

US EXECUTIVE APPROVAL FORM

CUSTOMER NAME: EAS
PARTNER/VAD NAME: na

SECTION I – New Approval Requests:

HQAPP Requests:

1. Support Cap -2 renewals capped at 0% and 2 renewals capped at 2%
2. Price hold on RAC and partitioning- 50% through may 2003.
3. Price Hold for "Transportation" (not on Contract) Store (25%) + 25 = 50% through May 2003, and then at 40% for the two year price hold.

Net L= \$943,368

Justification:

Final business Issues to drive to signed contract. We have been verbally awarded the business and are looking to sign contracts today.

Previously approved requests 12/31: Per HQAPP Approved; option 1 is probably preferred, but either option is approved.

Very competitive pricing situation with Peoplesoft. The Peoplesoft revenue based price has gotten their attention due low cost barrier of entry. Peoplesoft has offered to provide the WMS solution to EAS at no additional charge, a strategy that they are employing at other accounts. Hence our request for a restricted use definition for 75% discount on the 71 Warehouse users and 49% on the remaining products, or an overall discount of 57% on the entire contract. EAS has stated that their perception is that Oracle has great products but we are very expensive.

HQAPP Requests:

1. 75% discount (Store Plus 50%) on the e-business Suite Professional Users – Wireless Users Restriction. – details below.
2. Store Plus 24% (49% discount) on the ebusiness Suite and Add-ons

OR requesting the ability to offer an effective discount for entire deal at 57% (previously 53% discount). (Note: the deal has grown from list L \$1.3M to \$2.1M, Net L from \$691k to \$943k)

TIER 1 Requests:

1. Hold price at the same or higher price up to and including 2 yrs for products currently being licensed.

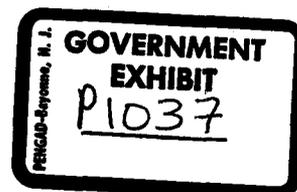
TIER 2/3 Requests:

1. Store Plus 25% (50% discount) Technology
2. Assignment Language in Contract for acquisition for all or substantially all of assets and liabilities

Previously approved requests 12/12:

HQAPP Requests:

1. Store Plus 15% (40%) on E-Business Suite



2. 90% discount (Store Plus 65%) on the e-business Suite Electronic Orders. Note: effective discount for entire deal is 53%. (iStore discount based on Zero \$ order volume; requirement has been removed from project)

TIER 1 Requests:

3. Hold price at the same or higher price up to and including 2 yrs for products currently being licensed.

TIER 2/3 Requests:

4. Store Plus 15% (40% discount) on the ebusiness Suite

5. Store Plus 25% (50% discount) Internet Dev. Suite and Database

SECTION II – Deal Summary:

Deal Summary	
Product Mix:	Ebusiness Suite, Electronic Orders, Internet Dev Suite, Apps Server, Database.
License Discount	Store plus 24% Ebusiness Suite, Store plus 50 on Warehouse Users restriction, Store plus 24% on Database, Application Server and Internet Development Suite.
Support Discount	22% of net License fees.
Comp & Admin Discount	NA
Phased Implementation for Comp & Admin?	See checklist below
Support Options/Holds	NA
Price Holds	Hold price at same or higher price up to and including 2 yrs.
List License	\$2,149,525 (previously \$1,315,000)
List Support	\$472,895
List Comp & Admin	NA
Net License	\$943,368 (previously \$691,500)
Net Support	\$207,541
Net Comp & Admin	NA
Net Price Year 1	\$1,150,909
Price List Used	Dec 6 th 2002

Justification:

EAS is a rapidly growing company. They have expanded sales into the mass market from Direct and Specialty Store sales. Their existing Page Digital (ERP) and Simms (Warehouse Management) systems were not designed to support the requirements of doing business with Wal-Mart, Kroger and Safeway (Mass Market). This has been EAS's fastest growing segment growing from \$45M in sales year 1 to \$100M in sales year 2.

We are competing against JD Edwards and Peoplesoft. EAS has stated that their perception is that Oracle has great products but we are very expensive. The Peoplesoft revenue based price has gotten their attention due low cost barrier of entry. Peoplesoft has offered to provide the WMS solution to EAS at no additional charge, a strategy that they are employing at other

accounts. Hence our request for a restricted use definition for 75% discount on the 71 Warehouse users and 49% on the remaining products, or an overall discount of 57% on the entire contract.

EAS is a recognized company in Colorado and has strong brand recognition across the country. EAS expects the 3 vendors they are evaluating to be aggressive with their proposals. We are requesting this approval to be prepared to compete against the other vendors in order to stay competitive on price and other concessions. They are looking for a vendor that views EAS to be a strategic account.

EAS has 230 employees at this time as is structuring their request for licenses around the following breakdown; 137 Professional, 53 Employee, 50 External Professional Users (for Trade Management Brokers) and another 71 Professional Users for their Warehouse Operations. We are requesting a 49% discount on the E-Business Suite, Technology, and Add-ons to compete with the Peoplesoft and JD Edwards.. We also need to segment and request an aggressive discount on the 71 Warehouse Operations users which only access the application through their wireless device and up to 20 of these users are temporary and seasonal in nature. We are requesting this discount to be in the range of pricing that is expected for the value the software is providing.

We are aggressively going after the business and have had multiple meetings with the C-level executives. We have taken the account on reference visits, and have completed workshops with the functional users. But the competition's pricing has become very attractive to the customer.

Recommendation: *(leave blank for HQAPP to fill out)*

Submitted By: Nate Polson, Glenn Seninger, Mike Arntz, Nic Classick
Field RM name if submitted by iSD:

R: *(leave blank for HQAPP to fill out)*

C:

L:

A:

BP:

PLEASE NOTE THAT HQAPP WILL NOT REVIEW ANYTHING BELOW AND NOTHING BELOW WAS CONSIDERED FOR THEIR APPROVAL. ONLY DETAILS IN THE REQUEST SECTION (SECTION I) ABOVE WERE CONSIDERED IN THE APPROVAL GRANTED.