

ORACLE CORP /DE/
Form DEFA14A
October 29, 2004

**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: x

Filed by a Party other than the Registrant: o

Check the appropriate box:

- o Preliminary Proxy Statement
- o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- o Definitive Proxy Statement
- x Definitive Additional Materials
- o 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)

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

[ORACLE CORPORATION LETTERHEAD]

October 28, 2004

Ed Corrao
Fidelity Management & Research
Legal Dept. Proxy Group
82 Devonshire Street F7C
Boston, MA 02109

Re: Oracle Corporation 2004 Annual Meeting

Dear Mr. Corrao,

Thank you for your inquiry with respect to our proposal to amend and restate the Oracle Corporation 2000 Long-Term Equity Incentive Plan (the Plan) at our Annual Meeting of Stockholders to be held on October 29, 2004. We appreciate the input we receive from our major investors regarding corporate governance issues and seek to accommodate such input where appropriate and in the best interests of our stockholders.

You have noted to members of our Corporate Legal group that Fidelity Management & Research believes there are features of the Plan that appear to be inconsistent with Fidelity's guidelines. The guidelines at issue specify that: (i) the minimum exercise price of stock options may not be less than 100% of fair market value on the date of grant, except that the offering price may be as low as 85% of fair market value if the discount is expressly granted in lieu of salary or cash bonus; (ii) with respect to Restricted Stock Awards (RSAs), the restriction period may be not be less than 3 years, however RSAs with a restriction period of less than 3 years but at least 1 year are acceptable if the RSA is performance based; and (iii) the Board may not materially alter a RSA without stockholder approval, including allowing the Board to permit a lapse or waiver of restrictions at its discretion. In each case there is an exception for grants granted by an independent compensation committee that are limited to 5% of the shares authorized for grant under the relevant plan.

As additional information with respect to your inquiry we wish to inform you that Oracle's management has brought these issues to the attention of our Committee on Compensation and Management Development on October 25, 2004 and following discussion of such issues with the Committee, management will make a recommendation to our full Board of Directors at its next scheduled meeting to be held immediately after the Annual Meeting of Stockholders on October 29, 2004 that the Plan be amended to bring it into conformity with Fidelity's guidelines.

This information is provided to you solely in response to your individual inquiry. If you have any questions regarding this matter, please do not hesitate to contact George Gucker or me.

Very truly yours,

/s/ Daniel Cooperman
Daniel Cooperman
Senior Vice President, General Counsel
and Secretary

cc: George Gucker