

# Dynamics 365 Business Central on-premises Transition Upgrade Policy

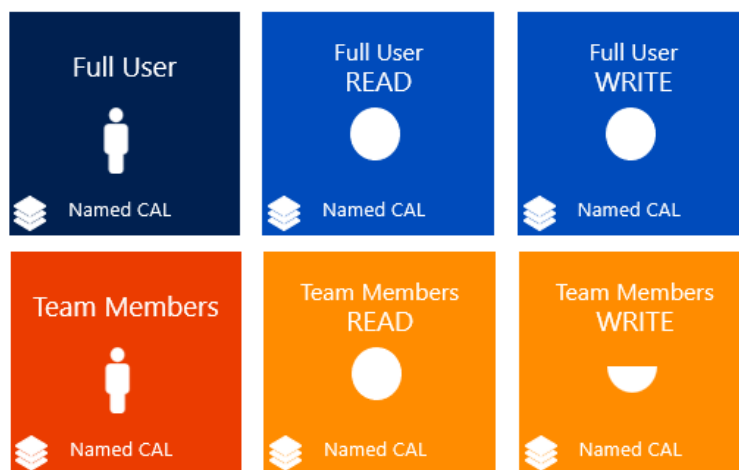


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## Overview

Perpetual Licensing provides a step forward by simplifying how customers purchase their ERP solution. With Dynamics 365 Business Central on-premises, you must license at least one of Dynamics 365 Business Central Essentials or Dynamics 365 Business Central Premium users. Additional access to the service functionality by other users is licensed with Dynamics 365 Business Central Team Members.



For partners, this model should allow an accelerated sales cycle as quick and accurate price quotes can be easily calculated without having to go through a complex scoping exercise.

For more information on the new licensing model, please refer to the licensing guide available at the [Dynamics 365 Business Central on-premises/Dynamics NAV pricing](#) page on PartnerSource.

This transition upgrade policy document describes the transition upgrade path for customers wanting to upgrade from Microsoft Dynamics NAV 2018 (or prior version), Microsoft Dynamics NAV 2009 (or prior version), Microsoft Dynamics GP 2018 (or prior version) or from Microsoft Dynamics GP 2010 (or prior version) to Microsoft Dynamics 365 Business Central on-premises, along with additional policies that may affect customer upgrades including but not limited to the Downgrade Policy and the Enhancement Plan Policy.

Transitions to Dynamics 365 Business Central on-premises across product lines are not addressed in this policy as they are subject to the [Microsoft Dynamics Licensing Transition Policy](#). Cross-product transitions include transitions from Microsoft Dynamics 365 for Operations on-premises, Microsoft Dynamics AX, or Microsoft Dynamics SL to Microsoft Dynamics 365 Business Central on-premises.

## Dynamics 365 Business Central on-premises Transition Upgrade Policy

The Perpetual Licensing model is incompatible with previous versions of the products. Consequently, Dynamics 365 Business Central on-premises is not available on either the Business Ready Licensing (BRL) or the Module Based Licensing (MBL) models and upgrades to Dynamics 365 Business Central on-premises require a bridging of license models.

Microsoft wants to encourage customers to benefit from the latest innovations in the product. Dynamics NAV and GP customers with an active Dynamics Enhancement Plan will be able to upgrade to Dynamics 365 Business Central on-premises via the License Migration Transition Upgrade (LMT Upgrade) path.

### **License Migration Transition Upgrade (LMT Upgrade)**

The LMT Upgrade path is available to Dynamics NAV, and Dynamics GP customers with an active Enhancement plan. With the LMT Upgrade, Dynamics NAV, and Dynamics GP MBL, BRL and Perpetual customers are mapped to Dynamics 365 Business Central on-premises to ensure that customers receive at least their current functionality plus the number of users they have already licensed except as noted below\*.

The LMT Upgrade path is available to customers as of the General Availability (GA) of Dynamics 365 Business Central on-premises. However, customers need to meet the eligibility criteria for the LMT Upgrade path.

\*Important note: Customers running a functionality discontinued by Microsoft in any version prior to and including Dynamics 365 Business Central on-premises are informed that an upgrade will result in a loss of such functionality which will be unavailable through the Dynamics 365 Business Central on-premises key. The sole functionalities that are licensable with Dynamics 365 Business Central on-premises will be available after the upgrade is processed. Microsoft also expressly declines any responsibility regarding the upgrade compatibility of a functionality offered by an Independent Software Vendor.

## **License Migration Transition Upgrade (LMT Upgrade)**

### **Eligibility**

The LMT Upgrade path is available to all Dynamics NAV and Dynamics GP MBL, BRL and Perpetual customers who have an active Enhancement plan. The LMT Upgrade will apply to these customers regardless of when they choose to upgrade.

**Important note: The LMT Upgrade must be ordered through Order Central.**

### **Migration**

A set of LMT Upgrade rules map which Dynamics 365 Business Central on-premises functionality packs and the quantity and type of users customers will receive in exchange for their configuration prior to the LMT Upgrade.

See [Appendix A](#) for details about the rules.

By choosing to upgrade, the customer acknowledges that there could be material changes impacting the use of functionality and users deployed in the ERP Solution prior to the LMT Upgrade.

### **Customer Service Policy**

Customers are required to be on Enhancement when the LMT Upgrade order is placed. The Enhancement Plan expiration date and the Protected List Price of the configuration prior to the LMT Upgrade will be carried over to the Dynamics 365 Business Central on-premises configuration. The Enhancement Plan will not recalculate Protected List Price (PLP) when performing an LMT Upgrade to Dynamics 365 Business Central on-premises. Customer will continue to use their existing PLP until the Enhancement Plan expires or is re-calculated due to any other circumstance described in the then-current Dynamics policies.

## Use of Old Version after Transition Upgrade To New Version

Once the new version goes into a production environment (e.g. process business operations or create new transactions), customers may only access the transitioned (old) version to reference past transactions for tax, audit, and/or reporting purposes. However, as soon as the license key for the new product version is issued, customers will not be able to add users and/or modules directly to the transitioned version(s).

## Creation of New User Types for LMT Upgrades

### Limited Upgrade users and devices

The 'Full Concurrent User CAL - Limited Upgrade', 'BRL Advanced Management Users - Limited Upgrade', 'BRL Business Essentials Users - Limited Upgrade', 'Additional Professional Users - Limited Upgrade', 'System Manager Standard Users - Limited Upgrade', 'Light User – Limited Upgrade', 'Employee Self Service User – Limited Upgrade', 'Limited Device CAL – Limited Upgrade', 'Limited Concurrent CAL – Limited Upgrade', 'Self Serve User CAL – Limited Upgrade' and 'Web User – Limited Upgrade' have the same licensing rights as their counterparts not designated as 'Limited Upgrade' but have different LMT Upgrade mapping rules than as indicated in [Appendix A](#).

- Dynamics NAV 2009 and Dynamics NAV 2018 customers transitioning to Dynamics 365 Business Central on-premises will receive three Business Central on-premises Full Named users for each NAV Concurrent Full user licensed **prior** to May 1, 2019.
- Dynamics NAV 2009 and Dynamics NAV 2018 customers transitioning to Dynamics 365 Business Central on-premises will receive one Business Central on-premises Full Named user for each NAV Concurrent Full user licensed **after** May 1, 2019.
- Dynamics NAV 2018 customers transitioning to Dynamics 365 Business Central on-premises will receive three Business Central on-premises Team Members licenses for each Limited Concurrent CAL licensed **prior** to May 1, 2019.
- Dynamics NAV 2018 customers transitioning to Dynamics 365 Business Central on-premises will receive one Business Central on-premises Team Members licenses for each Limited Concurrent CAL – Limited Upgrade licensed **after** May 1, 2019.

### Full User – Upgrade

The 'Dyn365 Business Central Essentials – Upgrade', 'Dyn365 Business Team Members – Upgrade' and 'Dyn365 Business Central Premium – Upgrade' users are used by the system for LMT Upgrades and carry the exact same licensing rights as their counterparts designated without the 'Upgrade' suffix. These users have a System List Price of \$0 and have a Protected List Price of \$0. These user types are not available for purchase. Please see [Appendix A](#) for more information.

## Transition Upgrade of Microsoft SQL Server Runtime Licenses purchased from the Dynamics Price List

Microsoft SQL Server Runtime licenses are not available on the Dynamics 365 Business Central on-premises price list. Dynamics 365 Business Central on-premises customers may acquire Microsoft SQL Server licenses through a Volume Licensing partner of their choosing.

The Microsoft SQL Server Runtime licenses of Dynamics NAV 2018, Dynamics NAV 2009, Dynamics GP 2018, and Dynamics GP 2010 customers will be made available for those customers on the Dynamics 365 Business Central on-premises license after the Transition Upgrade. However, these customers cannot license additional Microsoft SQL Runtime licenses from the Dynamics 365 Business Central on-premises price list. Dynamics 365 Business Central on-premises customers who require additional Microsoft SQL Server licenses can license these through Volume Licensing.

## Additional Policies

### Downgrade Policy

Dynamics 365 Business Central on-premises customers cannot downgrade to Dynamics NAV 2018, or any prior version of Dynamics NAV.

Existing eligible customers performing a Transition Upgrade need to understand that they will not be able to retrograde to a prior version after the Transition Upgrade is processed.

### LMT Upgrade Protected List Price (PLP) Policy

Dynamics NAV customers doing an LMT Upgrade to Dynamics 365 Business Central on-premises are restricted from reducing the value of their PLP for thirty-six-months prior to the LMT Upgrade. This policy takes effect October 1, 2018. PLP reductions predating the effective date are exempt from this policy.

Dynamics GP customers doing an LMT Upgrade to Dynamics 365 Business Central on-premises are restricted from reducing the value of their PLP for thirty-six-months prior to the LMT Upgrade. This policy takes effect July 1, 2019. PLP reductions predating the effective date are exempt from this policy.

Before being allowed to do an LMT Upgrade, customers with reduced PLPs must repurchase any combination of users and functionality to reestablish the highest PLP in effect within 36 months of the LMT Upgrade request.

The PLP from the upgrading product version will be allocated to the Dynamics 365 Business Central on-premises configuration according to the LMT Upgrade mapping rule. See [Appendix A](#) for details about the rules.

## Country Localization Policy

### Microsoft Localized Versions

Customers may license any country-specific localized version. However, if a customer deploys a country-specific localized version that is not developed by Microsoft specifically for their country, either because the localized version for their country is not yet available or because the customer chooses the localized version designed for another country, the customer will be first required to execute a Microsoft Customer Acknowledgement Authorization (MCAA).

### Partner Localized versions

Partners are required to execute a [Microsoft Dynamics Partner Localization and Translation Licensing Program](#) (PLL) for country-specific localizations developed by partners.

## Transitioning from Microsoft Localization to Partner Localization

Customers in countries moving from Microsoft localized versions to partner localized versions will upgrade to the W1 version of Dynamics NAV 2018 and partners will need to complete a PLLP if the customer chooses to deploy the partner localized version.

Note: Every Dynamics GP customer who transitions to Dynamics 365 Business Central on-premises will automatically receive the US localization. If a customer needs different localization from the available localizations on Dynamics 365 Business Central on-premises, the local Operation Center should be contacted for support.

## APPENDIX A: LMT Upgrade License Conversion Table

### Dynamics NAV to Dynamics 365 Business Central on-premises

From License Model	Edition	User/Functionality	BC Functionality Mapping	PLP Allocated to
MBL	Any	Basic General Ledger	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Users, Web Users or Additional Users - Limited Upgrade*	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Users - Limited Upgrade^	1 Premium User	Premium Users
		For every 3 Web Users – Limited Upgrade	1 Team Member	Team Member
		Other MBL modules	Included in Premium User	Premium User
BRL	Advanced Management	AM Foundation Pack	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Advanced Management User, Light User or Additional Advanced Management User - Limited Upgrade*	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Advanced Management User - Limited Upgrade^	1 Premium User	Premium Users
	Business Essentials	BE Foundation Pack	1 Essentials User + 2 Essentials User - Upgrade	Essentials Users
		Per Additional Business Essential User, Light User or Additional Business Essential User - Limited Upgrade*	1 Essentials User + 2 Essentials User - Upgrade	Essentials Users

		Per Additional Business Essential User - Limited Upgrade <sup>^</sup>	1 Essentials User	Essentials Users
	Any	Each ESS User or Limited Device CAL	1 Team Member	Team Member
		Per 3 Light User – Limited Upgrade	1 Team Member	Team Member
		Per 6 ESS User – Limited Upgrade	1 Team Member	Team Member
		Per 3 Limited Device CAL – Limited Upgrade	1 Team Member	Team Member
Perpetual	with Extended Pack	Starter Pack	3 Premium User + 6 Premium User - Upgrade	Premium Users
		Per Full Concurrent CAL, Full Concurrent CAL – Upgrade or Full Concurrent CAL - Limited Upgrade*	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Full Concurrent CAL - Limited Upgrade <sup>^</sup>	1 Premium User	Premium Users
		Extended Pack	Included in Premium User	Premium User
	no Extended Pack	Starter Pack	3 Essentials User + 6 Essential User - Upgrade	Essentials Users
		Per Full Concurrent CAL, Full Concurrent CAL – Upgrade or Full Concurrent CAL - Limited Upgrade*	1 Essentials User + 2 Essential User - Upgrade	Essentials Users
		Per Full Concurrent CAL - Limited Upgrade <sup>^</sup>	1 Essentials User	Essentials Users
	Any	Per Limited Concurrent CAL or Limited Concurrent CAL – Limited Upgrade*	1 Team Member + 2 Team Member - Upgrade	Team Member
		Per Limited Concurrent CAL – Limited Upgrade <sup>^</sup>	1 Team Member	Team Member
	Any	Any	Application Builder	Application Builder
Solution Developer			Solution Developer	Solution Developer
Tables			Tables	Tables
Forms			Pages	Pages
Pages			Pages	Pages
Reports			Reports	Reports
Codeunits			Codeunits	Codeunits
XML Ports			XML Ports	XML Ports
Dataports			Dataports	Dataports
Queries			Queries	Queries



		Microsoft SQL Server 2008 R2 Enterprise Edition Runtime Use or Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs
		Microsoft SQL Server 2012 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs
		Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs
		Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs

\* Licensed before May 1, 2019

^Licensed after May 1, 2019

## Dynamics GP to Dynamics 365 Business Central on-premises

From License Model	Edition	User/Functionality	BC Functionality Mapping	PLP Allocated to
MBL	Any	Foundation Layer Professional or System Manager Standard	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Standard and Professional Users	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Additional Standard Users - Limited upgrade or Professional Users - Limited upgrade	1 Premium User	Premium Users
		For every 2 Business Portal or 2 Business Portal Customer user or 2 Business Portal Employee User	1 Team Member	Team Member
		Other MBL modules	Included Premium User	Premium User
BRL	Advanced Management	AM Foundation Pack	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Advanced Management User	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Additional Advanced Management User - Limited Upgrade	1 Premium User	Premium Users
	Business Essentials	BE Foundation Pack	1 Essentials User + 2 Essentials User - Upgrade	Essentials Users
		Per Additional Business Essential User	1 Essentials User + 2 Essentials User - Upgrade	Essentials Users

		Per Additional Business Essential User - Limited Upgrade	1 Essentials User	Essentials Users
	Any	Customization Suite	Application Builder	Application Builder
		Integration Suite	Application Builder	Application Builder
		Each ESS User, Light User, Light User (Named user) – Starter Pack Conversion or Limited Device CAL	1 Team Member	Team Member
		Per 3 Light User – Limited Upgrade	1 Team Member	Team Member
		Per 6 ESS User – Limited Upgrade	1 Team Member	Team Member
		Per 3 Limited Device CAL – Limited Upgrade	1 Team Member	Team Member
Perpetual	with Extended Pack	Starter Pack	3 Premium User + 6 Premium User - Upgrade	Premium Users
		Per Full Concurrent CAL or Full Concurrent CAL – Upgrade	1 Premium User + 2 Premium User - Upgrade	Premium Users
		Per Full Concurrent CAL - Limited Upgrade	1 Premium User	Premium Users
		Extended Pack	Included in Premium User	Premium User
	no Extended Pack	Starter Pack	3 Essentials User + 6 Essential User - Upgrade	Essentials Users
		Per Full Concurrent CAL or Full Concurrent CAL – Upgrade	1 Essentials User + 2 Essential User - Upgrade	Essentials Users
		Per Full Concurrent CAL - Limited Upgrade	1 Essentials User	Essentials Users
	Any	Customization Pack	Application Builder	Application Builder
		Per Limited Concurrent CAL, Limited Concurrent CAL - Upgrade or Self Serve User CAL	1 Team Member + 2 Team Member - Upgrade	Team Member
		Per Limited Concurrent CAL – Limited Upgrade or Self Serve User CAL – Limited Upgrade	1 Team Member	Team Member
Any	Any	Microsoft SQL Server 2008 R2 Enterprise Edition Runtime Use or Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs
		Microsoft SQL Server 2012 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs

		Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Enterprise Edition Runtime Use Servers and CALs
		Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs	Microsoft SQL Server 2017 Standard Edition Runtime Use Servers and CALs

# Change Log

Page	Topic	Change	Action	Date
Various	Dynamics GP	New	Guidance has been added regarding the transition upgrade of Dynamics GP to Business Central on-premises	July 2019
3, 5	Mapping rules	Updated	All NAV Full Users or Limited Concurrent CALs licensed prior to May 1, 2019 will map to 3 Full Users or 3 Team Members on Business Central on-premises	May 2019
6	Team Member Upgrade	New	`Team Member – Upgrade` has been introduced. The `Dynamics NAV to Dynamics 365 Business Central on-premises` conversion table has been updated with reference to the `Team Member – Upgrade` SKU.	December 2018
3	Limited Upgrade SKUs	New	Additional guidance has been added regarding the mapping of Full Concurrent users and Limited Concurrent CALs to Business Central on-premises	December 2018

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