

## Cisco Software Transfer and Re-licensing Policy

### Last Updated: July 2008

This document explains Cisco's current policy regarding the transfer of Cisco Software (the "Policy"). In this Policy, "Software" means the object code version of the computer programs listed on Cisco's published global price list or provided with Hardware, whether operating system software or application software, including copies, bug fixes, updates and upgrades thereof. Operating system software generally refers to Software that is required to operate a device (examples include IOS and IXR). Application software generally refers to Software that runs an application (examples include call center, unified messaging and network management software). Software does not include any computer programs listed on Cisco's published global price list in the name of a third party. Also in this Policy, "Hardware" means tangible Cisco equipment, devices or components listed on Cisco's published global price list, and "Product" means Hardware and/or Software. A transfer of Software would occur when the authorized licensee transfers, conveys or assigns some or all of its rights to use the Software to another person or entity.

#### **Policy:**

Cisco's current policy is that Software is not transferable without Cisco's prior written consent and payment of any license fee ("License Fee") unless one of the exceptions below in the "Exceptions" section applies. Regardless of whether a License Fee is payable under this Policy, the transferee may be required to pay Service inspection or reinstatement fees in accordance with Cisco policies located [here](#).

Following a permitted transfer, the transferor's license to the Software is automatically terminated and the transferee's use of the Software is governed by a new license between Cisco and the transferee. In the absence of Cisco providing different terms to the transferee, such terms shall be the same as applied to the transferor. Cisco may withhold its consent to any transfer not conforming to this Policy.

#### **License Fee:**

The License Fee for the Software to be transferred shall be the same as the fee for a new Software license, as though the Software was licensed on a stand-alone basis, as specified in the then-current price list published at Cisco.com applicable to the Cisco entity in the territory in which the transferee resides. Unless there are other mutually agreed upon terms between Cisco and the transferee, the License Fee shall be payable by the transferee in accordance with Cisco's standard terms and conditions of sale located [here](#).

#### **Exceptions:**

As long as the conditions in the "**Conditions of Transfer**" section below are met, the following exceptions allow for the transfer of Software without prior written consent and payment of the License Fee.

1. Software Bundled with Hardware: In situations where Products combine Hardware and Software and there is no separate Product code or License Fee charged for the Software on the applicable Cisco then-current published price list at the time of transfer (and therefore a separate License Fee for the Software cannot be determined), an exception will be made to allow for the transfer without the transferee being required to pay a new License Fee.
2. Affiliate: An entity may transfer its entire right to use Software to its Affiliate. An "Affiliate" means another entity where more than 50% of its voting power is owned or controlled by the transferor, or where more than 50% of the transferor's voting power is owned or controlled by the Affiliate or where more than 50% of the voting power of both transferee and transferor is owned or controlled by the same entity.
3. Merger or Acquisition: An entity may transfer its entire right to use Software to the purchaser of all or substantially all of the capital stock of the transferor or all or substantially all of the assets of that portion of the transferor's business to which those Software licenses pertain.
4. Lease: In a leasing (or rental) situation where the original lessee would like to buy out Hardware from the leasing company during or at the end of the lease term, the leasing company may transfer the Software licenses provided with the Hardware to the original lessee. Also, if the original lessee defaults under the lease and the leasing company takes the Cisco Product back before the end of the lease term, the leasing company may transfer the license to another lessee for the remainder of the original lease term. If the new lease term is in excess of the original lease term, the leasing company must pay the License Fee on or before the expiration date of the original lease term.

In the situation where a leasing company leases a Cisco Product to Customer "A" for a specified term and, at the end of the lease term, the leasing company desires to lease or sell the same Product to Customer "B," then the leasing company may not transfer the Software without obtaining Cisco's prior written permission and paying the License Fee.

5. Managed CPE Services or Managed/Provisioned Network Services ("MNS"): For purpose of this exception, MNS is defined as a voice, video, or data network service provided by an entity ("Managed Service Provider" or "MSP") to an end user where (a) the service includes use of a Cisco Product located at the end user's premises ("CPE"), and (b) both the title to the Hardware portion of the CPE and the license to use the Software provided on the CPE is held by the MSP. If the original end user with whom the CPE was first deployed as part of the MNS ("Original End User") subsequently acquires title to the Hardware portion of the CPE from the MSP, then Cisco will issue a new Software license to the Original End User granting the right to use the Software, without payment of a License Fee, provided, however, that the following conditions are met:
  - The CPE must actually have been deployed pursuant to a MNS service and have been used by the Original End User for a minimum of 90 days prior to title transfer of the Hardware; and
  - Following title transfer of the Hardware from the MSP to the Original End User, the CPE must continue to be used in the same fashion as originally deployed by the MSP.

If the MSP sells or otherwise transfers title to the Hardware portion of the CPE to any entity other than the Original End User, then a new License Fee is due from such entity.

In situations where an MSP desires to redeploy CPE from one end user to another end user, Cisco shall allow the MSP to use Software provided on the redeployed CPE without having to pay a new License Fee, but only for so long as the following conditions are met: (a) the MSP must at all times retain title to the Hardware portion of the CPE, (b) the new end user must at all times continue receiving MNS services from the MSP, and (c) the MSP must at all times

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hold the license to use the Software provided on the CPE when providing MNS services. Service inspection or reinstatement fees may apply in accordance with Cisco policies.

6. Outsource – Exceptions will apply as follows:
  - Original Licensee is an end user. If the original licensee is an end user and desires to outsource the operation, support and maintenance of its network to a third party outsourcing company ("Outsourcer") exclusively for the end user's benefit, and as part of the outsourcing the end user transfers its network assets, including its Cisco Hardware and Software licenses, to the Outsourcer, then the end user may transfer the Software licenses to the Outsourcer without payment of a new License Fee. If the outsourcing relationship with the Outsourcer is terminated and the Outsourcer transfers the network assets back to the original end user, then the applicable Software licenses may also be transferred back to the end user without payment of a new License Fee.
  - Original Licensee is a Outsourcer. If the original licensee is an Outsourcer in the business of providing network outsourcing services and both the title to the Hardware and the license to the Software provided with such Hardware is held by the Outsourcer as part of its outsourcing services, then Cisco will allow the redeployment of Hardware and the use of the Software provided with such Hardware to another of its end user customers without payment of a new License Fee. Service inspection or reinstatement fees may apply in accordance with Cisco policies.

#### **Conditions of Any Transfer:**

Transfers, in any event, shall only be allowed under the following conditions:

1. The parties involved in the transfer are not in breach of the agreement governing the use of the Software or any other agreement with Cisco; and
2. The parties involved in the transfer shall provide prior written notice to Cisco of a transfer permitted under the Exceptions section above. The transferee shall provide written notice to Cisco that it (i) assumes all of the obligations of the transferor, and (ii) agrees that its use of the Software shall be governed by the terms of the then-current license agreement (including applicable export control restrictions) between Cisco and transferor or, at Cisco's sole discretion, by the terms of Cisco's then-current standard end user license agreement. The transferor shall destroy all copies of the Software (other than the transferee's copy) in its possession at the time of transfer, and provide Cisco with written notice certifying such destruction and agreeing that its license to use the Software has terminated immediately upon such transfer.

**The notices required by this Policy to be given by the transferor and transferee to Cisco must be given via the following URL:**

- If you wish to transfer Software to another company ("Transferor"), click [here](#).
- If you wish to have Software transferred to your company from another company ("Transferee"), click [here](#).

#### **For More Information**

Cisco's end user license agreement can be found [here](#).

#### **Questions?**

Any questions or comments regarding this Policy should be sent to [swtransfer@cisco.com](mailto:swtransfer@cisco.com)



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Cisco has more than 200 offices worldwide. Addresses, phone numbers, and fax numbers are listed on the Cisco Website at [www.cisco.com/go/offices](http://www.cisco.com/go/offices).

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