Work and Dynamics 365 launches for general availability, allowing indirect partners to offer it to CSP re-sellers.

March 10, 2022

All new commercial Modern Work and Dynamics subscriptions must be procured through the NCE platform.

January 1, 2023

Incentives are only available for NCE transactions through MCI.

January 2024

All commercial Legacy subscriptions not tied to Nonprofit or Education subscriptions will be auto-migrated to NCE at their renewal date.

January 10, 2024

Government offers will be available on NCE.

July 1, 2024

Auto-migration of Legacy Government subscriptions to NCE will begin.

TBD

Nonprofit and Education offers available on NCE.

Subscription terms in the new commerce experience

1-month subscription

- Enables a customer to change the number of licenses from month-to-month
- 20% more expensive than an annual subscription
- **Not all SKUs will have a monthly offer
- Monthly subscriptions will price lock for the entire term of the given month (28, 29, 30, or 31 days).

12-month subscription

- Regular commitment
- Billing options:
 - Monthly
 - Upfront
- Annual subscriptions will price lock for the entire 12-month term.

36-month subscription

- Enables a customer to lock in pricing for a full 36 months
- Billing options:
 - Monthly
 - Annual
 - Upfront
- *36-month subscriptions will not be available from Pax8 until further notice.

Customers can combine annual and monthly term subscriptions for the same service, and monthly term subscriptions be changed to annual term subscriptions.

Management of tenants

Suspend

- Partner continues to be billed
- Subscription immediately enters “disabled” status
- Users can’t access services or files
- Admins can access data until the end of the subscription term
- Subscription can be made “active” again
- Subscriptions left suspended will enter “disabled” status at expiration.
 - Data is retained for 90 days

Cancellation

- Pax8 will follow the MT time zone for cancellations
- New commerce will allow 167 hours for cancellations and seat reductions
- Charges for canceled subscriptions or seat reductions will be prorated from when the subscription is created until it is canceled, or seats are reduced.
- Cancellations cannot be reversed

Auto-renew

On:

- Pax8 will automatically set auto-renew to on
- Subscription renews at the end of the term
- 167-hour cancellation period starts once subscriptions are renewed

Off:

- Subscription does not renew at the end of the term
- Subscription enters “disabled” status

Add-on policies

- Add-ons are purchased as individual subscriptions, distinct from the base product subscriptions. Thus, the end dates may be different.
- Partners will see errors when attempting to purchase an NCE add-on product when Pax8 does not carry a qualifying NCE prerequisite product for the customer.
- Legacy add-ons can be migrated to NCE using the upgrade tool.

Upgrades

An upgrade means migrating from one paid subscription to a higher paid subscription. In your subscription with Pax8, you will be able to see eligible upgrade options. If a customer has an existing subscription for a product and performs an upgrade to that same product, two subscriptions will be created for the same product.

Full upgrade

- All quantity of seats are upgraded
- The subscription ID remains the same
- Licenses are automatically assigned
- Upgrade at any time
- Upgrades are not reversible

For example:

Microsoft 365 Business Basic to Microsoft 365 Business Standard

Partial upgrade

- Partial quantity of seats are upgraded
- The subscription ID remains the same
- A new subscription is created with a new subscription ID with an end date coterminous with the original subscription ID
- Licenses must be manually assigned
- Upgrades are not reversible

For example:

Microsoft 365 Business Standard to Office 365 E1

Promotions

Many promotions have a maximum of 2,400 seats per subscription. In these cases, a transaction including more than 2,400 will be submitted at the non-promotion prices.

The seat limits from promotions are enforced across partners. Promotion eligibility is enforced at the subscription level that the partner is transacting.

Promotion pricing is adjusted in the Pax8 Platform for a qualifying subscription after checkout once Microsoft has confirmed eligibility.

Trials

Key facts

- 25 licenses
- 30 days
- Can't be canceled
- Auto-renew is on
- Trials convert automatically to paid offers
- No trial alerts from Microsoft
- Trial alerts will come from Pax8

Automatic trial conversion

- All 25 seats convert to paid offer
- Paid subscription starts on the following day
- Term duration: Pax8 will renew on monthly terms one day prior to the trial conversion date.
- Billing cycle is monthly

Manual trial conversion

- Trials can be converted to paid offers at any time during the trial period
- At the conversion point, the 167-hour cancellation period starts when seats can be reduced
- Partners can choose the same SKU or an upgrade

Telco pay-as-you-go-over on Azure

Some license-based products include services with allocated calling plans. These typically come with per-license allocations for minutes per month. Previously, on the Legacy offer, there was no way to enable service usage beyond the monthly limits, which resulted in customers needing to purchase communication credits.

On NCE, if a telco offer is purchased, the customer has the option to utilize overages via consumption pay-as-you-go-over. To enable overages, a customer must have an Azure plan tied to the tenant. If the customer does not have an Azure plan, the partner must check out one before purchasing the telco offer. To enable overages, partners must open a Pax8 support ticket.

Toll-free numbers are not eligible for overages via Azure plan through CSP.

Change of channels

As NCE stands today, change of channels will not be permitted outside of the subscription term renewal. Change of channel is only possible at the term renewal, within the seven-day cancellation window.

This includes:

- Customers seeking to purchase through a different partner
- Partners seeking to purchase through a different distributor
- Partners moving from direct to indirect
- Mergers and acquisitions

Pax8 Platform – billing

Commitment start date: the date your term agreement for a subscription starts with Microsoft

Commitment expiration date: the date your term agreement for a subscription expires with Microsoft

Billing renewal date: Pax8 subscriptions will always renew on the first of the month, regardless of term. However, this won't align with Microsoft. The Microsoft renewal will align with the Pax8 subscription commitment term partners select during checkout.

If you purchase an NCE subscription mid-month, Pax8 will bill the partner for the pro-rated amount of month one plus all of month two on your month two invoice.

Example: An MSP buys E3 on January 15, 2022

As an annual payment: On their February invoice, they would see 16 days of charge for January (January 31-15 = 16 days), and then a 12-month term where their subscription with Pax8 expires on 2/21/2023 (even though, through Microsoft, it would expire on 1/15/2023).

The subscription with Microsoft would auto-renew on 1/15/2023 unless the partner cancels. If they cancel, Pax8 would refund the 16 days left in their term with Pax8).

As a monthly payment: On their February invoice, they would pay for 16 days of January in addition to a full month for February.

Pax8 Platform – purchasing new subscriptions

To purchase, partners simply search for the product on the Platform and select it.

The screenshot displays the 'Companies' management interface in the Pax8 Platform. At the top, there is a search bar labeled 'Search Companies' with a blue arrow pointing to it. Below the search bar is a table of companies. The table has the following columns: ID, Name, Partner, Phone, City, State, Country, Deleted, SSC, and BOB. The table lists several companies, including 'pax8Bootcamp', 'pax8Throwdown', 'winning', 'Offbrand Jello Co.', 'Fannypack Co.', 'CrowdsNest Inc.', and 'Elevations'. The page also includes a sidebar with navigation options like Partners, Subscriptions, Catalog, and Orders, and a status indicator at the bottom left.

ID	Name	Partner	Phone	City	State	Country	Deleted	SSC	BOB
1337191	pax8Bootcamp JavaLabs Security Bootcamp Tenant	JavaLabs, Inc.	7206171140	Greenwood Village	Colorado	US	false	No	No
1313145	pax8Throwdown Hayley Marshall Tenant	JavaLabs, Inc.	3035180902	Greenwood Village	Colorado	US	false	Yes	No
1309779	pax8Throwdown JavaLabs Training Tenant	JavaLabs, Inc.	7206171140	Greenwood Village	Colorado	US	false	No	No
1313392	pax8Throwdown Kristen Fehrenbach Tenant	JavaLabs, Inc.	7206171140	Greenwood Village	Colorado	US	false	No	No
1139771	winning	JavaLabs, Inc.	303-596-5755	Denver	Colorado	US	false	Yes	No
1179488	1 Offbrand Jello Co.	JavaLabs, Inc.	1159324011	Denver	Bern	CH	false	Yes	No
1179484	1Fannypack Co.	JavaLabs, Inc.	1234565555	Denver	Colorado	US	false	Yes	No
1178227	2CrowdsNest Inc.	JavaLabs, Inc.	9990008877	Westminster	Colorado	US	false	Yes	No
1204615	2Fannypack Co.	JavaLabs, Inc.	2015543353	Denver	Colorado	US	false	Yes	No
1194941	5280 Elevations	JavaLabs, Inc.	5883258811	Greenwood Village	Colorado	US	false	Yes	Yes

Pax8 Platform – upgrading existing subscriptions

Upgrades can be processed in the subscription itself.

*The upgrade tool from Legacy to NCE can accommodate base licensing and add-ons. All Legacy cancellations will be automatically refunded on your next month's invoice.

Partner Admin View | Back to Original Role | Jordan Bullis JB

#pax8Bootcamp JavaLabs Security Bootcamp Tenant
Microsoft 365 Business Premium [New Commerce Experience]
ID: 6292228
SKU: MST-NCE-103-C100
Term: Monthly
Commitment Term: 1-Year
Commitment Term End Date: 04/14/2024
Start Date: 04/14/2023
Billing Renewal: 11/01/2023

Sync
Sync Status: Synced
Auto Sync: Enabled

The following price calculations do not include sales tax. If applicable, sales tax will be applied to your next invoice.

20 seats eligible for refund.

Quantity	Retail Price	Partner Cost	Billing Term	Commitment Term	Start Date
20	\$23.02 \$460.40 total \$23.02 msrp	\$19.80 \$396.00 total	Monthly	1-Year	04/14/2023

History | Scheduled | Support | Microsoft

Subscription History

Status: All Systems Operational

Pax8 Platform – editing subscription quantity or term

Subscriptions can be edited for the right quantity, commitment, and billing term.

The screenshot displays the Pax8 platform interface for editing a subscription. The left sidebar shows navigation options: Partners (1), Companies (261), Subscriptions (285), Catalog (1,462), Quotes (9), One Time Charges (20,862), Trials (0), Users (350), and Orders. Under the 'ADVANCED' section, there are links for Admin, Tools, Billing, and Support. The main content area shows the subscription details for 'Microsoft 365 Business Premium [New Commerce Experience]'. The details include: ID: 6292228, SKU: MST-NCE-103-C100, Term: Monthly, Commitment Term: 1-Year, Commitment Term End Date: 04/14/2024, Start Date: 04/14/2023, and Billing Renewal: 11/01/2023. A 'Sync' button is visible, along with status indicators for 'Sync Status: Synced' and 'Auto Sync: Enabled'. Below the details, a note states: 'The following price calculations do not include sales tax. If applicable, sales tax will be applied to your next invoice.' A warning icon indicates '20 seats eligible for refund.' The form for editing includes fields for Quantity (20), Retail Price (\$23.02), Partner Cost (\$19.80), Billing Term (Monthly), Commitment Term (1-Year), Start Date (10/30/2023), and Purchase Order Number (Enter PO #). A blue arrow points to the Quantity field. Below the form is an 'Order Notes' section with an 'Add Note' button. The bottom status bar shows 'Status: All Systems Operational'.

Auto-migration from Legacy to NCE

- Microsoft will auto-migrate commercial Legacy subscriptions to NCE.
- Auto-migrations will begin at the renewal date starting in January of 2024.
- Microsoft will auto-migrate all subscriptions to annual commitment and match the Legacy subscription's billing term.
- Microsoft auto-migrations will keep the same quantity.
- If a customer has multiple Legacy subscriptions tied to one another, all Legacy commercial subscriptions will auto-migrate to NCE on the first subscription's renewal date. This ensures all commercial customer subscriptions are on the same platform and there is no loss of services.
- If any adjustments are needed to the subscription once it is migrated to NCE, partners will have 167 hours to make changes.
- Legacy to NCE migrations will be subject to the current retail price.

Self-migration from Legacy to NCE

- Partners can self-migrate customers from Legacy to NCE anytime using the upgrade tool in the Legacy subscription.
- Self-migration allows partners to choose the commitment and billing terms that meet their customers' needs.
- Partners can ensure customer subscriptions have the correct quantity.
- Partners can optimize licensing by consolidating features into one premium product, such as Microsoft 365 Business Premium.

Microsoft Defender for Business is included in Business Premium

Microsoft Defender for Business

Enterprise-grade endpoint security

Per user license

- Next-generation protection
- Cross-platform support (iOS, Android, Windows, MacOS)*
- Endpoint detection and response
- Threat and vulnerability management and more

*iOS, and Android require Microsoft Intune. Intune is included in Microsoft 365 Business Premium. Please see Documentation for more details.

Microsoft 365 Business Premium

Comprehensive productivity and security solution

Microsoft 365 Business Standard Office apps and services and Teams

PLUS

- Microsoft Defender for Business
- Microsoft Defender for Office 365 Plan 1
- Intune
- Entra ID Plan 1
- Azure Information Protection Premium P1
- Exchange online archiving
- Autopilot
- Azure Virtual Desktop license
- Windows 10/11 Business
- Shared computer activation

Licensing options

1. As a standalone SKU, up to 300 users, entitlement for use on up to five devices
2. Included as part of Microsoft 365 Business Premium, up to 300 users
3. Add-on server offering now available

Additional security with Microsoft 365 Business Premium

Secure user identities

Enable modern, phishing-resistant authentication for your users.

- Phishing-resistant MFA with conditional access (CIS 6.3, 6.5)
- Enablement of phishing-resistant password-less authentication (CIS 6.3, 6.5)
- Optional: geo-fencing to country/countries of choice

Protect devices and prevent BYOD threats

Ensure secure configuration across the fleet by delivering baseline Windows hardening and configuration profiles.

- Windows 10/11 in cloud configuration (CIS 3.6, 4.1, 4.5, 4.11, 10.3, 10.5)
- Protect corporate data on mobile devices and securely remove data when necessary
- Mobile app management in Intune for iOS and Android
- Conditional access to force mobile device access from protected apps (CIS 9.1)

Secure collaboration

Protect users who are leveraging Outlook, Teams, and OneDrive from common threats like malicious attachments, links, and user impersonation.

- Enabled Defender for Office with safe links, safe attachments, and anti-phishing (CIS 9.7)

Your Microsoft NCE experts

Want to enhance your Microsoft experience to make more possible for your clients? Your Microsoft experts are here to help. We have the resources you need, from Academy courses and training sessions to Professional Services, to set your business up for success.

To learn more, check out our resources or schedule a call with one of our experts.

Some helpful NCE resources:

[Pax8 NCE Blog](#)

[Microsoft Hub in Academy](#)

[Pax8 and Microsoft NCE](#)