

Microsoft 365 Nonprofit Price Increase

What is happening?

Microsoft has announced list price increases for customers utilizing the following Microsoft 365 and Office 365 Nonprofit Service Plans, effective on and after **September 1st, 2022**:

- Microsoft 365 Business Premium (Nonprofit) (increased 9%)
- Office 365 E1 (Nonprofit) (increased 20%)
- Office 365 E3 (Nonprofit) (increased 22%)
- Office 365 E5 (Nonprofit) (increased 8%)
- Microsoft 365 E3 (Nonprofit) (increased 12%)

As a result of this, and in accordance with our standard terms and conditions, TPx will be passing along price increases to our customers who are contracted for MSx Managed Office 365 service and use the above Nonprofit subscriptions. As well as existing and new customers who add these subscriptions to their service after September 1st, 2022.

When will I be impacted by this pricing change?

While Microsoft will implement the price changes on September 1st, 2022, the actual effective date for each customer will vary. This is because the pricing will take effect at the next annual renewal date of each individual subscription. (This is the actual Microsoft subscription renewal date and is independent of the TPx contact date. All Microsoft/Office 365 Nonprofit licenses have annual subscription terms regardless of if they are billed monthly.) The examples below illustrate the different use cases and impact.

Customer A

Customer A is a TPx Managed Services Office 365 customer and has existing Microsoft Nonprofit subscriptions that include the affected license types. These subscriptions were activated before 3/1/2022.

1. TPx Contract for Managed Services Office 365 Services signed October 1st, 2021, for 3 years
2. During provisioning, the following Microsoft subscriptions were activated on October 15th
 - a. (20) Microsoft 365 Business Premium (Nonprofit) – Annual subscription Term 10/15/2021 – 10/14/2022
3. The onboarding project was completed and the TPx Billing Effective Date (Or Service Turn Up Date) was November 1, 2022. So, Customer A's term is 11/1/2021 – 10/31/2024.
4. On January 3, 2022, the customer added a new subscription for:
 - a. (10) Office 365 E3 (Nonprofit) - Annual subscription term 01/3/2022 – 01/02/2023
5. On June 2, 2022, Customer A added an additional 5 Office 365 E3 (Nonprofit) licenses to their subscription.

Based on the above environment, Customer A will be impacted by the price increase as follows:

- 1) Pricing for the (20) Microsoft Business Premium licenses will be increased effective 10/15/2022
- 2) Pricing for the (10) Original Office 365 E3 (Nonprofit) licenses will be increased effective 01/02/2023 because this is the anniversary of the subscription activation.

- 3) Pricing for the additional 5 Office 365 E3 (Nonprofit) licenses will be increased effective 1/2/2023. This is because adding licenses to an existing subscription prorates the licenses to the original subscription date. (Note there is no option to add another Microsoft 365 Business Basic subscription, only 1 subscription per license type is allowed)
- 4) The TPx Billing Effective Date has no impact on timing of the price increases.

Customer B

Customer B is new TPx MSx Office 365 customer and purchased subscriptions that include the affected license types. These subscriptions were activated by TPx after 09/1/2022.

- 1) Customer B signed the TPx contract for MSx Office 365 Services signed September 15, 2022, for 3 years.
- 2) During provisioning, the following Microsoft subscriptions were activated on September 20, 2022
 - a. (50) office 365 E5 (Nonprofit) – Annual subscription Term 9/20/2022 – 9/19/2023
- 3) The onboarding project was completed and the TPx Billing Effective Date (Or Service Turn Up Date) was October 1, 2022. So, the customers term is 4/1/2022 – 3/31/2025.
- 4) Based on the above environment, Customer B will be impacted by the price increase as follows:
 - a. Pricing for the (50) Office 365 E5 (Nonprofit) licenses will be the new increased pricing and will begin at the subscription activation date of 9/20/2022

Do I need to do anything?

No. This price change will be managed by TPx and no action is required by you or your staff.

Will this change the terms of my existing contract?

No. This price change has no effect on your existing TPx contract terms.