

February 2, 1998

Ken Lewis
Digital Equipment Corporation
529 Bryant Street
Palo Alto, CA 94301

RE: Enterprise Technology Center
Hardware request

Dear Ken,

Oracle is building Enterprise Technology Centers (ETCs) to focus on the high-end market. An ETC is a state-of-the art facility showcasing Oracle's strategic vision by demonstrating the data center of the future. The center integrates Oracle's three-tier Network Computing Architecture (NCA) with large scalable systems running Oracle8 Enterprise Server. The ETC in Atlanta is currently operational and will be officially launched on April 16, 1998.

We would like to showcase a DEC 8400 cluster with Terabytes of storage as the best hardware to enable Oracle parallel features at the Atlanta ETC. Such a high-performance solution, using the latest in cluster technology and parallelism, will clearly demonstrate our ability to handle the problems of the Enterprise to our mutual customers. As they say, seeing is believing!

Dec is our best partner for this venture. For the past ten years, together we have pioneered parallel technologies through the development of scalable high-end clustering solutions. In fact, Oracle's first parallel server (OPS) release was certified on a VAX cluster under VMS resulting in 1000's of installations supporting mission-critical applications. Our close relationship continues to evolve, producing superior clustering products. For example, we recently introduced Memory Channel System Commit Number (MC-SCN) and Persistent Locking in the Oracle 7.3 base code; thus solidifying Digital/Oracle leadership in cluster performance.

In the future, with Oracle8.1 Enterprise Server, OPS will be significantly faster. A revolutionary feature, named Cache Fusion™ will allow Oracle to communicate between nodes at interconnect speeds, rather than synchronizing caches through disk operations. We expect this to allow applications to scale across clusters without having to re-architect them for the environment, as is the case today. Obviously, such technology will provide us with tremendous new sales opportunities in enterprises that require highly available and scalable solutions (i.e. Oracle Applications and SAP).

Not only do our technologies complement one another, but so do our executives' interests. Digital and Oracle have agreed, at the Jesse Lipcon/Gary Bloom level, to go after 3 specific markets; Data Warehousing; the Internet and Oracle Applications. Each market is different, but all rely on similar Enterprise-level servers. Data Warehouses of greater than one terabyte today are not uncommon. The Internet brings escalating demands for scalability and high-availability - no tolerance for down time. Oracle Applications customers require high-availability, reliability, and scalability, as well. These three markets truly represent what we are both good at: Digital UNIX, Oracle8 Enterprise Server, Clusters/OPS, Partitioning, AlphaServers, and Storaeworks boxes. The bottom line is that we are jointly focusing on mission-critical applications, which the ETC clearly targets from a technical, marketing and business standpoint.

To capitalize on these opportunities, Digital hardware at the ETC Atlanta will be used for, but not limited to, a variety of activities, including: joint executive briefings, technology demonstrations and additional pre-sales work; training and curriculum development; proof-of-concept projects; joint collateral development; and publicizing customer success stories. I've included a more detailed list of these activities as an attachment.

In closing, over the last two months we have worked exhaustively developing a joint plan that we're confident will leverage sales. We need to act without delay to capitalize on this opportunity before the end of Oracle's fiscal year on May 31. As we approach our last fiscal quarter, your full and timely support for this initiative will allow both Oracle and Digital to exceed their revenue objectives.

Sincerely,

Scott P. Hunter, Senior Director
Enterprise Parallel Systems

Sandy Vella, Senior Manager
Digital Product Line Management

/km

cc: K. Martinez
A. Maximiano

The opportunities for leveraging the Oracle Digital partnership in the ETC include::

Sales

Sales events - Oracle will host receptions at the ETC for our prospects, sales teams and partners to help them close business by demonstrating our technology and business partnership. We plan to sponsor at least four of these events through the next year, with the first one scheduled in March-April time frame.

Coordination of Field Sales - Sponsor an annual meeting with our sales teams that are focused on Enterprise business to discuss our organizations and how to coordinate sales efforts.

Executive briefings - Senior management will be able to schedule the ETC to host high-level executives, showcasing a scalable environment with real-world applications in the three-tier architecture.

Technology demos - The ETC will demonstrate how Digital technology can play a role at every level of an Enterprise. This will include demos that run the gamut, from desktop NCs, to midrange NT-Clusters, to High-End UNIX clusters.

Marketing

Customer references - Provide a focal point for gathering joint enterprise-level references and publicizing them to our field organizations.

Joint collateral development - Develop marketing materials highlighting both companies' state-of-the-art high-end offerings. These materials may include website content, success stories, and white-papers.

Seminar Series - Develop and deliver business and technical seminars focused on high availability and scalability. The target audience includes field sales teams, partners, ISVs, SIs and customers.

Education

Internal Education - The growth every company's business in the Enterprise space has been constrained by the lack of personnel with hands-on experience with enterprise-level systems. A major role of the ETC is to provide this essential hands-on training to both our company's Pre-sales Engineers, Field Engineers, Support Personnel, and consultants. We envision all classes involving some DEC curriculum covering hardware cluster technologies and architecture.

External Education - After educating ourselves in these technologies, training will shift to caring for our mutual customer's needs. We see opportunities to develop joint curriculum and deliver curriculum at both Oracle and DEC facilities utilizing the equipment at the ETC over the WAN. We hope to offer industry-first classes, like a hands-on one Terabyte DBA class, custom back-up and recovery workshops using a customer's actual data, etc.

Consulting

Proof-of-concept projects - We will make our facilities and staff available for proof-of-concept projects associated with immediate revenue opportunities and strategic partnerships.

White Papers - Consultants may schedule the ETC facilities to run problems and research topics to develop and publish white papers in support of product usage.

Best Practices - Consultants can use their field experience and the TruCluster to test processes, code, and configurations to develop Enterprise best practices for open systems. The ETC will maintain an on-line web based library available to DEC and Oracle employees of these practices as well as any applicable white papers.

Support

Problems of Scale - Some customer problems can only be re-created at scale - size of the database, number of users, etc. The ETC equipment may be used by support organizations to troubleshoot and develop workarounds for these problems of scale.