

How not to get scammed when buying software?

Has your company bought extremely cheap software, or are you considering getting some? Pay attention to what exactly you are buying and what is delivered to you after purchase, it might save you lots of trouble later!

The liability of using legally licensed software lies with you, not the Seller!

What punishments can you face for using illegal software?

If you're using (even unknowingly) software that is not properly and legally licensed, you risk:

- **infringement of copyright law and paying heavy fines,**
- **imprisonment,** prohibition of activity, or forfeiture of the item (subject to Criminal law).

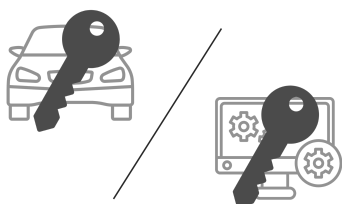
⚠️ Who is accountable for the law breach?

Criminal liability can apply to virtually anyone in management, including CEOs, Chairmen, IT directors, Purchasing Managers, etc.

Product key is not enough! **User does not mean owner!**

Many so-called 'key sellers' only sell activation keys. Don't get mistaken by the possibility of activating the software via such a key – **an activated product doesn't automatically mean you're its owner and you have the legal right to use it.**

Product key is not a valid license | Activated product does not mean it's legal



Example:

*If you manage to unlock and start a car, you will be able to drive it – but it does not automatically mean it is yours. You need various documents to prove that you **own the car**. The same principle applies to software.*

Always make sure you are going to receive everything you need to prove your ownership of purchased software!

ⓘ During a software audit, you are **obliged to prove you are the rightful owner of your software licenses** and that they meet all legal requirements. This is achieved by providing proper documentation that you received upon purchase.

New vs used software

You can become a victim of fraud whether you buy new or used software. The requirements for what exactly you need to have to prove ownership depend on the software products themselves – who is the manufacturer, what type of distribution channel it comes from, the license type, etc. We've put together a basic overview of what documents to ask for in case of Microsoft products, as well as examples of key sellers' communication – for an idea of what 'arguments' they're using in order for you to recognize there might be something wrong with their offer. This information can be found below.

How to recognize a trustworthy software seller

When determining the reliability of your software seller, try asking yourself the following questions:

- How long has the company been in the software market?
- Do they have verifiable references (e.g., in a public contract database)?
- Is it a transparent, financially healthy company with a real registered office?
- Can the company be easily contacted?
- Is the company part of the Microsoft Partner Network?
- Does the vendor provide guarantees such as **liability insurance covering also used software**?
- Does the company have international quality certifications such as ISO, CMMI, etc.?

The most common practices of key sellers

- Extremely low prices even for the latest products.
- **Insufficient legal documentation for used software** – an activation key, an invoice, and a Seller's Declaration do not guarantee legality.
- Presenting used software as new – **a never used key does not mean new software.**
- Selling 'new' Microsoft software without being an official Microsoft distributor or partner → not possible.
- Selling academic software licenses or software for testing purposes (Visual Studio/MSDN) for commercial use → not possible

What to require when buying Microsoft products?

Used software

- Origin of the software (first country of usage)
- License Agreement number (Volume licenses)
- Product name and License Agreement type (Volume licenses)
- **First owner declaration containing:**
 - Declaration of uninstallation of the software
 - Confirmation the products are perpetual and were fully paid for
 - Confirmation the products were first purchased and put into use in EU, EEA, or Switzerland
(it is difficult to document reliably the origin of Retail/OEM products)
- Product key for the purchased product
- Installation file
- Invoice

① *Each seller of used software is obliged to provide information confirming compliance with the statutory conditions. This information shall be included in the accompanying documentation required to prove the legitimate ownership of the purchased licenses.*

New software (by distribution channel)

Retail / OEM

- Product must be assigned to Microsoft account! (Retail licenses)
- Redeem key (a product key to activate a single device which pairs the product with a Microsoft account)

CSP (Cloud Solution Provider)

- Product must be assigned to Microsoft 365 Admin Center
- MAK (Multiple Activation Key)

Volume

Different types of contracts depending on the number of purchased products:

MPSA, Select Plus, Enterprise, Open Value

- Licenses are assigned to Business Center (MPSA) or Microsoft 365 Admin Center (formerly VLSC)
- MAK (Multiple Activation Key) / KMS (Key Management System)
- Signed License Agreement

① *The seller **must** be an authorized Microsoft partner or distributor. It must be possible to assign the product to your Microsoft account (except for OEM licenses).*

Examples of real communication with key sellers



Hello, I would like to ask what type of licenses do you offer for your products?



Hello, we sort licenses into 3 categories:
Used (the license was previously used by someone else)
New licenses (noone has previously used the license, but it is not possible to assign it to a VLSC portal)
MS New licenses (as a Microsoft partner we can order licenses for you from MS to your VLSC portal).

Thank you for the information. What documentation do you provide for used software?

We will issue an invoice for your purchase.

EXAMPLE 1

What indicates a potentially risky purchase in this example?

The statement that the product has never been used doesn't automatically imply the license is new. The mere fact that someone has previously purchased and owned a license makes it **used software** (no matter if the product has been activated or not). For this reason, you must always receive **all legally required documents** for a proper transfer of license ownership – **an invoice alone is certainly not enough.**

New licenses (except OEM) **must always be assigned to your Microsoft account.** If a seller claims this isn't possible, the software is not new.

EXAMPLE 2

What indicates a potentially risky purchase in this example?

The invoice and the Seller's declaration alone are not enough to confirm the legality of the purchased used software, as they lack details about the original software owner and the initial license purchase. **Always insist on getting complete documentation that meets all legal requirements!**



The Declaration is ours. These are licenses that never been in circulation. No original user ever activated them.



One more thing, is this a VOLUME transferable license? Or is it OEM that you sell as an official Microsoft partner?

The license is transferable, it's not an OEM version.

And how will I prove they are legal in case of software audit?



Invoice and Declaration. There has never been a problem with that.