Oracle Licensing - Summary on a Page | FOR PROCUREMENT | LIME SOFTWARE

New to Oracle? Know these terms before you buy.

Oracle prices by Processor or Named User Plus, and its rules are strict. Here's a plain-English guide to the terms that drive cost and risk, for buyers who need to know how to negotiate with Oracle.

Key terms in plain English

Ordering document & OLSA/OLMA	The master agreement (OLSA or OLMA) governs your terms. Each ordering document adds products, and Oracle's licence rules are those in force on its order date, so keep every one.
Processor metric	Processor licences are the total number of cores multiplied by a core factor. Cores, not seats, drive the price.
Core factor	Oracle's table converts cores to licences: x86 is usually 0.5, older multi-core chips were 0.75. Check how totals are rounded up.
Named User Plus (NUP)	Licensed per user or device, with a minimum per processor (25 for Enterprise Edition, 10 for Middleware products). Cheaper for small, known user groups.
Options and packs	Database options such as Partitioning or Advanced Security are licensed at the level of the database.
Support	Annual, typically 22% of the net licence fee. It follows the CSI set you hold, so every purchase raises it.
Virtualisation	Oracle treats most virtualisation, VMware included, as soft partitioning. You may need to license every processor across your VMware environment.
Cloud and BYOL	Bring your own licence works only on authorised clouds. Counting CPU requirements is complex per Cloud provider.
Audit	Oracle can audit your usage under the contract. Findings are priced at list, so know your position first.
ULA	Unlimited Licence Agreement: unlimited use of named products for a fixed term, then you certify what you deployed.

Discounts

Standard discounts are published, so negotiate better usage terms.

22%

Typical annual support on net licence fee

3–4%

Annual uplift we negotiate, vs 8% quoted

Old terms, lost to a new reseller

A client bought in 2006, when any multi-core chip counted at 0.75 under the Sun core conversion table. A new reseller did not apply the older rule, so every new licence was more expensive until the mistake was spotted.

Always check your contracts for the licence definitions in force at each previous purchase.

Justifying Oracle support

Support is typically 22% of the net licence fee each year and rises with every purchase. You can only cancel a whole CSI set, not individual products. A CSI set is normally a big purchase, so Oracle keeps charging for products you no longer use.

Negotiate: annual uplifts of 3-4% are achievable against about 8% quoted. Ask for a cap.

Ask before you sign

1. Which ordering document governs, and which core factor applies?
2. Is the reseller using our existing agreement terms?
3. Can we cancel support on individual products, or only a whole CSI set?
4. Are any options or packs installed but not licensed?
5. What is Oracle's written position on VMware?

Oracle Negotiation Support

Independent advice on your Oracle order, renewal or ULA, before you sign.

Questions email me:
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LIME SOFTWARE · ORACLE GLAS-VERIFIED · 25+ YEARS EXPERIENCE

Independent of Oracle. Educational material, not legal advice. Check your own contract. October 2026.