



Mitel Managed Service Provider Program

Onboarding Package

September 2011

The information conveyed in this document is confidential and proprietary to Mitel and is intended solely for Mitel Employees and Mitel Dealers who specifically have a need to know this information. If you are not a Mitel employee or a Mitel Dealer, you are not the intended recipient of this information. Please delete or return any related material. Mitel will enforce its right to protect its confidential and proprietary information and failure to comply with the foregoing may result in legal action against you or your company.

Contents

Introduction 1

 Pricing 1

MBG Licensing for Service Providers 4

Subscription Based Service Provider Licensing Model 4

 Pricing 5

 Tiered Structure..... 6

 Subscription License Report Submission 6

Contract Value..... 9

Conclusion 9

Appendix: Service Provider Ordering Process FAQ..... 10

Introduction

Mitel®'s Managed Service Provider Program gives you access to Mitel Multi-Instance Communications Director (MICD), for service provisioning to end customers. MICD is the foundation for a super-scalable, energy-efficient, and highly available service that your end customers can rely on. MICD leverages virtualization techniques to allow multiple instances of Mitel Communications Director (MCD) to run on an Industry Standard Server (ISS) platform. The Managed Service Provider Program features three licensing models: Perpetual Enterprise, Capital Purchase based Service Provider, and Subscription based Service Provider. As a Mitel Service Provider, you are free to choose whichever licensing option best supports your business model. At this time, Mitel allows you to run only one particular licensing model at a time on an MICD platform.

The licensing model has been simplified to avoid ordering too many piece parts. The User License comes with MCD User, right to use Oria platform from Cambrai, SIP Trunk, and Compression Licenses. Enterprise as well as Standard based licenses are offered, with both having an optional Mitel Border Gateway (MBG) license bundled in. By providing bundled User Licenses, deployment simplicity and cost optimization is achieved.

This licensing structure gives you the flexibility to best meet the needs of your own business model, as well as that of your customers. It presents the opportunity for a strong recurring revenue model, built on decreased capital and operating expenses. Since you are only paying for licenses on a per usage basis, both you and your customers can “pay as you grow,” averting the risk of heavy, up-front capital investment. You have access to Mitel marketing and sales tools such as white papers, case studies and presentations, and have the opportunity to benefit from Mitel's presence and credibility in the market.

Pricing

You must first purchase a MICD Base SW License for the purpose of licensing the virtual machines required to turn up the individual MCD instances. Pricing and features are listed below in **Table 1**:

Table 1: MICD Base Kit SW Pricing

Part Number	Description	Price (USD)	Features
54004602	MICD Base Package	\$25,000	<ul style="list-style-type: none"> Allowance for unlimited number of instances 1 MICD Base Package required for each MICD server

Each instance created on the MICD platform will require a MCD base kit with the required system and user licenses applied to that instance. In the Capital Purchase model, the following MCD Base Pack applies. Pricing and features are listed below in **Table 2**:

Table 2: Capital Purchase Based MCD Base Pack Licensing for Service Providers

Part Number	Description	Part Requirement	Price (USD)	Features
54005428	MICD Enterprise Pre-Lic MCD SW for Service Providers	<ul style="list-style-type: none"> Required per primary / active MCD instance 	\$250	<ul style="list-style-type: none"> No User Licenses Included Enabled for SIP Trunking and G.729 Compression Can add only Enterprise based User License bundles
54005429	MICD Standalone Pre-Lic MCD SW for Service Providers	<ul style="list-style-type: none"> Required per primary / active Standalone MCD instance No Resiliency allowed 	\$250	<ul style="list-style-type: none"> No User Licenses Included Enabled for SIP Trunking and G.729 Compression Can add only Standard based User License bundles

Existing Service Providers should upgrade the current MCD base pack to get to the latest version; the uplifts, requirements, and features are listed below in **Table 3**.

Table 3: Capital Purchase Based MCD Uplifts for Service Providers

Part Number	Description	Pre-requisite	Price (USD)	Features
54005430	MICD Enterprise Pre-Lic Uplift MCD SW for Service Providers	<ul style="list-style-type: none"> MCD Enterprise SP Capital Purchase – PN 54005302 MCD ENT Gateway SW for MICD S Capital Purchase – PN 54005304 	\$0	<ul style="list-style-type: none"> Upgrade to MICD Enterprise Pre-Lic MCD SW for Service Providers
54005431	MICD Standalone Pre-Lic Uplift MCD SW for Service Providers	<ul style="list-style-type: none"> MCD Standalone SP Capital Purchase – PN 54005303 	\$0	<ul style="list-style-type: none"> Upgrade to MICD Standalone Pre-Lic MCD SW for Service Providers

Upgrades to existing MCD base packs to this new licensing model must be done in conjunction with Mitel and will require certain configuration and commercial criteria to be met. Please contact the Mitel Service Provider Program manager at the following address for more information:

serviceprovider@mitel.com

User Licenses can be added to the MCD instance based on your requirement. **Table 4** below will provide the various User Licenses available, requirement, features, and the price of the User License.

Note that the Right to Use (RTU) of Cambrai Oria is only extended to the following Mitel Part Numbers under this licensing structure. Any MCD User Licenses purchased under previous or alternate part numbers MUST be covered with separate commercial arrangements with Cambrai.

Table 4: Capital Purchase Based MCD User License for Service Providers

Part Number	Description	Part Requirement	Price (USD)	Features
54005432	MICD Enterprise User – Service Provider	MICD Enterprise Pre-Lic MCD SW for Service Providers	\$220	<ul style="list-style-type: none"> MCD User License Right to use Cambrai Oria
54005434	MICD Enterprise User with MBG – SP	MICD Enterprise Pre-Lic MCD SW for Service Providers	\$245	<ul style="list-style-type: none"> MCD User License Right to use Cambrai Oria MBG User License
54005594	MICD Enterprise Dynamic Extension – SP	MICD Enterprise Pre-Lic MCD SW for Service Providers	\$225	<ul style="list-style-type: none"> 1 MCD Enterprise User License 1 External Hot Desk License
54005596	MICD Enterprise Active Agent License – SP	MICD Enterprise Pre-Lic MCD SW for Service Providers	\$325	<ul style="list-style-type: none"> Enterprise Active Agent License Includes SIP trunk usage
54005433	MICD Standard User – SP	MICD Standalone Pre-Lic MCD SW for Service Providers	\$175	<ul style="list-style-type: none"> MCD User License Right to use Cambrai Oria
54005435	MICD Standard User with MBG – SP	MICD Standalone Pre-Lic MCD SW for Service Providers	\$200	<ul style="list-style-type: none"> MCD User License Right to use Cambrai Oria MBG User License
54005595	MICD Standard Dynamic Extension – SP	MICD Standalone Pre-Lic MCD SW for Service Providers	\$180	<ul style="list-style-type: none"> 1 MCD Standard User License 1 External Hot Desk License
54005597	MICD Standard Active Agent License – SP	MICD Standalone Pre-Lic MCD SW for Service Providers	\$260	<ul style="list-style-type: none"> Standard Active Agent License Includes SIP trunk usage

The mandatory SWA fee ensures that you are provided with maximum support and the lowest response times as well as to ensure that systems can be kept current with the most up to date software including any critical patches.

Table 5: Software Assurance (Capital Purchase based Service Providers)

Part Number	Description	Price (USD)
54005333	SWA MCD Base Capital Purchase	\$125
54005334	SWA MCD User Capital Purchase	\$40

SWA is paid annually, on a per MCD Base Pack and on a per User basis. Pricing is listed above in **Table 5**.

Example:

If you have 5 MCD Base Packs and have a total of 450 configured users

$$\text{SWA} = (5 \times \$125) + (450 \times \$40) = \$18,625$$

Incremental discounts are provided when additional years of SWA are purchased

Example:

If you have 5 MCD Base Packs and have a total of 450 configured users and purchase SWA for two years:

$$\text{SWA} = 2 * [(5 \times \$125) + (450 \times \$40)] = \$37,250$$

$$\text{Discount } 10\% = (\$3,725)$$

$$\text{Total} = \$33,525$$

MBG Licensing for Service Providers

Since a typical deployment model for service providers would involve remotely connecting customers over a public Internet connection, MBG is very often deployed in a one-for-one basis for all users. Because of this, Mitel has implemented a differentiated MBG licensing model for Service Providers. The specific part numbers are shown below in **Table 6**. Note that access to these part numbers is restricted to members of Mitel's Service Provider PARTNER Program.

Table 6: MBG Software for Service Providers

Part Number	Description	Pre-requisite	Price (USD)	Features
54005375	MBG Service Provider 1 Client License	MBG Service Provider Base Pack	\$25.00	Includes one MBG User License
54005306	MBG Service Provider Base Pack	Member of Managed Service Provider Program	\$250.00	—
54005377	MBG Service Provider Client SWA	MICD Stand Alone Pre-License MCD SW for Service Providers	\$3.75	—

The individual MBG user licenses are also available as part of a bundled license with the MICD user license as indicated above in the Capital Purchase Service Provider license section.

Subscription Based Service Provider Licensing Model

The Subscription based Service Provider model has a recurring fee on a per user basis and requires a three-year commitment. The recurring fee for license usage in the Subscription model is beneficial for shorter customer contracts and / or for an amortized cost structure.

Pricing

You must first purchase a MICD Base SW License for the purpose of licensing the virtual machines required to turn up the individual MCD instances. Pricing and features are listed in **Table 1** above.

Subscription based Service Providers have the following applicable MCD Base Packs for the MICD Platform (see **Table 7**). Important to note that the MCD Packs come at no charge and are only available through entry into the Service Provider Program. Fees are generated on a monthly basis based on total usage of User per Month Software as exhibited in **Table 8**:

Table 7: Subscription MCD Licensing for Service Providers

Part Number	Description	Part Requirement	Price (USD)	Features
54005299	MCD Enterprise SP Subscription	Required per primary / active MCD instance	As Per Subscribed User (see Table 9 for details)	<ul style="list-style-type: none"> • 1,000 MCD • 500 ExternalHotdesk licenses • 500 Mailboxlicenses • 2,000 SIP trunk licenses
54005306	MCD Enterprise Gateway SP Subscription	Required per secondary / passive MCD instance or as a trunking gateway	As Per Subscribed User (see Table 9 for details)	<ul style="list-style-type: none"> • 2,000 SIP Trunk licenses

Note that the Right to Use (RTU) of Cambrai Oria is only extended to the following Mitel Part Numbers under this licensing structure. Any MCD User licenses purchased under previous or alternate part numbers MUST be covered with separate commercial arrangements with Cambrai.

Table 8: Subscription based User per Month Software for Service Providers

Part Number	Description	Price (USD)	Features
54005367	Basic User- MICD Monthly Subscription	See Table 9	<ul style="list-style-type: none"> • Consumes 1 IP User License (Enterprise license)
54005368	Standard User- MICD Monthly Subscription	See Table 9	<ul style="list-style-type: none"> • Consumes 1 IP User License (Enterprise license) and 1 Mailbox License
54005369	Advanced User- MICD Monthly Subscription	See Table 9	<ul style="list-style-type: none"> • Consumes 2 IP User Licenses (Enterprise license), 1 Mailbox License and 1 External Hotdesk User License
54005370	SIP Trunk- MICD Monthly Subscription	See Table 9	<ul style="list-style-type: none"> • Consumes 1 SIP Trunk License

Tiered Structure

Upon acquiring the necessary MICD and MCD license(s), you will commit to an initial minimum number of users per month and will pay a price per user that is in line with the Tier that to which you have committed, as demonstrated in **Table 9**.

If at any point, you wish to move into a new Tier during your three-year contract, you must commit to a new three-year term.

Table 9: Subscription Based Tiered Pricing

Tier	Minimum Subscription Level	Basic Price (per user)	Standard Price (per user)	Advanced Price (per user)	SIP Trunk (per SIP Trunk License)
1	250	\$9.50	\$12.00	\$17.50	\$0
2	1,000	\$9.25	\$11.50	\$17.00	\$0
3	2,500	\$9.00	\$11.00	\$16.50	\$0
4	5,000	\$8.00	\$10.00	\$15.50	\$0
5	10,000	\$7.75	\$9.75	\$15.00	\$0

Note: Prices are based on Enterprise User Licenses, and include resiliency. SWA Fees also included in Tiered User Pricing.

Subscription License Report Submission

On the 7th day of each month, you will generate a Usage Report to Mitel, based on total configured users on the MICD System on the last day of the previous month. You will generate your first Usage Report based on usage for the month immediately following the effective date of the contract.

For example, if you are configured on June 10th, you will provide your first Usage Report on the 7th of August, based on the total numbers of users configured on July 31.

The MICD Manager can be used to extract license report statistics from the MCD instances, which provides you enhanced license management / reporting capabilities. See MICD Administration documentation for more information. It is imperative that Usage Reports be submitted on time each month. Failure to submit a Usage Report on time will result in being invoiced in the amount of the greater of: i) the previous month's reported usage plus twenty-five percent (25 percent); or ii) the minimum Subscription Level usage plus twenty-five percent (25 percent) (see Addendum for full details).

Table 10 is an example of a tabulated monthly Usage Report for a service provider who has signed up under Tier 1 Pricing. The Monthly Usage Report is based on the total number of licenses configured on each MCD instance combined:

Table 10: Sample Usage Report

Users	Used
IP User Licenses	975
External Hot Desk User Licenses	200
Voice Mail	
Mailbox Licenses	700
Trunking / Networking	
SIP Trunk Licenses	77

In the above Peak Usage Report, each type of user (Basic, Standard, and Advanced, and SIP Trunk Licenses) are calculated according to the definitions in **Table 11**.

Table 11

Advanced User = External Hot Desk User Licenses
Standard User = Mailbox Licenses – External Hot Desk User Licenses
Basic User = IP User Licenses – (Mailbox Licenses + External Hot Desk User Licenses)
SIP Trunk = SIP trunk Licenses

Therefore:

Advanced Users = **External Hot Desk User Licenses** (200 Advanced Users).

Standard Users = **Mailbox Licenses** – **External Hot Desk User Licenses**

(700 – 200 = 500 Standard Users).

Basic Users = **IP User Licenses** – (**Mailbox Licenses** + **External Hot Desk User Licenses**)

(975-(700+200)=75 Basic Users)

SIP Trunk Licenses = **SIP Trunk Licenses used** (77 SIP Trunks)

Based on this, the Tabulated Usage Invoice will show (see **Figure 1**):

Figure 1: Tabulated Usage Invoice

Tier Chosen: Tier 1

Basic Users	75
Standard Users	500
Advanced Users	200
SIP Trunks	77
Total Users	775
Tier Minimum	250
Unaccounted Users	0

The Monthly Invoice is calculated as in **Figure 2**:

Figure 2: Monthly Invoice Calculation

Tier	Minimum Subscription Level	Basic Price (per user)	Standard Price (per user)	Advanced Price (per user)	SIP Trunk (per SIP Trunk License)
1	250	\$9.50	\$12.00	\$17.50	\$0
2	1,000	\$9.25	\$11.50	\$17.00	\$0
3	2,500	\$9.00	\$11.00	\$16.50	\$0
4	5,000	\$8.00	\$10.00	\$15.50	\$0
5	10,000	\$7.75	\$9.75	\$15.00	\$0

User	Quantity Used	Price	Total
Basic	75	\$9.50	\$712.50
Standard	500	\$12.00	\$6,000
Advanced	200	\$17.50	\$3,500
SIP Trunk	77	\$0	\$0
Gross Total			\$10,212.50
Minus SP Discount (40 percent)			\$4,085.00
Net Total			\$6,127.50

IMPORTANT TO NOTE:

If total usage falls below the Minimum User commitment, you will be billed for the actual usage for each user type as well as the difference between the total of the actual usage and the minimum (at the basic rate).

For example, if you were to choose Tier 3 (2,500 user minimum) and report 2,200 users in your Monthly Usage report (1,300 Basic Users, 500 Standard Users, and 400 Advanced Users), you will be billed for 1,600 Basic Users (1,300 accounted users + 300 unaccounted users).

Invoice will be formulated the following way (see **Figure 3**):

Figure 3: Sample Usage Invoice

Tier Chosen: Tier 3

Basic Users:	1,300
Standard Users:	500
Advanced Users:	400
Total Users:	2,200
Tier Minimum:	2,500
Unaccounted Users:	300

Therefore, 1,600 Basic Users: 1,300 (actual users) + 300 (unaccounted users)

Contract Value

Upon signing the Managed Service Provider addendum, you also agree to a set estimated contract value for your three-year contract, enabling you to estimate your monthly financial obligation to Mitel.

The contract value is calculated by multiplying the Tier Minimum by Basic User Price (see **Table 12**). In essence, this equals the minimum possible amount that a service provider could be billed in its chosen Tier.

Table 12: Contract Value

Tier	Tier Minimum	Basic User Price	Total Monthly Blanket PO	Total 36 Month Blanket PO
1	250	\$9.50	\$2,375	\$85,500
2	1,000	\$9.25	\$9,259	\$333,324
3	2,500	\$9.00	\$22,500	\$810,000
4	5,000	\$8.00	\$40,000	\$1,440,000
5	10,000	\$7.75	\$77,500	\$2,790,000

Conclusion

As a Mitel Service Provider, you benefit firstly from being given access to MICD Release 1.0 SP1, offering complete solutions addressing the entire end of your business process based needs. MICD presents the opportunity for new revenue streams and ways to strengthen customer loyalty and reduce churn, by augmenting the services already offered. With a rich Unified Communications feature set, including features such as unified messaging, conferencing, and mobile twinning, differentiated service bundles can be created to sell tangible benefits to the end customer.

The release of MCD 4.1 support on MICD has introduced a new licensing structure targeted at Mitel Channel Partners and Tier 2 / 3 Service Providers. Both can now license MCD 4.1 on the MICD platform using their choice of one of three licensing models: Perpetual Enterprise, Capital Purchase based Service Provider, and Subscription based Service Provider. These licensing models enable Service Providers to offer a flexible and scalable licensing structure that best meets the business model requirements of its end customers.

Mitel's Managed Service Provider Program also delivers significant benefits to your customers: capital savings through reduction of server hardware and real estate; operations savings with the decrease in power and server costs; productivity improvements and resource efficiencies in data center management; and simplified business continuity and disaster recovery plans. Most importantly, they are able to manage voice communications like any other application in your data center, and build a strong recurring revenue model with higher margins, built on increased flexibility, and faster service delivery.

Appendix: Service Provider Ordering Process FAQ

Q: What should be ordered from the Service Provider account?

A: Products used in the Service Provider deployment that provide service to your end users, should be ordered from the Service Provider account. These can include phones, MCD, MICD, Virtual MCD, or voice mail licenses.

Products that you are reselling to your customers should be ordered from the non-Service Provider account via MOL, as you will not be paying tax for those products.

Q: Why do we need two accounts for Service Providers?

A: Partner and Service Provider business models are different.

Since Service Providers are end users, taxation rules state that they should be taxed. Now, due to legal reasons, they should hold a separate account in AMC and transfer of licenses between the accounts is not permitted. Some products can only be ordered by Service Providers, however other products like mail box licenses can be ordered under any account, which creates a problem.

Q: How can I access Service Provider part numbers on Sales Workbench (SWB)?

A: This involves two steps.

Step 1: Register for a new Mitel OnLine (MOL) user account. This account will be associated to your new customer number (the one we created when you signed the SP addendum). You may register here: <https://www.ebiz.mitel.com/Registration.jsp>

NOTE: When submitting your registration, kindly add your new Service Provider customer number in the "Account Manager" field or put a comment to say "Service Provider Account." This will flag us to prevent denying the duplicate account request in error.

Step 2: Once you do this, you can re-launch SWB and register SWB under that account. Now, you will have access to all Service Provider parts. Please note that, if you are switching between your Service Provider and non-Service Provider registration or vice versa, you will have to perform this step twice. Contact SWB Support at swbsupport@mitel.com for assistance.

Q: What is the procedure for Service Providers to order products or licenses?

A: On signing the Service Provider addendum, Service Providers will be given a new customer number. Any purchase made for the Service Provider environment **must** be made using this new customer number.

Failure to use this new customer number will result in a 20% administration fee to revert the licenses from the old AMC account to the new account. (All AMC account rules will apply in such situation.)

Software licenses can be credited if the status is either "allocated" or "assigned." Software licenses that have been in an "activated" status for less than 14 days can be credited.

Q: Why do we charge the administration fees?

A: Administration fees are charged when hardware is ordered on the authorized PARTNER account that should have been ordered on the Service Provider account and, to ensure we collect

the appropriate taxes, a credit memo will be created and re-invoiced using the new Service Provider account to ensure taxes are applied.

When software is ordered on the authorizedPARTNER account that should have been ordered on the Service Provider account this software will be removed from the AMC account and a credit memo created (less the 20% administration charge) and re-ordered on the Service Provider account to ensure appropriate taxes are collected. We must also satisfy requirements of the Legal department that the software is in the correct account as you cannot share licenses between the authorizedPARTNER account and the Service Provider account. There is manual work involved in fixing this problem.

www.mitel.com



Global Headquarters	U.S.	EMEA	CALA	Asia Pacific
Tel: +1(613) 592-2122	Tel: +1(480) 961-9000	Tel: +44(0)1291-430000	Tel: +1(613) 592-2122	Tel: +61(0) 2 9023 9500
Fax: +1(613) 592-4784	Fax: +1(480) 961-1370	Fax: +44(0)1291-430400	Fax: +1(613) 592-7825	Fax: +61(0) 2 9023 9501

For more information on our worldwide office locations, visit our website at www.mitel.com/offices

THIS DOCUMENT IS PROVIDED TO YOU FOR INFORMATIONAL PURPOSES ONLY. The information furnished in this document, believed by Mitel to be accurate as of the date of its publication, is subject to change without notice. Mitel assumes no responsibility for any errors or omissions in this document and shall have no obligation to you as a result of having made this document available to you or based upon the information it contains.

M MITEL (design) is a registered trademark of Mitel Networks Corporation. All other products and services are the registered trademarks of their respective holders.

© Copyright 2011, Mitel Networks Corporation. All Rights Reserved.

GD 1319_9231