

Inner Circle FY 2008

Guidelines & Eligibility Qualifications

Business Management Division



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Qualification Requirements

Purpose

The Sage Inner Circle program is designed to reward exceptional sales performance, encourage employee retention and provide incentive for continued superior sales performance. Those that qualify to attend Inner Circle for FY08 will receive a trip for two (employee plus a guest) to the Ritz-Carlton resort in Cancun. The trip will include airfare, hotel accommodations, meals and a number of activities to choose from.

This program is discretionary and may be changed or altered at any time due to business or other reasons as determined by Sage executive management. Accordingly, the Company reserves the right to alter, amend, update or discontinue this program as conditions warrant in its sole discretion. The Company also reserves the right to grant or deny participation in this program, to make changes to program requirements, and/or to make changes to awards earned under the program in its sole discretion. This program does not modify the Company's at-will employment policy nor constitute a promise of employment for any specific duration.

Quota:

The quota used for the Inner Circle sales employee recognition event will consist of the "Primary" sales commission quota that supports the Annual Operating Plan (AOP) revenue targets. This quota is the same one used in the employee's sales incentive plan.

Eligible quotas may consist of the regional portion for regionally assigned employees or may be the total team amount for management or other positions. This quota is defined as the Inner Circle AOP Target.

Multiple Plan Components:

Inner Circle qualification is based on the primary revenue component in the employee sales plan. If an employee has multiple plan components, the primary revenue component will be determined as follows:

- If an employee's sales plan consists of multiple revenue components, the Inner Circle qualification will be based on the largest weighted revenue component.

Example: Component A weighted @ 70%
 Component B weighted @ 30%

Component A is the primary component selected.

- If an employee's sales plan consists of multiple revenue components which are equally weighted, the Inner Circle qualification will be based on a weighted average to determine the overall percentage achievement.

Example: Component A weighted @ 50%. Achievement 110%
 Component B weighted @ 50%. Achievement 100%

Calculation: $110\% \times .50 + 100\% \times .50 = 105\%$ achievement

- If an employee's sales plan consists of components with similar weightings where the variance is not great enough to determine the primary component, the Inner Circle qualification will be based on the component which is most closely aligned to the position's revenue focus.

Example: Component A weighted @ 50%. Revenue measure
 Component B weighted @ 35%. Revenue measure
 Component C weighted @ 15%. Unit measure

Component A is the primary component selected.

Note: Sage Software reserves the right to select an alternate primary component in its sole discretion.

Partial Year Eligibility:

To be eligible to qualify for the Inner Circle sales employee performance recognition event, the employee must be employed by Sage Software in an Inner Circle qualifying position at fiscal year end for a minimum of 7 of the 12 months during the applicable fiscal year. Due to the shorter evaluation period, overachievement goals should be met based on the tiered grid below:

9+ months:	Standard Circle overachievement
7 - 8 months:	Additional 3% required overachievement
< 7 months:	Not eligible

Example A: If a position's standard minimum Inner Circle achievement is 105% of the Inner Circle Target, then a 7 month employee would add 3%, so that their minimum achievement would be 108%.

Example B: If a position's standard minimum Inner Circle achievement is 120% of the Inner Circle Target, then an 8 month employee would add 3%, so that their minimum achievement would be 123%.

Mid-year Position Transfers:

If a sales employee transfers from one Inner Circle qualifying position to another Inner Circle qualifying position during the year, the employee will be evaluated on the overall achievement across both positions. The calculation will be performed as follows: Prorate each partial year achievement by the number of months in the fiscal year and add together to determine overall percentage achievement.

Example: Position A for 1st 5 months. Achievement 102%
 Position B for 2nd 7 months: Achievement 107%

Calculation: $102\% * 5/12 + 107\% * 7/12 = 105\%$ achievement

Leave of Absence:

Employees that are on a company-approved leave of absence (FMLA, Medical, Personal, and Military) as defined in the Employee Handbook are ineligible to participate in the sales incentive plan during the leave period. As a result, the months on active leave of absence will not be counted towards the employee's Inner Circle target and achievement. The employee must also have actively participated in the sales incentive plan for a minimum of 7 of the 12 months during the applicable fiscal year in order to be eligible for the Inner Circle event.

Draws:

In certain instances an employee may be eligible to receive a Non-Recoverable Draw and/or a Recoverable Draw during the plan year. Provided the employee is actively participating in the plan for a minimum of 7 of the 12 months during the applicable fiscal year with an assigned revenue quota, the achievement will be counted towards the employee's Inner Circle target.

Employment Status/Standing:

Employee must be employed with Sage Software at the time of the trip and in good standing as determined by the Company in its sole discretion.

Guest Policy

A qualifying employee may bring a guest chosen at the discretion of the employee. Please note that the guest must be 21 years of age or older to attend any of the Inner Circle events or activities. Sales associates who are eligible for but do not qualify for Inner Circle are prohibited from attending Inner Circle as a guest unless they are a spouse or domestic partner of another Sage employee who has qualified to attend.

Business Management Division Eligibility Qualifications

Eligible Group I:

Eligible Roles:

- Regional Account Manager (RAM)
 - o Strategic Growth Account Manager
- Regional Sales Manager (RSM)
 - o Strategic Regional Sales Manager
- Regional Partner Manager (RPM)
- Customer Account Manager (CAM)
- Solution Consultants (SC)
- Product Specialists
- Territory Sales Manager (ACT! Corp License)
- Key Accounts Manager (ACT! Corp License)
- Sales Engineer (ACT! Corp License)
- Regional Sales Manager (ACT! Corp License)
- National Account Manager (ACT! Corp License)
- Small Group Sales Rep (ACT! Corp License)

Qualification Target: 105% or above of the Inner Circle AOP Target.

Number of Qualifying Spots: Not pre-determined; varying based on employees who reach the qualification target.

Eligible Group II:

Eligible Roles:

- Customer Care Representatives

Qualification Target: 105% or above of the Inner Circle AOP Target.

Number of Qualifying Spots: At the end of the plan year only the top achievers that meet their Inner Circle target are qualified to attend. Listed below is the number of qualified spots by eligible role, as determined by employee team size.

Customer Care Representatives

Product Designation	# Qualified Spots
MAS	3
AccpacERP/SageCRM	2
Value (BW, PFW, BV,PRO) ¹	3
FAS - see eligible group VI	NA
CRM (SLX) - see eligible group VI	NA

1. Number of qualified spots may include up to 1 winner for BV and Pro CC's who are on a shared team goal. Winner will be selected based upon % attainment of Inner Circle AOP target in addition to other metrics determined by the Manager.

Eligible Group III:

Eligible Roles:

- Solution Specialists (Lead Developers)
- Lead Conversion Specialists

Qualification Target: 105% or above of the Inner Circle AOP Target.

Number of Qualifying Spots: At the end of the plan year only the top achievers that meet their Inner Circle target are qualified to attend. Listed below is the number of qualified spots by Business Unit, as determined by employee team size.

Product Designation	# Qualified Spots
CRM (SLX/SageCRM) Solution Specialists	1
FAS Solution Specialists	1
MAS/ACCPAC Lead Conversion Specialists	2

Eligible Group IV:

Eligible Roles:

- Sales Team Supervisors having AOP revenue responsibility over Eligible Group(s)
- Sales Team Managers having AOP revenue responsibility over Eligible Group(s)

Qualification Target: 105% or above of the Inner Circle AOP Target with at least one direct or indirect report in attendance at the event.

For every employee, either direct or indirect, who qualifies for Inner Circle, the management level individual will have a 1% reduction in their Inner Circle minimum, up to 5% (not to go below 100% quota achievement).

Number of Qualifying Spots: Not pre-determined; varying based on supervisors/managers who reach the qualification target with at least one direct or indirect report in attendance at the event.

Eligible Group V:

Eligible Roles:

- Sales Team Directors having AOP revenue responsibility over Eligible Group(s)

Qualification Target: 100% or above of the Inner Circle AOP Target with at least one direct or indirect report in attendance at the event.

If there is no Director for a specific product, then the Manager for that product will qualify if they reach 100% of their Inner Circle AOP Target.

Number of Qualifying Spots: Not pre-determined; varying based on Directors who reach the qualification target with at least one direct or indirect report in attendance at the event..

Eligible Group VI:

Eligible Roles:

- Sales associates whose Inner Circle AOP target is based upon a shared team goal.

Qualification Target: 105% or above of the Inner Circle AOP Target.

Number of Qualifying Spots: At the end of the plan year, only the top achievers that meet their Inner Circle target are qualified to attend. Listed below is the number of qualified spots by eligible role, as determined by employee team size. Given that these roles share a team goal quota, the winners will be selected at the discretion of the manager based upon certain metrics in addition to reaching 105% of the Inner Circle AOP goal.

Product Designation	# Qualified Spots
MAS 90 Product Specialists/Solution Consultants	2
MAS 500 Solution Consultants	2
MAS 90/200 CAM Inbound Team	1
CRM (SalesLogix) Customer Care Team	1
FAS Customer Care Team	1

Product Line General Managers, Business Unit General Managers and Product Line/Business Unit Vice Presidents on a sales Incentive plan carrying AOP are qualified to attend Inner Circle as hosts for the qualifying attendees.