

From: MHorn@ s-f.com

Subject: Trouble in the cloud

Date: Dec 20, 2018

To: JHeight@ s-f.com

Dear Jamie,

I know you are working on the forecast for the next fiscal year for the enterprise resource management products. I need to tell you some bad news. The U.S. government has just passed a new law requiring companies to keep certain types of information on systems under their direct control. Some of the data that customers would regularly store on our servers for use with our cloud software is governed by this law. The summary is that 90% of our current and potential customers will not be able to use our new ERP cloud service without breaking the law.

YOU ARE GOING TO HAVE TO DECREASE THE CLOUD FORECAST. IT SHOULD BE MUCH LOWER THAN OUR CURRET SALES.

Best regards,

Mitch

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