

ORACLE CORP
Form DEF 14A
September 14, 2007

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

Oracle Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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(3) Filing Party:

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Table of Contents

**500 Oracle Parkway
Redwood City, California 94065**

September 14, 2007
To our Stockholders:

You are cordially invited to attend the 2007 Annual Meeting of Stockholders of Oracle Corporation. Our Annual Meeting will be held on Friday, November 2, 2007 at 10:00 a.m., in the Oracle Conference Center, located at 350 Oracle Parkway, Redwood City, California.

We describe in detail the actions we expect to take at the Annual Meeting in the attached Notice of 2007 Annual Meeting of Stockholders and proxy statement.

Included with this proxy statement is a copy of our Annual Report on Form 10-K for fiscal year 2007. We encourage you to read the Form 10-K. It includes information on our operations, products and services, as well as our audited financial statements.

Please use this opportunity to take part in our corporate affairs by voting on the business to come before this meeting. **Whether or not you plan to attend the meeting, please complete, sign, date and return the accompanying proxy in the enclosed postage-paid envelope or vote electronically via the Internet or telephone.** See How Do I Vote? in the proxy statement for more details. Returning your proxy or voting electronically does NOT deprive you of your right to attend the meeting and to vote your shares in person for the matters acted upon at the meeting. If you cannot attend the meeting, we invite you to watch the proceedings via webcast by going to <http://www.oracle.com/investor>.

We look forward to seeing you at the Annual Meeting.

Sincerely,

Lawrence J. Ellison
Chief Executive Officer

Table of Contents

**500 Oracle Parkway
Redwood City, California 94065**

NOTICE OF 2007 ANNUAL MEETING OF STOCKHOLDERS

TIME AND DATE	10:00 a.m., Pacific Time, on Friday, November 2, 2007.
PLACE	Oracle Conference Center 350 Oracle Parkway Redwood City, CA 94065
LIVE WEBCAST	Available on our web site at http://www.oracle.com/investor , starting at 10:00 a.m., Pacific Time, on Friday, November 2, 2007.
ITEMS OF BUSINESS	(1) To elect a Board of Directors to serve for the next year. (2) To approve the adoption of the Fiscal Year 2008 Executive Bonus Plan. (3) To ratify the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2008. (4) To consider and to act on two stockholder proposals, if properly presented at the Annual Meeting. (5) To transact such other business as may properly come before the Annual Meeting and any adjournment or postponement thereof.
RECORD DATE	In order to vote, you must have been a stockholder at the close of business on September 7, 2007.
PROXY VOTING	It is important that your shares be represented and voted at the Annual Meeting. You can vote your shares by completing and returning the proxy card or voting instruction card sent to you. You also have the option of voting your shares on the Internet or by telephone. Voting instructions are printed on your proxy card and included in the accompanying proxy statement. You can revoke a proxy at any time prior to its exercise at the Annual Meeting by following the instructions in the proxy statement.

Daniel Cooperman
Senior Vice President, General Counsel & Secretary
September 14, 2007

ORACLE CORPORATION

**2007 ANNUAL MEETING
PROXY STATEMENT**

TABLE OF CONTENTS

	Page
<u>About the Annual Meeting</u>	1
<u>How Do I Vote ?</u>	6
<u>Board of Directors</u>	7
<u>Incumbent Directors</u>	7
<u>Board Meetings</u>	8
<u>Committees, Membership and Meetings</u>	9
<u>Director Compensation</u>	11
<u>Corporate Governance</u>	15
<u>Corporate Governance Guidelines</u>	15
<u>Board of Directors and Director Independence</u>	17
<u>Nomination of Directors</u>	18
<u>Stockholder Matters</u>	19
<u>Employee Matters</u>	20
<u>Security Ownership of Certain Beneficial Owners and Management</u>	22
<u>Executive Compensation</u>	24
<u>Compensation Discussion and Analysis</u>	24
<u>Summary Compensation Table for Fiscal Year 2007</u>	33
<u>Stock Options and Option Grant Administration</u>	34
<u>Grants of Plan Based Awards During Fiscal Year 2007</u>	35
<u>Outstanding Equity Awards at 2007 Fiscal Year-End</u>	36
<u>Option Exercises During Fiscal Year 2007</u>	37
<u>Additional Equity Compensation Plan Information</u>	37
<u>Non-qualified Deferred Compensation</u>	37
<u>Potential Payments Upon Termination or Change-in-Control</u>	38
<u>Compensation Committee Interlocks and Insider Participation</u>	39
<u>Report of the Compensation Committee of the Board of Directors</u>	40
<u>Report of the Finance and Audit Committee of the Board of Directors</u>	41
<u>Related Party Transactions</u>	42
<u>Legal Proceedings</u>	43
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	45
<u>No Incorporation by Reference</u>	45
<u>Proposal No. 1: Election of Directors</u>	46
<u>Proposal No. 2: Adoption of the Fiscal Year 2008 Executive Bonus Plan</u>	47
<u>Proposal No. 3: Ratification of Selection of Independent Registered Public Accounting Firm</u>	50
<u>Proposal No. 4: Stockholder Proposal on the Amendment to Corporate Bylaws Establishing a Board Committee on Human Rights</u>	52

<u>Proposal No. 5: Stockholder Proposal on Open Source Report</u>	54
<u>Stockholder Proposals for the 2008 Annual Meeting</u>	56
<u>Other Business</u>	56
<u>Householding</u>	57

Table of Contents

PROXY STATEMENT

September 14, 2007

We are providing these proxy materials in connection with Oracle Corporation's 2007 Annual Meeting of Stockholders. This proxy statement, the accompanying proxy card or voter instruction card and our 2007 Annual Report on Form 10-K were first sent to stockholders on or about September 17, 2007. This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the Annual Meeting. Please read it carefully.

ABOUT THE ANNUAL MEETING

Who is soliciting my vote?

The Board of Directors of Oracle is soliciting your vote at the 2007 Annual Meeting of Stockholders.

What is the purpose of the Annual Meeting?

You will be voting on:

Election of directors;

Approval of the Fiscal Year 2008 Executive Bonus Plan;

Ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2008;

Two stockholder proposals, if properly presented at the Annual Meeting; and

Any other business that may properly come before the meeting.

What are the Board of Directors' recommendations?

The Board recommends a vote:

for the election of directors;

for the approval of the adoption of the Fiscal Year 2008 Executive Bonus Plan;

for the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2008;

against the two stockholder proposals; and

for or against other matters that come before the Annual Meeting, as the proxy holders deem advisable.

Who is entitled to vote at the Annual Meeting?

The Board of Directors set September 7, 2007, as the record date for the Annual Meeting (the record date). All stockholders who owned Oracle common stock at the close of business on September 7, 2007, may attend and vote at the Annual Meeting.

How many votes do I have?

You will have one vote for each share of our common stock you owned at the close of business on the record date, provided those shares are either held directly in your name as the stockholder of record or were held for you as the beneficial owner through a broker, bank or other nominee.

Table of Contents

What is the difference between holding shares as a stockholder of record and beneficial owner?

Most of our stockholders hold their shares through a broker, bank or other nominee rather than directly in their own name. As summarized below, there are some differences between shares held of record and those owned beneficially.

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are considered the stockholder of record with respect to those shares, and these proxy materials are being sent directly to you. As the stockholder of record, you have the right to grant your voting proxy directly to us, to vote electronically or to vote in person at the Annual Meeting. We have enclosed a proxy card for you to use.

Beneficial Owner. If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name, and these proxy materials are being forwarded to you by your broker, bank or nominee who is considered the stockholder of record with respect to those shares. As the beneficial owner, you have the right to direct your broker, bank or nominee on how to vote and are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote these shares in person at the Annual Meeting, unless you request, complete and deliver a proxy from your broker, bank or nominee. Your broker, bank or nominee has enclosed a voting instruction card for you to use in directing the broker, bank or nominee regarding how to vote your shares.

How many votes can be cast by all stockholders?

Each share of Oracle common stock is entitled to one vote. There is no cumulative voting. We had 5,118,343,849 shares of common stock outstanding and entitled to vote on the record date.

How many votes must be present to hold the Annual Meeting?

A majority of our outstanding shares as of the record date must be present at the Annual Meeting in order to hold the Annual Meeting and conduct business. This is called a quorum. Shares are counted as present at the Annual Meeting if you are present and vote in person at the Annual Meeting or by telephone or on the Internet or a proxy card has been properly submitted by you or on your behalf. Both abstentions and broker non-votes are counted as present for the purpose of determining the presence of a quorum.

How many votes are required to elect directors and adopt the other proposals?

Directors are elected by a *plurality* of the votes cast. This means that the eleven individuals nominated for election to the Board of Directors who receive the most FOR votes (among votes properly cast in person, electronically or by proxy) will be elected. We also adopted a Majority Voting Policy for directors in our Corporate Governance Guidelines. This policy states that in an uncontested election, any director nominee who receives an equal or greater number of votes WITHHELD from his or her election as compared to votes FOR such election and no successor has been elected at such meeting, the director nominee must tender his or her resignation following certification of the stockholder vote. The Nomination and Governance Committee of the Board is required to make recommendations to the Board of Directors with respect to any such tendered resignation. The Board of Directors will act on the tendered resignation within 90 days from the certification of the vote and will publicly disclose its decision, including its rationale. Only votes FOR or WITHHELD are counted in determining whether a plurality has been cast in favor of a director nominee; abstentions are not counted for purposes of election of directors. If you withhold authority to vote with respect to the election of some or all of the nominees, your shares will not be voted with respect to those nominees indicated. For a WITHHELD vote, your shares will be counted for purposes of determining whether there is a quorum and will have a similar effect as a vote *against* that director nominee under our Majority Voting Policy for

directors. Full details of our Majority Voting Policy are set forth in our Corporate Governance Guidelines available on our website under Oracle Information Corporate Governance at <http://www.oracle.com/investor>.

Table of Contents

The approval of the Fiscal Year 2008 Bonus Plan, the ratification of the selection of Ernst & Young LLP as our independent registered public accounting firm and the stockholder proposals each requires the affirmative vote of a *majority* of the shares of Oracle common stock represented at the Annual Meeting and entitled to vote on the matter in order to be approved. If you abstain from voting on any of these matters, your shares will be counted as present and entitled to vote on that matter for purposes of establishing a quorum, and the abstention will have the same effect as a vote *against* that proposal.

What if I don't vote for some of the items listed on my proxy card or voting instruction card?

If you return your signed proxy card or voting instruction card in the enclosed envelope but do not mark selections, it will be voted in accordance with the recommendations of the Board of Directors. If you indicate a choice with respect to any matter to be acted upon on your proxy card or voting instruction card, the shares will be voted in accordance with your instructions.

If you are a beneficial owner and hold your shares in street name through a broker and do not return the voting instruction card, the broker or other nominee will determine if it has the discretionary authority to vote on the particular matter. Under applicable rules, brokers have the discretion to vote on routine matters, such as the uncontested election of directors and the ratification of the selection of accounting firms, but do not have discretion to vote on non-routine matters such as the stockholder proposals and our executive bonus plan.

If you do not provide voting instructions to your broker and the broker has indicated on the proxy card that it does not have discretionary authority to vote on a particular proposal, your shares will be considered *broker non-votes* with regard to that matter. Broker non-votes will be considered as represented for purposes of determining a quorum but generally will not be considered as entitled to vote with respect to that proposal. Broker non-votes are not counted in the tabulation of the voting results with respect to the election of directors or for purposes of determining the number of votes cast with respect to a particular proposal. Thus, a broker non-vote will make a quorum more readily obtainable, but the broker non-vote will not otherwise affect the outcome of the vote on a proposal that requires a majority of the votes cast. With respect to a proposal that requires approval of a majority of the outstanding shares (there are no such proposals this year), a broker non-vote has the same effect as a vote against the proposal.

Can I change or revoke my vote after I return my proxy card or voting instruction card?

Yes. Even if you sign the proxy card or voting instruction card in the form accompanying this proxy statement, vote by telephone or vote on the Internet, you retain the power to revoke your proxy or change your vote. You can revoke your proxy or change your vote at any time before it is exercised by giving written notice to the Corporate Secretary of Oracle, specifying such revocation. You may change your vote by timely delivery of a valid, later-dated proxy or a later-dated vote by telephone or on the Internet or by voting by ballot at the Annual Meeting. However, please note that if you would like to vote at the Annual Meeting and you are not the stockholder of record, you must request, complete and deliver a proxy from your broker, bank or nominee.

What does it mean if I receive more than one proxy or voting instruction card?

It generally means your shares are registered differently or are in more than one account. Please provide voting instructions for all proxy and voting instruction cards you receive.

Who can attend the Annual Meeting?

All stockholders as of the record date, or their duly appointed proxies, may attend. Each stockholder may also bring one guest to the Annual Meeting if there is space available.

What do I need to attend the Annual Meeting and when should I arrive?

In order to be admitted to the Annual Meeting, a stockholder must present an admission ticket or proof of ownership of Oracle stock on the record date. Any holder of a proxy from a stockholder must present the proxy card, properly

Table of Contents

executed, and an admission ticket to be admitted. Stockholders and proxyholders must also present a form of photo identification such as a driver's license.

An admission ticket is on the back cover page of your proxy statement. If you plan to attend the Annual Meeting, please keep this ticket and bring it with you to the Annual Meeting. If you receive this proxy statement electronically, you can obtain a ticket in advance of the Annual Meeting by printing the final page of this proxy statement. If you do not bring an admission ticket, proof of ownership of Oracle stock on the record date will be needed to be admitted. If your shares are held in the name of a bank, broker or other holder of record, a brokerage statement or letter from a bank or broker is an example of proof of ownership.

Admission to the Annual Meeting will begin at 9:00 a.m. Seating will be limited. **In order to ensure that you are seated by the commencement of the Annual Meeting at 10:00 a.m., we recommend you arrive early.**

The Annual Meeting will be held at 350 Oracle Parkway, Redwood City, California. When you arrive, signs will direct you to the appropriate meeting rooms. Please note that due to security reasons, all bags will be subject to search, and all persons who attend the meeting will be required to pass through a metal detector. We will be unable to admit anyone who does not comply with these security procedures. Cameras and other recording devices will not be permitted in the meeting rooms.

Can I watch the Annual Meeting on the Internet?

Yes, our Annual Meeting also will be webcast on November 2, 2007. You are invited to visit <http://www.oracle.com/investor>, at 10:00 a.m., Pacific Time, to view the live webcast of the Annual Meeting. An archived copy of the webcast also will be available on our website following the Annual Meeting through November 9, 2007.

Who pays for the proxy solicitation and how will Oracle solicit votes?

We will bear the expense of printing and mailing proxy materials. In addition to this solicitation of proxies by mail, our directors, officers and other employees may solicit proxies by personal interview, telephone, facsimile, email or otherwise. They will not be paid any additional compensation for such solicitation. We will request brokers and nominees who hold shares of our common stock in their names to furnish proxy materials to beneficial owners of the shares. We will reimburse such brokers and nominees for their reasonable expenses incurred in forwarding solicitation materials to such beneficial owners.

How can I access Oracle's proxy materials and annual report electronically?

The proxy statement and our 2007 Annual Report on Form 10-K are available on our website at <http://www.oracle.com/investor>. Instead of receiving copies of our future annual reports and proxy materials by mail, stockholders can elect to receive an email that will provide electronic links to these documents. Opting to receive your future proxy materials online will save us the cost of producing and mailing documents to your home or business and also will give you an electronic link to the proxy voting site. See <http://www.oracle.com/investor> to enroll for electronic delivery.

Starting next year, we intend to use the new Notice and Access method of providing proxy materials and our annual report. If you have not opted to receive an email notification, you will receive by mail a simple Notice of Internet Availability of Proxy Materials (the Notice) which will direct you to a website where you may access proxy materials online. You will also be told how to request proxy materials (at no charge) via mail or email, as you prefer. You will no longer automatically receive copies of proxy materials by mail. In order to eliminate the mailing of a paper notice

and to speed your ability to access the proxy materials and our annual report, we encourage you to sign up for electronic delivery of the Notice.

Is a list of stockholders available?

The names of stockholders of record entitled to vote at the Annual Meeting will be available to stockholders entitled to vote at this meeting for ten days prior to the Annual Meeting for any purpose relevant to the Annual Meeting. This

Table of Contents

list can be viewed between the hours of 9:00 a.m. and 5:00 p.m. at our principal executive offices at 500 Oracle Parkway, Redwood City, California. Please contact Oracle's Corporate Secretary to make arrangements.

How do I find out the voting results?

We have engaged IVS Associates, Inc. to serve as the independent inspector of elections for the Annual Meeting. Preliminary voting results will be announced at the Annual Meeting, and final voting results will be published in our Quarterly Report on Form 10-Q for the quarter ending November 30, 2007, which we will file with the U.S. Securities and Exchange Commission (the "SEC"). We will also post the results of the voting on our website at http://www.oracle.com/corporate/investor_relations/proxyresults.html. After the Form 10-Q is filed, you may obtain a copy by visiting our website or contacting our Investor Relations Department by calling 650-506-4073, by writing to Investor Relations Department, Oracle Corporation, 500 Oracle Parkway, Redwood City, California 94065 or by sending an email to investor_us@oracle.com.

What if I have questions about lost stock certificates or I need to change my mailing address?

Stockholders may contact our transfer agent, Computershare Trust Company, N.A., by calling 1-877-282-1168 or writing to Computershare Trust Company, N.A., c/o Computershare Shareholder Services, Inc., P.O. Box 43010, Providence, Rhode Island 02940-3010, or visit their website at www.computershare.com/equishere to get more information about these matters.

Table of Contents

HOW DO I VOTE ?

Your vote is important. You may vote by telephone, on the Internet, by mail or by attending the Annual Meeting and voting by ballot, all as described below. The Internet and telephone voting procedures are designed to authenticate stockholders by use of a control number and to allow you to confirm that your instructions have been properly recorded. If you vote by telephone or on the Internet, you do not need to return your proxy card or voting instruction card. **Telephone and Internet voting facilities are available now, will be available 24 hours a day and will close at 8:59 p.m., Pacific Time, on November 1, 2007.**

Vote by Telephone

You can vote by calling the toll-free telephone number on your proxy card. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded.

Vote on the Internet

You can also choose to vote on the Internet. The web site for Internet voting is <http://www.proxyvote.com>. As with telephone voting, you can confirm that your instructions have been properly recorded. If you vote on the Internet, you can also request electronic delivery of future proxy materials. If you vote on the Internet, please note that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies, that you will be responsible for.

Vote by Mail

If you choose to vote by mail, simply mark your proxy card or voting instruction card, date and sign it, and return it to Broadridge Financial Solutions, Inc. in the postage-paid envelope provided. If the envelope is missing, please mail your completed proxy card or voting instruction card to Oracle Corporation, c/o Broadridge Financial Solutions, Inc., 51 Mercedes Way, Edgewood, New York 11717.

Voting at the Annual Meeting

The method or timing of your vote will not limit your right to vote at the Annual Meeting if you attend the Annual Meeting and vote in person. However, if your shares are held in the name of a bank, broker or other nominee, you must obtain a proxy, executed in your favor, from the holder of record to be able to vote at the Annual Meeting. You should allow yourself enough time prior to the Annual Meeting to obtain this proxy from the holder of record.

The shares represented by the proxy cards received, properly marked, dated, signed and not revoked, will be voted at the Annual Meeting. If you sign and return your proxy card or voting instruction card but do not give voting instructions, the shares represented by that proxy card or voting instruction card will be voted as recommended by the Board of Directors.

Table of Contents

BOARD OF DIRECTORS

Incumbent Directors

Information concerning our incumbent directors, all of whom have been nominated for election at the Annual Meeting, is set forth below. Unless otherwise indicated, each position with Oracle described in each director's biography below refers to Board or committee membership and/or employment currently with Oracle and, prior to January 31, 2006, with Oracle Systems Corporation, formerly known as Oracle Corporation and currently a wholly owned subsidiary of Oracle.

Jeffrey O. Henley, 62, has served as the Chairman of the Board since January 2004 and as a Director since June 1995. He served as an Executive Vice President and Chief Financial Officer from March 1991 to July 2004. Mr. Henley has been a member of the Executive Committee since July 1995. He also serves as a director of CallWave, Inc.

Lawrence J. Ellison, 63, has been Chief Executive Officer and a Director since he founded Oracle in June 1977. He served as Chairman of the Board from May 1995 to January 2004 and has been a member of the Executive Committee since December 1985.

Donald L. Lucas, 77, has served as a Director since March 1980. He has been a member and Chairman of the Executive Committee since December 1985, a member of the Finance and Audit Committee (the F&A Committee) since December 1982, Chairman of the F&A Committee since 1987 and a member of the Committee on Independence Issues (the Independence Committee) since October 1999. He has been a self-employed venture capitalist since 1967. He also serves as a director of Cadence Design Systems Inc., DexCom, Inc., Vimicro International Corporation and 51job, Inc.

Michael J. Boskin, 61, has served as a Director since April 1994. He has been a member of the F&A Committee since July 1994 and Vice Chair of the F&A Committee since August 2005. He has been a member of the Nomination & Governance Committee (Governance Committee) since July 1994. He is the Tully M. Friedman Professor of Economics and Hoover Institution Senior Fellow at Stanford University, where he has been on the faculty since 1971. He is Chief Executive Officer and President of Boskin & Co., Inc., a consulting firm. He was Chairman of the President's Council of Economic Advisers from February 1989 until January 1993. Dr. Boskin also serves as a director of ExxonMobil Corporation and Vodafone Group, PLC.

Jack F. Kemp, 72, has served as a Director since December 1996 and previously served as a Director of Oracle from February 1995 until September 1996. He is the chairman of Kemp Partners, a strategic consulting firm he founded in July 2002. From July 2004 to February 2005, Mr. Kemp was a Co-Chairman of FreedomWorks Empower America, a non-profit grassroots advocacy organization. From January 1993 until July 2004, Mr. Kemp was Co-Director of Empower America, which merged with Citizens for a Sound Economy to form FreedomWorks Empower America. Mr. Kemp served as a member of Congress for 18 years and as Secretary of Housing and Urban Development from February 1989 until January 1993. In 1996, Mr. Kemp was the Republican candidate for Vice President of the United States. Mr. Kemp also serves as a director of Hawk Corporation, InPhonic, Inc. and Six Flags, Inc.

Jeffrey S. Berg, 60, has served as a Director since February 1997. He has been a member of the Compensation Committee since October 2001 and Chairman of the Compensation Committee since June 2006. He has been a member of the Governance Committee since October 2001. He has been an agent in the entertainment industry for over 35 years and the Chairman and Chief Executive Officer of International Creative Management, Inc., a talent agency for the entertainment industry, since 1985. He has served as Co-Chair of California's Council on Information

Technology and was President of the Executive Board of the College of Letters and Sciences at the University of California at Berkeley. He is on the Board of Trustees of the Anderson School of Management at the University of California at Los Angeles.

Safra A. Catz, 45, has been Chief Financial Officer since November 2005 and a President since January 2004. She has served as a Director since October 2001. She was Interim Chief Financial Officer from April 2005 until July 2005. She served as an Executive Vice President from November 1999 to January 2004 and Senior Vice President from April 1999 to October 1999.

Table of Contents

Hector Garcia-Molina, 53, has served as a Director since October 2001. Mr. Garcia-Molina has been a member of the Compensation Committee and the Independence Committee since August 2005. He has been the Leonard Bosack and Sandra Lerner Professor in the Departments of Computer Science and Electrical Engineering at Stanford University since October 1995 and served as Chairman of the Department of Computer Science from January 2001 to December 2004. He has been a professor at Stanford University since January 1992. From August 1994 until December 1997, he was the Director of the Computer Systems Laboratory at Stanford University. Mr. Garcia-Molina also serves as a director of Kintera, Inc.

H. Raymond Bingham, 61, has served as a Director and a member of the F&A Committee since November 2002. Mr. Bingham has been a member and Chairman of the Independence Committee since July 2003 and a member and Chairman of the Governance Committee since August 2005. He has been a Managing Director of General Atlantic LLC, a leading global private equity firm since November 2006. From August 2005 to October 2006, Mr. Bingham was a self-employed private investor. He was Executive Chairman of the Board of Directors of Cadence Design Systems, Inc., a supplier of electronic design automation software and services, from May 2004 to July 2005 and served as a director of Cadence from November 1997 to July 2005. Prior to being Executive Chairman, he served as President and Chief Executive Officer of Cadence from April 1999 to May 2004 and as Executive Vice President and Chief Financial Officer from April 1993 to April 1999. Mr. Bingham also serves as a director of KLA-Tencor Corporation, Flextronics International Ltd. and STMicroelectronics N.V.

Charles E. Phillips, Jr., 48, has been a President and has served as a Director since January 2004. He served as Executive Vice President, Strategy, Partnerships, and Business Development, from May 2003 to January 2004. Prior to joining Oracle, Mr. Phillips was with Morgan Stanley & Co. Incorporated, a global investment bank, where he was a Managing Director from November 1995 to May 2003 and a Principal from December 1994 to November 1995. From 1986 to 1994, Mr. Phillips worked at various investment banking firms on Wall Street. Prior to that, Mr. Phillips served as a Captain in the United States Marine Corps as an information technology officer. Mr. Phillips also serves as a director of Viacom Inc. and Morgan Stanley.

Naomi O. Seligman, 69, has served as a Director since November 2005. Ms. Seligman has been a member of the Compensation Committee since June 2006. She has been a senior partner at Ostriker von Simson, a technology research firm which chairs the CIO Strategy Exchange, a forum which brings together vital quadrants of the IT sector, since June 1999. From 1977 until June 1999, Ms. Seligman served as a co-founder and senior partner of the Research Board, Inc., a private sector institution sponsored by 100 chief information officers from major global corporations. Ms. Seligman also serves as a director of The Dun & Bradstreet Corporation and Akamai Technologies, Inc.

Board Meetings

Our business, property and affairs are managed under the direction of our Board of Directors. Members of our Board are kept informed of our business through discussions with our Chairman, Chief Executive Officer, Presidents (including our Chief Financial Officer), Corporate Secretary and other officers and employees, by reviewing materials provided to them, by visiting our offices and by participating in meetings of the Board and its committees. The Board met 10 times during fiscal year 2007: four were regularly scheduled meetings and six were special meetings. Each director attended at least 75% of all Board meetings held during fiscal year 2007.

Table of Contents**Committees, Membership and Meetings**

The current standing committees of the Board are the Executive Committee, the Finance and Audit Committee, the Nomination & Governance Committee, the Compensation Committee and the Committee on Independence Issues.

The table below provides membership information currently and during fiscal year 2007 and fiscal year 2007 meeting information for each such Board committee. In fiscal year 2007, each committee member attended at least 75% of the total meetings of the Board and board committees of which he or she was a member.

Committee Memberships

Name	Executive	F&A	Governance	Compensation	Independence
Jeffrey O. Henley	M				
Jeffrey Berg			M	C	
H. Raymond Bingham		M	C		C
Michael J. Boskin		VC	M		
Safra A. Catz					
Lawrence J. Ellison	M				
Hector Garcia-Molina				M	M
Jack F. Kemp					
Donald L. Lucas	C	C			M
Charles E. Phillips, Jr.					
Naomi O. Seligman				M	
2007 Meetings	0	20	5	10	5
M Member					
C Chair					
VC Vice Chair					

The Executive Committee

Unless otherwise specified by the Board of Directors, the Executive Committee is generally vested with all the powers of the Board, except that the Executive Committee cannot take action beyond certain financial limits, dissolve Oracle, sell all or substantially all of our assets, amend our bylaws or take any other action not permitted to be delegated to a committee under Delaware law or our bylaws.

The Finance and Audit Committee

The primary functions of the F&A Committee are to provide advice with respect to financial matters, to oversee our accounting and financial reporting processes and the audits of our financial statements, to assist the Board of Directors in fulfilling its oversight responsibilities regarding audit, finance, accounting, tax and legal compliance and to evaluate merger and acquisition transactions and investment transactions proposed by our management. In particular, the F&A Committee is responsible for overseeing the engagement, independence and services of our independent auditors. The F&A Committee's primary responsibilities and duties are to:

Act as an independent and objective party to monitor our financial reporting process and internal control system;

Review and appraise the audit efforts of our independent auditors;

Oversee our internal audit department;

Evaluate our quarterly financial performance at Earnings Review meetings;

Oversee management's establishment and enforcement of financial policies and business practices;

Table of Contents

Oversee our compliance with laws and regulations and Oracle's Code of Ethics and Business Conduct;

Provide an open avenue of communication between the Board of Directors and the independent auditors, General Counsel, financial and senior management, Chief Compliance & Ethics Officer and the internal audit department; and

Review and, if within its delegated range of authority, approve merger and acquisition and investment transactions proposed by our management.

The F&A Committee held executive sessions with our independent auditors on four (4) occasions in fiscal year 2007. The F&A Committee operates under a written charter adopted by our Board of Directors. The F&A Committee monitors legislative and regulatory developments affecting corporate governance practices for U.S. public companies, and, from time to time, makes recommendations to our Board for revision of the F&A Committee charter to reflect such developments and evolving best practices. The F&A Committee charter is posted on our website under Oracle Information Corporate Governance at <http://www.oracle.com/investor>.

The Independence Committee has determined that each member of the F&A Committee satisfies both the SEC's additional independence requirement for members of audit committees and the other requirements of the NASDAQ Stock Market LLC (NASDAQ) for members of audit committees. In addition, the Board has determined that each of Donald L. Lucas