US EXECUTIVE APPROVAL FORM

CUSTOMER NAME: Family Dollar
PARTNER/VAD NAME:

New Request being made on 5/16/03:

1. Request the following products be added to the right to buy price holdIRecruitment – Utilize previously approved FTE pricing metrics
   Time & Labor – Utilize previously approved FTE pricing metrics
   HR Intelligence – Utilize previously approved FTE pricing metrics
   (HR-SS-OAB-PR) were previously approved under the same guidelines requested above.
   Training Administration –utilize current license metrics based on trainee
   ILearning – utilize current license metrics based on trainee

Price hold with years 1-3 at 80% discount, year 4 at 70% discount and year 5 at 60% discount. Worst case

2. Request to have a 4% cap on support for years 4 & 5
3. Request for the license definitions and rules as well as the remaining years of the support cap to apply to orders placed pursuant to the price hold. – **support needs to be coterminus, not a new clock each time.**
4. Request to use simplified customer reference language and state it is only with customers prior written consent.
5. Include only those definitions and rules that apply to this order (all metrics, rules, the technical support paragraphs, etc) in the ordering document versus attaching the full document.

Justification:

1. Family Dollar would like the option to expand their HR footprint utilizing the same discount levels. We are in discovery phase of replacing two of their current systems with Training Adminstration and Time & Labor but it is not a 2003 initiative. They are also open to reviewing the additional products.

2-3. Oracle gave a 7 year cap on support with the 1998 deal for our Core HR , PR and technology surrounding these products and this is a major issue with the customer. They are basing their justification on a five year plan and need to be able to put definite numbers into the ROI model for executive approval.

4-5. Customers policies and legal areas have requested these changes to meet internal guidelines.

Overall, we have agreed on discount levels and timing. We are at a 79% discount versus the 80% requested. Net licenses is $472,500 instead of $450,000.

<u>Everything below this line was approved by HQAPP on 4/23/03 unless otherwise noted:</u>
SECTION I - Approval Requests:
<u>HQAPP Requests:</u>

1. Request 80% discount for OAB and Self-Service HR. (E-Business + 55%).
   - Client now wants to purchase 30,000 OAB licenses and 10,000 Self-Service HR licenses. Previous proposal had a 65% discount with License at $463,750; Support $102,025. New deal License is at $310,000; Support $68,200.

2. Price hold for incremental licenses for OAB and Self Service HR with years 1-3 at 80% discount, year 4 at 70% discount and year 5 at 60% discount.

3. Received T1 approval on 5/6 to apply the previously approved FTE metric to the Self Service HR components.

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- Deal summary box has been updated to reflect this new configuration.
- **Justification:** The original deal structure consisted of a quantity of 30,000 FTE for OAB and 10,000 persons for ESS. Since we are giving additional discounts we would like to propose to Family Dollar that they have to match 30,000 FTE on both products.

Request Q4 reapproval of all previously approved issues to go with the above pricing modifications

4. Client requests the use of Full Time Equivalent (FTE) metric to calculate the number of full time employees for the purchase of OAB licenses. This metric was used in the client's 1998 Oracle contract to purchase HR and Payroll licenses; ref SLSA – May-98. The number of OAB licenses for FTEs (30,000) for this deal will match the FTE number of existing licenses for Oracle HR and Payroll.
   - Full Time Equivalent is defined in the 1998 OD as the sum of (a) and (b) below:
     (a) For hourly employees, the number of employees is the total number of Full Time Equivalents ("FTE"), calculated as follows: the total FTE is the total number of hours worked by all of Customer's hourly employees during the previous 12-month period divided by 2080 (nimber of hours in year).
     (b) For salaried employees, the number of employees for the calendar year is the sum the total number of people who are salaried employees of Customer at the end of each calendar quarter and divided by four.

5. Flat line technical Support for renewal years 2 and 3.

Justification for the additional discount and reapproval request:

This deal was approved in Q3 at a 65% discount and did not close due to price. The additional discount is needed to now win in Q4. Also, the price for the Self Service product went up on the 3/24 price list. Consequently, the new discount being requested takes into consideration the higher price and the higher discount needed. Family Dollar is a low cost retailer with many part time employees and the previous net price in February did not give them the ROI needed to move forward based on the amount of benefits they pay out.

Previously approved requests: 2-26-03:

1. Price hold for incremental licenses for OAB and Self Service HR with years 1-3 at a 65% discount, year 4 at 55% discount and year 5 at 45% discount.

2. Client requests the use of Full Time Equivalent (FTE) metric to calculate the number of full time employees for the purchase of OAB licenses. This metric was used in the client's 1998 Oracle contract to purchase HR and Payroll licenses; ref SLSA – May-98. The number of OAB licenses for FTEs (30,000) for this deal will match the FTE number of existing licenses for Oracle HR and Payroll.
   - Full Time Equivalent is defined in the 1998 OD as the sum of (a) and (b) below:
     (c) For hourly employees, the number of employees is the total number of Full Time Equivalents ("FTE"), calculated as follows: the total FTE is the total number of hours worked by all of Customer's hourly employees during the previous 12-month period divided by 2080 (nimber of hours in year).
     (d) For salaried employees, the number of employees for the calendar year is the sum the total number of people who are salaried employees of Customer at the end of each calendar quarter and divided by four.

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3. Flat line technical Support for renewal years 2 and 3.

Previous Tier 1

1. Request 65% discount for OAB and Self-Service HR. (E-Business + 40%). Client now wants to purchase 30,000 OAB licenses and 5,000 Self-Service HR licenses. Previous deal, had License at $262,500; Support $57,750. New deal License is at $463,750; Support $102,025.

1. **Previously approved requests (include date of approval- 1/13/03 and 10/30/02):**

1. This is approved by LJE. Please be sure to add the restrictions noted by Joel.(10/30/2002)

2. Modify the "Person" metric for Oracle Advanced Benefits so as to only include employees that are eligible for benefits (10,000 out of 35,000 are eligible)
3. Modify the "Person" metric for Self-Service HR so as to only include employees that currently have connectivity. (5,000 out of 35,000)

Joel Summers (SVP HR product development) has approved the changes to the standard metrics provided the modified definitions include an affirmative statement such as "the customer shall ensure that all individuals with **benefits programs managed by the system are licensed" (or something to that effect) so as to clarify that as they grow they have to purchase additional licenses.**

4. Hold 50% discount for 2 years for incremental licenses for OAB and SS HR.

5. 50% discount for OAB and Self-Service HR.(E-Business + 30%)

SECTION II – Previous Deal Summaries:

	Deal Summary on 4/22/03	**Deal Summary as of April 28 , 2003**
Programs	• **30,000 Advanced banefits** • **10,000 Self-Service HR**	• **30,000 FTE of Advanced Benefits** • **30,000 FTE of Self Service HR**
License Discount	80 % (ebiz + 55 %)	80 % (ebiz + 55 %)
Support Discount	80 % (ebiz + 55 %)	80 % (ebiz + 55 %)
Support Options/Holds	3 year flat line (previously approved)	3 year flat line (previously approved)
Price Holds	5 year price hold with varying discounts: year 1-3 80% -year 4 70% - year 5 60%	5 year price hold with varying discounts: year 1-3 80% -year 4 70% - year 5 60%
List License	$1,450,000	$2,250,000
List Support	$319,000	$495,000
Net License	$310,000	$450,000

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Net Support	$68,200	$99,000
Net Total Price	$378,200	$549,000
Price List Used	March 24, 2003	March 24, 2003

Customer History - Existing Price Holds	
Existing contractual discount (price hold)	NONE
Date of Price List for price hold	NONE
When does price hold expire?	NONE
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	NONE
Name of Agreement if applicable	

SECTION III – Previous Justifications:
Family Dollar is a discount retailer with 5,000 stores. They are growing at a rate of 600 new stores/year. Currently they have 35,000 employees, with an expectation of 65,000 in five (5) years.

1. Client wants to licence OAB only for employees that are eligible for benefits (10,000 out of 35,000 are eligible) Family Dollar currently offers benefits to approximately 10,000 employees. They are planning to offer benefits to a larger portion of their employee population, which will increase Oracle's future revenue.

2. Client wants to license Self-Service HR only for employees that currently have connectivity. (5,000 out of 35,000) Family Dollar currently only has 5,000 employees who have connectivity to access Self-Service HR. This number is expected to increase as planned store connectivity will boost the number of employees accessing Self-Service. This in turn will increase Oracle 's future revenue.

Rather than approaching this issue with high discounts, the account team would prefer to protect future revenue opportunities by modifying the metric to include only then employees who are actually using the system.

The past relationship with this account has been strained for various reasons. (e.g. Oracle sold them Retek apps) They have not purchased any incremental Oracle applications since the original contract, in 1998. As a result of recent management changes, a number of the key managers have PeopleSoft experience. Despite this fact, we have been successful in creating significant support for the Oracle OAB and Self-Service HR. We want to capitalize on this momentum now.

Family Dollar received a discount of 60% with the original contract. They had an addendum, which granted them a 50% discount on incremental licenses and new applications. (expired May, 2001)

We are engaged in several sales cycles to sell them a number of other Oracle applications in the next 8 months.

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

Submitted By: ***(Bo Chriscoe, ASM Steve Wellen AVP)***
Field RM name if submitted by iSD:

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

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L:
A:
BP:

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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.

SECTION IV – Computer and Admin Services:
(Delete this section if not applicable)

SECTION V – Ordering Document Details

Instructions - Fill in all sections completely.

APPROVAL REQUIREMENTS - Refer to the Approval Matrix at http://esource.oraclecorp.com
PRICING REQUIREMENTS – Refer to Price List and Price List Supplement for minimums and prerequisites.
PRICING SPREADSHEET – Include a pricing spreadsheet showing all products, quantities, license types, pricing, and discounts. Indicate if discount for drafting contract differs from approved discount.
MIGRATIONS - If your deal contains a migration, you must submit a Migration Worksheet to the ELM (eBusiness License Migrations) team. Refer to http://nafo.us.oracle.com under the Contract Management tab and e-Business License Migrations header to download the spreadsheet and for additional information.

Note: All business approvals & quotes are valid through the quarter they were approved, unless a formal RFP or Tender requires a longer validity period.

General Information	
Contract requested by (insert date): After all approvals are obtained - Allow 24 hours for standard contracts and 48 hours for non-standard contracts.	
Opportunity I.D. (OSO Number):	998321
Is this a ship order?	__x__ Yes _____ No
Deal Structure (indicate Direct, Pass-Through, Sublicense, or Trial License):	Direct
Is this deal the result of a compliance issue that LMS has been involved in?	_____Yes ___x__No
Does deal contain new licenses with an *approved* non-supported license type (i.e. metric is not nor ever has been on Oracle's price list):	___x__Yes (specify non-supported license type and eBusiness license type used to determine conversion) _____No
Quote Valid Through (insert date):	May 31, 2003
Partner (insert name, if applicable)?	Margin or % of net license fees__n/a____
VAD (insert name, if applicable)?	Margin or % of net license fees__/a____
PARTNER PAYMENT: If this is a direct deal, does it involve a Partner Referral Fee? If yes, specify payment type:	____Yes ___x_No ____Applications Affiliate Fee ____ROP Fee *(GB Use Only)*

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MIGRATIONS OR UPDATES:	___Yes __x__No
PREMIUM SERVICES:	___Yes __x__No
INCIDENT PACKS:	___Yes __x__No
INTERNATIONAL: Requires an International Notification Form to be forwarded to your manager, contract specialist, and NASINFO or OGEHINFO.	___Yes __x__No
Payment Terms:	__x__Net 30 ___Other (Specify)_____
Referenced Agreement:	___New OLSA ___x_Other (Specify)_SLSA 384357-31-May-98

Customer and Administrative Information – all fields must be filled in	
Customer's EXACT Legal Name:	**Family Dollar Stores**
Business Address:	10401 Monroe Rd
City / State / Zip:	Matthews, NC 28105
Customer Contract Admin:	Tom Balt
Phone #:	704-814-3205
Fax #:	
E-mail ID:	tbalt@familydollar.com
Billing Contact:	Tom Balt
(Partner/VAD if Indirect):	
Address:	10401 Monroe Rd
City / State / Zip:	Matthews, NC 28105
Phone #:	704-814-3205
Fax #:	
E-mail ID:	tbalt@familydollar.com
Tax Status :	Exempt ___ (Need certificate for ship to state if not on Oracle's Tax Exemption Log)
	Non-Exempt __x_
Shipping Contact:	**Tom Balt**
Address:	10401 Monroe Rd
City / State / Zip:	Matthews, NC 28105
Phone #:	704-814-3205
Fax #:	
E-mail ID:	**tbalt@familydollar.com**
Technical Support Contact:	**Tom Balt**
Address:	10401 Monroe Rd
City / State / Zip:	Matthews, NC 28105
Phone #:	704-814-3205
Fax #:	
Email ID:	**tbalt@familydollar.com**
Partner Name (Indirect):	
Address:	
City / State / Zip:	

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Contact Admin:	
Phone #:	
Fax #:	
E-mail ID:	

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Education (EPPC)	
Education Prepaid Credit Amount:	$_____
Education Discount:	_____%
Education Revenue:	$_____
Education Sales Rep:	

PROCESSOR/NAMED USER PROGRAMS/COMPUTER PROGRAMS (REQUIRED INFORMATION)

Make and Operating System required for each program:
Make:
OS:
PROGRAMS:

Applications		
Will applications be modified:	___Yes	___No
Will users be accessing modified Apps from the web:	___Yes	___No
Have all prerequisites been included:	___Yes	___No
Will users use Fast Forward RPM:	___Yes	___No
Will applications be hosted:	___Yes	___No
Indicate database that Apps will run on:		
Indicate CSI for existing prerequisite database and tools:		

Options not requiring HQAPP, Tier 1, or Tier 2 Approval	
(1)	
(2)	
(3)	
(4)	

Internal Administrative Information	
Applications Sales Manager	Bo Chriscoe
Technology Sales Manager	Dennis Nuutineen
Account Manager	
iSD Rep	Martin Flieschman
Education Sales Rep	
Support Renewals Rep	
Premium Support Rep	
Migrations Manager	
Is there a teaming agreement?	____Yes (if yes, list all appropriate reps) __x__No
Requester:	Name: ___Bo Chriscoe_____ Business Telephone: __704-423-1301_____ Cell Phone: ____704-905-0720_____

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