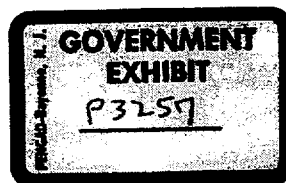


Executive Summary Template General Info:

- HQAPP receives on average 60 approval requests per day
- Safra Catz reviews 80% - 90% of these requests directly with a small percentage being reviewed by Larry Ellison as well. The remaining 10% - 20% are handled solely by the Global Business Practices folks (Mike Seaman for our organization).
- Safra reads them all thoroughly and does a very detailed review.
- The Executive Summary is the only piece of documentation reviewed by HQAPP and Safra in the approval process. They do not review the Quote Template, On-line approval form or Migration spreadsheets so all approval issues must be highlighted on the Executive Summary.
- Remember – correct spelling, proper grammar, completeness and a logical approach all count! Your name is attached to this document and you are representing yourself to senior management through this tool. Requests won't be disapproved for these kinds of issues; however, it is reflective of the overall professionalism of the organization and how we are all perceived.

Executive Summary Hints:

- Provide the necessary detail for your request but be concise. Do not include lengthy account and customer history unless it is integral to the approval request.
- Remember to provide a specific justification for each item for which you are seeking approval. To make this clear, enumerate your approval requests and the corresponding justifications as is presented in the attached Executive Summary example.
- Whenever possible, obtain and include other relevant approvals or input from other related groups in your HQAPP request. For example, include comments from Legal for non-standard terms or approvals from OSSINFO or Consulting if these approvals are necessary in your request so that HQAPP will have the totality of the information when they do their review.
- If your Executive Summary includes a request for a highly discouraged business practice, include in your justification the alternative approaches you have explored and why this option is necessary. This will give insight to the approvers in the chain that you worked the issue with your customer and are not simply disregarding Oracle's policies or preferred business practices.
- Any time you are requesting a change or modification to an existing, executed Contract or Order Form, HQAPP approval is required. From an approval requirement perspective, there is no distinction between whether this change would be material or not. Obviously, non-material changes will be approved more quickly but the requirement still exists so that there is no confusion as to when approvals for modifications are required.
- Make every effort to close the transaction in the timeframe for which it has been approved. If you know the deal won't close in the current quarter, request HQAPP approval to allow approvals to be valid for a longer duration.



Requesting Reapprovals:

- If your deal does not close in the current quarter or if new issues arise after you have obtained initial approvals, you will need to resubmit a revised Executive Summary for approval. Please ensure that you edit your Executive Summary so that the new requests are located on the top of the form and that you clearly state what was previously approved and when so that the approvers will have a trail of the entire transaction. Also, include the initial email approval chain. See example 2.
- Often, members of OGEHINFO will edit the Executive Summary prior to submitting to Senior Management to either improve the presentation, clarify a point, etc. If such a change would substantially change the content, Sales input would be sought by OGEHINFO prior to submitting to management. Therefore, if you ever revise an approval, please ensure that you edit the form that was previously approved by HQAPP, not the form that you initially submitted.

Hot Button Issues:

These items are HIGHLY discouraged and there is little likelihood that they will be approved.

- Non-standard migration ratios, handle via discount whenever possible
- Non-standard license metrics
- Flat-lining support for a long period, try to keep under 5 years
- License swaps, retroactive swaps are viewed as concessions
- Granting ability to swap up-front in a contract will usually result in no compensation to Sales until the swap period is over.
- Cancel and Replace transactions
- Substantive changes to Oracle's standard warranty provisions
- Incorporation of an RFP response in general and the warranty section in particular
- Support payment terms in arrears where not required by law
- Reduction in Support – customer's wishing to cancel some licenses – will reprice the remaining support stream and customer will not be entitled to their previous discounts.
- Elimination of the audit clause from Oracle's contracts

Pet Peeves:

These requests may still get approved but they are not encouraged.

- NSP (Not separately priced) on Ordering Docs. Sometimes there is a good reason for this but it causes problems in the booking process and in calculating future credits for migrations and other sales data reporting requirements. Don't request unless there is a valid reason.
- Worldwide Territory where it's not broken up by geographic usage. Not really an issue in Government. Creates lots of revenue credit disputes.

- Sending up too many iterations of the same deal. HQAPP does track certain metrics including the number of iterations they get on a deal. When you get into the T's & C's piece, there should be only one or two requests sent to HQAPP. Don't send up piecemeal.

A Clarification:

- The recent change in compensation policy for transactions with support payment terms in arrears (outlined in Ebusiness Update # 17) DOES apply even for Federal and S&L customers who are required by law to pay for services in arrears. Oracle's policy is that there will be no compensation for license sales for support sold in arrears. HQ is reviewing this policy as it relates to situations where this is required by law, but current policy is that it applies in these situations as well unless and until we are advised otherwise.