

# WAL MART STORES INC

## FORM 8-K (Current report filing)

Filed 02/05/98 for the Period Ending 02/04/98

Address	702 SOUTHWEST 8TH ST BENTONVILLE, AR 72716
Telephone	5012734000
CIK	0000104169
Symbol	WMT
SIC Code	5331 - Variety Stores
Industry	Retail (Department & Discount)
Sector	Services
Fiscal Year	01/31

# WAL MART STORES INC

## FORM 8-K (Unscheduled Material Events)

Filed 2/5/1998 For Period Ending 2/4/1998

Address	702 SOUTHWEST 8TH ST BENTONVILLE, Arkansas 72716
Telephone	501-273-4000
CIK	0000104169
Industry	Retail (Department & Discount)
Sector	Services
Fiscal Year	01/31

# SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

## FORM 8-K

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported):  
February 4, 1998 (January 27, 1998)

### **Wal-Mart Stores, Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
-----  
(STATE OR OTHER  
JURISDICTION OF  
INCORPORATION)

001-06991  
-----  
(Commission File Number)

71-0415188  
-----  
(IRS EMPLOYER  
IDENTIFICATION NO.)

702 S.W. 8th Street  
Bentonville, Arkansas 72716  
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code:  
(501) 273-4000

**ITEM 5. OTHER EVENTS.**

On January 27, 1998, Wal-Mart Stores, Inc. completed a public offering of \$500,000,000 aggregate principal amount of Remarketed Put Bonds due February 1, 2010 (the "Bonds"). The purpose of this Current Report on Form 8-K is to file with the Securities and Exchange Commission the form of the Bonds and the Calculation Agency Agreement and certain other documents related to this offering.

**ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.**

(c) Exhibits

4.1 Form of Remarketed Put Bonds due February 1, 2010.

5.1 Opinion of Hughes & Luce, L.L.P.

10.1 Calculation Agency Agreement between Wal-Mart Stores, Inc. and Goldman, Sachs & Co. dated January 27, 1998.

23.1 Consent of Hughes & Luce, L.L.P. (included in Exhibit 5.1)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

*Dated: February 4, 1998*

*WAL-MART STORES, INC.*

*By: /s/ John B. Menzer*

-----  
*John B. Menzer,  
Executive Vice President and  
Chief Financial Officer*

## INDEX TO EXHIBITS

Exhibit Number	Description
4.1	Form of Remarketed Put Bonds due February 1, 2010.
5.1	Opinion of Hughes & Luce, L.L.P.
10.1	Calculation Agency Agreement between Wal-Mart Stores, Inc. and Goldman, Sachs & Co. dated January 27, 1998.
23.1	Consent of Hughes & Luce, L.L.P. (included in Exhibit 5.1)

**[FORM OF FACE OF BOND]**

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

No. \_\_\_\_\_ CUSIP: 931142BA0

\$ \_\_\_\_\_

**WAL-MART STORES, INC.**

**Remarketed Put Bonds due February 1, 2010**

WAL-MART STORES, INC., a corporation organized and existing under the laws of the State of Delaware (hereinafter called the "Company," which term shall include any successor entity), for value received, hereby promises to pay to [CEDE & CO.] or registered assigns, the principal sum of \_\_\_\_\_ DOLLARS on February 1, 2010 (the "Final Maturity") at any office or agency maintained for the purpose in the Borough of Manhattan, The City of New York, New York or the City of Chicago, Illinois, which shall initially be the corporate trust office of The First National Bank of Chicago, the Trustee under the Indenture referred to on the reverse hereof, at One North State Street, 9th floor, Chicago, Illinois 60602, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, and to pay to the registered holder hereof, as hereinafter provided, interest on said principal sum at the rate described below, in like coin or currency, from the

February 1 or the August 1 next preceding the date hereof to which interest has been paid or duly provided for (unless the date hereof is a February 1 or August 1 to which interest has been paid, in which case from the date hereof, or unless the date hereof is on or prior to the first payment of interest, in which case from January 27, 1998; provided, however, that if the Company shall default in payment of the interest due on such February 1 or August 1, then from the next preceding February 1 or August 1 to which interest has been paid or, if no interest has been paid on the Bonds, from January 27, 1998) semi-annually on February 1 and August 1 in each year, until payment of said principal sum has been made or duly provided for. The interest so payable on any February 1 or August 1 shall, subject to certain exceptions provided in the Indenture, be paid to the person in whose name this Bond is registered at the close of business on the next preceding January 15 or July 15, as the case may be (each, an "Interest Payment Record Date"). Payments of interest shall be made at any office or agency referred to above, provided that, at the option of the Company, payments of interest may be made by check mailed to the registered address of the persons entitled thereto.

From and including January 27, 1998 to but excluding February 1, 2000, interest shall accrue on the principal sum of this Bond at an annual rate equal to 5.65%. On February 1, 2000 and on every second February 1 thereafter until and including February 1, 2008 (each such biennial date, a "Reset Date"), the interest rate on this Bond shall be reset so as to equal a fixed rate determined as described on the reverse hereof, unless the Company is obligated to repurchase this Bond on such date (or has previously done so) pursuant to the Put Option referred to on the reverse hereof. Notwithstanding the foregoing, reset shall be subject to the occurrence of a Market Disruption Event or a Failed Remarketing as described on the reverse hereof.

This Bond has initially been issued in the form of a Global Security (as defined on the reverse hereof), and the Company has initially designated The Depository Trust Company ("DTC," which term shall include any successor) as the Depository for this Bond. For as long as this Bond or any portion hereof is issued in such form, and notwithstanding the foregoing, all payments of interest, principal and other amounts in respect of this Bond or such



portion (including payments pursuant to the Call Option and Put Option referred to on the reverse hereof) shall be made to the Depositary or its nominee in accordance with its Applicable Procedures (as defined on the reverse hereof), in the coin or currency specified above and as further provided on the reverse hereof.

Notwithstanding the foregoing, if any payment of interest, principal or other amount to be made in respect of this Bond (including any payment pursuant to an exercise of the Call Option or Put Option) would otherwise be due on a day that is not a business day, such payment may be made on the next succeeding day that is a business day, with the same effect as if such payment were made on the due date.

This Bond is continued on the reverse hereof and the additional provisions there set forth shall for all purposes have the same effect as if set forth at this place. Such provisions include, inter alia, the Call Option and Put Option, interest rate reset mechanism and the definitions of certain terms used on the face hereof.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Trustee under the Indenture.

IN WITNESS WHEREOF, WAL-MART STORES, INC. has caused this Instrument to be executed in its corporate name by the signature of its Chairman of the Board or its President, or a Vice Chairman or a Vice President of the Company, manually or in facsimile, and a facsimile of its corporate seal to be imprinted hereon and attested by the signature of its Secretary or one of its Assistant Secretaries or its Treasurer or one of its Assistant Treasurers, manually or in facsimile.

Dated: January 27, 1998

[CORPORATE SEAL]

WAL-MART STORES, INC.

By: \_\_\_\_\_  
Name:  
Title:

ATTEST:

By: \_\_\_\_\_  
Name:

Title:

**CERTIFICATE OF AUTHENTICATION**

This is one of the Securities of the series designated herein referred to in the within-mentioned Indenture.

**THE FIRST NATIONAL BANK OF CHICAGO**  
**as Trustee**

By: \_\_\_\_\_  
Authorized Signatory

[FORM OF REVERSE OF BOND]

WAL-MART STORES, INC.

Remarketed Put Bonds due February 1, 2010

1. Indenture. (a) This bond is one of a duly authorized issue of debentures, notes or other evidence of indebtedness of the Company (hereinafter called the "Securities") of the series hereinafter specified, all issued or to be issued under and pursuant to an indenture dated as of April 1, 1991, as amended (the "Indenture", which term has the meaning set forth in such instrument), duly executed and delivered by the Company to The First National Bank of Chicago, as Trustee (the "Trustee", which term includes any successor trustee under the Indenture), to which Indenture reference is hereby made for a description of the rights, obligations, duties and immunities thereunder of the Trustee, the Company and the holders of the Securities.

(b) The Securities may be issued in one or more series, which different series may be issued in various aggregate principal amounts, may mature at different times, may bear interest (if any) at different rates, may be subject to different redemption provisions (if any), may be subject to different sinking, purchase or analogous funds (if any) and may otherwise vary as in the Indenture provided. This bond is one of a series of the Securities designated as the Remarketed Put Bonds due February 1, 2010 of the Company, limited in aggregate principal amount to \$500,000,000 (the "Bonds"). The Bonds constitute a separate series of Securities under the Indenture.

(c) The provisions of this Bond (including those relating to the Call Option and Put Option), together with the provisions of the Indenture, shall govern the rights, obligations, duties and immunities of the holders hereof, the Company and the Trustee with respect to this Bond, provided that, if any provision of this Bond necessarily conflicts with any provision of the Indenture, the provision of this Bond shall be controlling to the fullest extent permitted under the Indenture.

(d) Terms used and not defined herein that are defined in the Indenture shall have the respective meanings assigned thereto in the Indenture. Unless the context

requires otherwise, terms defined herein include the plural as well as the singular and vice-versa, and the words "herein" and "hereof", and words of similar import, refer to this Bond as a whole and not to any particular paragraph or other subdivision.

2. Call Option. (a) Goldman, Sachs & Co., a New York limited partnership ("Goldman, Sachs & Co.", which term shall include any successor), shall have the right to purchase, on each Reset Date, all of the Bonds outstanding on such Reset Date (in whole and not in part), including this Bond, from the registered holders thereof on such Reset Date (such right, the "Call Option"), in each case at a price equal to 100% of the principal amount of the Bonds purchased (the "Face Value") and subject to Goldman, Sachs & Co. giving notice of its intention to purchase the outstanding Bonds as described below (a "Call Notice"). Whether or not the Call Option is exercised with respect to any Reset Date, the Company shall remain obligated to pay all accrued and unpaid interest on this Bond, and interest that becomes payable on this Bond on the applicable (or any prior) Reset Date shall be payable to the registered holder of this Bond on the corresponding Interest Payment Record Date (as defined below), as provided herein and in the Indenture.

(b) To exercise the Call Option with respect to any Reset Date, Goldman, Sachs & Co. must give a Call Notice to the registered holder of this Bond no later than the 13th Market Day prior to such Reset Date, in the manner described in paragraph 9 below. Subject to paragraph 5(a) below, in the event a Call Notice is duly given with respect to any Reset Date, the registered holder of this Bond on such Reset Date shall be obligated to sell this Bond to Goldman, Sachs & Co., and Goldman, Sachs & Co. shall be obligated to purchase this Bond from such holder, at the Face Value on such Reset Date. Each such sale and purchase shall be effected through the facilities of the Depository, with the registered holder being deemed to have automatically tendered this Bond for sale to Goldman, Sachs & Co. on the applicable Reset Date in accordance with the Depository's Applicable Procedures as provided in paragraph 5 below. The registered holder's automatic tender of this Bond on any Reset Date shall be subject to receipt of payment of the Face Value of this Bond as provided in paragraph 5(a) below. Notwithstanding any exercise of the Call Option with respect to this Bond, this Bond will remain outstanding until it

otherwise ceases to be outstanding pursuant to the Indenture. As used herein, "Market Day" means a business day other than a day on which dealings in the U.S. Treasury bond market are generally not being conducted.

(c) If the Call Option is exercised with respect to a particular Reset Date, this Bond shall be subject to purchase by Goldman, Sachs & Co. on such Reset Date as provided herein and subject to paragraph 5(a) below.

3. Put Option. (a) If Goldman, Sachs & Co. does not exercise the Call Option with respect to a particular Reset Date, the registered holder of this Bond on such Reset Date shall have the right to require the Company to repurchase this Bond (in whole and not in part) from such holder on such Reset Date (such right, the holder's "Put Option") at a price equal to 100% of the principal amount of this Bond repurchased (the "Put Price"), in the circumstances described in the next paragraph. In the event the Put Option is exercised, the Put Price shall be payable by the Company to the registered holder of this Bond on the applicable Reset Date, whereas the accrued and unpaid interest on this Bond that becomes payable on the applicable (or any prior) Reset Date shall be payable by the Company to the registered holder of this Bond on the corresponding Interest Payment Record Date, as provided herein and in the Indenture. If for any reason payment of the Put Price is not made when due on this Bond, the accrued interest from such Reset Date to the date such payment is made would be payable by the Company as part of the Put Price for this Bond, to the person entitled to receive the Put Price.

(b) On each Reset Date, the registered holder of this Bond on such Reset Date shall be deemed to have exercised its Put Option automatically, without any action on its part, for the full principal amount of this Bond held of record by such holder on such Reset Date unless either (x) Goldman, Sachs & Co. has duly given a Call Notice with respect to such Reset Date or (y) if Goldman, Sachs & Co. does not exercise the Call Option with respect to such Reset Date, (i) no later than 10:00 A.M. (New York City time) on the tenth Market Day prior to such Reset Date, the registered holder of this Bond at the time gives notice to the Trustee that such holder elects not to sell this Bond to the Company on such Reset Date (a "Hold Notice") and (ii) such notice is effective (an "Effective Hold Notice") under the 10% Requirement (as defined below). A Hold Notice must

be given in the manner described in paragraph 9 below. Consequently, with respect to this Bond on any Reset Date, if a Call Notice is not duly given by Goldman, Sachs & Co. and an Effective Hold Notice is not duly given by the applicable holder as provided above, the Company shall be obligated to repurchase this Bond from the registered holder on such Reset Date, and the registered holder of this Bond on the Reset Date shall be obligated to sell this Bond to the Company, at the Put Price on such Reset Date. Any such sale and purchase shall be effected through the facilities of the Depository, with the registered holder of this Bond on the applicable Reset Date being deemed (in the absence of an Effective Hold Notice) to have automatically tendered this Bond in whole for sale to the Company on the applicable Reset Date, all in accordance with the Depository's Applicable Procedures as provided in paragraph 5 below. Notwithstanding any exercise of the Put Option with respect to this Bond, this Bond shall remain outstanding until it otherwise ceases to be outstanding pursuant to the Indenture.

(c) Notwithstanding the foregoing, no Hold Notice for this Bond shall be effective with respect to any Reset Date unless Hold Notices are duly given with respect to such Reset Date by the holders of record of at least 10% in aggregate principal amount of all Bonds outstanding on the 13th Market Day prior to such Reset Date. The provision described in this paragraph is called the "10% Requirement". If, with respect to any Reset Date, a Hold Notice is duly given for this Bond but the 10% Requirement is not satisfied, the Trustee shall give written notice of that fact (a "10% Requirement Notice") to the registered holder of this Bond and the Company not later than the close of business on the tenth Market Day before such Reset Date, in the manner described in paragraph 9 below.

(d) Notwithstanding the foregoing, the Put Option shall be deemed to be automatically exercised with respect to any Reset Date if Goldman, Sachs & Co. exercises the Call Option with respect to such Reset Date but either (i) a Market Disruption Event or Failed Remarketing occurs, as provided in paragraph 4 below, or (ii) Goldman, Sachs & Co. fails to pay the Face Value on the Reset Date, as provided in paragraph 5(a) below.

4. Reset of Interest Rate. The interest rate on this Bond shall be reset on each Reset Date, unless the

Company is obligated to purchase this Bond on such date (or has previously done so) pursuant to the Put Option. Notwithstanding the foregoing, reset of the interest rate shall be subject to the occurrence of a Market Disruption Event or a Failed Remarketing as described below.

Subject to its right to terminate the appointment of any such agent, the Company shall take such action as is necessary to ensure that there shall at all relevant times be a qualified financial institution appointed and acting as its agent for the purpose of performing the actions contemplated hereby to be performed by the Calculation Agent (such agent, including any successor agent, the "Calculation Agent"). The Company has initially appointed Goldman, Sachs & Co. as Calculation Agent. If the interest rate is to be reset on any Reset Date, the Calculation Agent shall effect the reset as follows:

On the ninth Market Day prior to the applicable Reset Date (a "Calculation Date"), the Calculation Agent shall undertake the following actions to calculate a fixed rate at which interest will accrue on the Bonds from and including such Reset Date to but excluding the next Reset Date (or, if there is no subsequent Reset Date, the Final Maturity) (each such period, a "Reset Period"). In paragraphs (a) through (c) below, all references to specific hours are references to prevailing New York City time, and each notice shall be given telephonically and shall be confirmed as soon as possible by facsimile to each of the Calculation Agent and the Company. The times set forth below are guidelines for action, and the Calculation Agent shall use reasonable efforts to adhere to these times.

(a) At 11:00 A.M., the Calculation Agent shall select three financial institutions (one of which shall be Goldman, Sachs & Co. if it so requests) that deal in the Company's debt securities and have agreed to participate as reference dealers in accordance with the terms described below (the "Reference Dealers"). If Goldman, Sachs & Co. has exercised the Call Option with respect to the applicable Reset Date and so requests, each Reference Dealer must include in its participation agreement a written commitment (satisfactory to Goldman, Sachs & Co.) that, if it is selected as the Final Dealer (as defined below), it shall purchase from Goldman, Sachs & Co. on the

Calculation Date for settlement on such Reset Date and at the Final Offer Price (as defined below), all the Bonds that Goldman, Sachs & Co. purchases pursuant to the Call Option and tenders for resale to the Final Dealer on such Reset Date. For each Reference Dealer, the Calculation Agent shall request the name of and telephone and facsimile numbers for one individual to represent such Reference Dealer.

(b) At 12:00 P.M., the Calculation Agent shall:

(i) determine (or obtain from Goldman, Sachs & Co., if Goldman, Sachs & Co. has exercised the Call Option with respect to the applicable Reset Date) the approximate two-year U.S. Treasury bond yield at or about such time, which shall be expressed as a percentage (the "Designated Treasury Yield") and shall be based on the then-current, two-year U.S. Treasury bond (the "Designated Treasury Bond");

(ii) calculate and provide to the Reference Dealers, on a preliminary basis, a hypothetical price at which the Bonds might be offered for sale to a Reference Dealer on the applicable Reset Date (the "Offer Price"). The Offer Price shall be expressed as a percentage of the principal amount of the Bonds and shall equal 100% plus the Margin (as defined below) if the Treasury Rate Difference (as defined below) is positive, or 100% minus the Margin if the Treasury Rate Difference is negative. The Margin shall also be expressed as a percentage of the principal amount of the Bonds and shall equal the present value of the absolute value of the Treasury Rate Difference applied to four semi-annual periods (i.e., two years), discounted at the Designated Treasury Yield divided by two. The "Treasury Rate Difference" means the percentage (which may be positive or negative) equal to (x) 5.283% (the "Initial Treasury Yield") minus (y) the Designated Treasury Yield; and



(iii) request each Reference Dealer to provide to the Calculation Agent, when notified of the Final Offer Price as described in paragraph (c) below, a firm bid, expressed as a percentage representing an interest rate spread over the Designated Treasury Yield (the "Spread"), at which such Reference Dealer would be willing to purchase on such Calculation Date for settlement on the applicable Reset Date, at the Final Offer Price, all of the Bonds then outstanding (assuming for this purpose that the Bonds will remain subject to the Call Option and, if the Call Option is not exercised by Goldman, Sachs & Co., subject to the potential exercise of the Put Option every two years, and will mature on the Final Maturity, all as described herein). Each such firm bid must be given on an "all-in" basis and must remain open for at least 30 minutes after it is given.

(c) At 12:30 P.M., the Calculation Agent shall determine (or obtain from Goldman, Sachs & Co., if Goldman, Sachs & Co. has exercised the Call Option) the Designated Treasury Yield on a final basis, and calculate and provide to the Reference Dealers the Offer Price on a final basis (the "Final Offer Price") and request each Reference Dealer to submit its bid immediately as described in clause (b)(iii) above. If the Calculation Agent receives bids from at least two of the Reference Dealers, the following shall occur:

(i) the Reference Dealer providing the bid representing the lowest all-in Spread (the "Final Spread") shall be the "Final Dealer";

(ii) if Goldman, Sachs & Co. has exercised the Call Option with respect to the applicable Reset Date, the Final Dealer shall purchase from Goldman, Sachs & Co. at the Final Offer Price, for settlement on such Reset Date, all the Bonds that Goldman, Sachs & Co. purchases pursuant to the Call Option and tenders for resale to the Final Dealer

on such Reset Date (assuming that the interest rate on the Bonds will be reset so as to equal the Adjusted Rate (as defined below) during the applicable Reset Period); the Final Dealer shall not be obligated to purchase any Bonds if Goldman, Sachs & Co. has not exercised the Call Option;

(iii) the Calculation Agent shall calculate and provide to the Company the "Adjusted Rate", which shall be the semi-annual, bond-equivalent, fixed interest rate on the Bonds required to produce, during the applicable Reset Period, a semi-annual, bond-equivalent yield on the Bonds that equals the sum of the Final Spread plus the final Designated Treasury Yield, assuming that the Bonds are purchased on the applicable Reset Date at the Final Offer Price and shall be repurchased by the Company at par two years later; and

(iv) the interest rate on the Bonds shall be adjusted so as to equal the Adjusted Rate, effective from and including the applicable Reset Date to but excluding the next Reset Date (or, if there is no subsequent Reset Date, the Final Maturity). If, with respect to the applicable Reset Date, Goldman, Sachs & Co. has not exercised the Call Option and an Effective Hold Notice is given for this Bond, the Company shall promptly give written notice of the Adjusted Rate to the registered holder.

All determinations regarding the Designated Treasury Yield and the Designated Treasury Bond with respect to any Reset Date as described in clause (b)(i) and the first sentence of paragraph (c) above shall be made by Goldman, Sachs & Co. if another party is acting as the Calculation Agent, unless Goldman, Sachs & Co. has elected not to exercise the Call Option with respect to such Reset Date, in which case such determinations will be made as necessary by the Calculation Agent.

If the Calculation Agent determines that, on the applicable Calculation Date, (x) a Market Disruption Event

(as defined below) has occurred or is continuing or (y) fewer than two Reference Dealers have provided firm bids in a timely manner pursuant to participation agreements satisfactory to Goldman Sachs & Co. substantially as described above (a "Failed Remarketing"), the steps contemplated above shall be taken on the next Market Day on which the Calculation Agent determines that no Market Disruption Event has occurred or is continuing and at least two Reference Dealers have provided bids pursuant to participation agreements satisfactory to Goldman, Sachs & Co. substantially as described above. If the Calculation Agent determines that a Market Disruption Event and/or a Failed Remarketing has occurred or is continuing for at least four consecutive Market Days starting on the applicable Calculation Date, then Goldman, Sachs & Co. shall be deemed not to have exercised the Call Option and the Company shall repurchase this Bond on the applicable Reset Date at the Put Price from the registered holder hereof on such Reset Date, all as if the Put Option on this Bond had been exercised with respect to such Reset Date. In these circumstances, the registered holder may not continue to hold this Bond by giving an Effective Hold Notice. The Calculation Agent shall notify the Company of such determination promptly after the close of business on such fourth Market Day. The Company shall give notice to the registered holder that this Bond will be repurchased by the Company on the applicable Reset Date at the Put Price, from the registered holder on such Reset Date, such notice to be given no later than such fifth Market Day prior to the Reset Date in the manner described below.

Notwithstanding the foregoing, if at any time relevant to a particular Reset Date, Goldman, Sachs & Co. is not acting as Calculation Agent, then, with respect to such Reset Date, the determinations and notice to the Company described in the preceding paragraph shall be made and given by Goldman, Sachs & Co., unless Goldman, Sachs & Co. does not exercise the Call Option with respect to such Reset Date, in which case such determinations and notice will be made and given by the Calculation Agent.

"Market Disruption Event" means any of the following: (i) a suspension or material limitation in trading in securities generally on the New York Stock Exchange or the establishment of minimum prices on such exchange; (ii) a general moratorium on commercial banking activities declared by either federal or New York State

authorities; (iii) any material adverse change in the existing financial, political or economic conditions in the United States of America; (iv) an outbreak or escalation of hostilities involving the United States of America or the declaration of a national emergency or war by the United States of America; or (v) any material disruption of the U.S. government securities market, U.S. corporate bond market and/or U.S. federal wire system.

All determinations regarding Market Disruption Events and Failed Remarketings, including whether or not any such event has occurred or is continuing, shall be made by the Calculation Agent (or Goldman, Sachs & Co., if applicable as provided above) in its sole discretion.

All percentages resulting from any calculation with respect to the Bonds will be rounded upwards, if necessary, to the nearest one-thousandth of a percentage point (e.g., 5.6531% (or 0.056531) being rounded to 5.654 (or 0.05654)), and all U.S. dollar amounts will be rounded to the nearest cent (with one-half cent being rounded upwards).

All determinations made by the Calculation Agent (or Goldman, Sachs & Co.) regarding the matters described herein shall be final, conclusive and binding on all concerned absent manifest error. No determination made by the Calculation Agent (or Goldman, Sachs & Co.) regarding the matters described herein shall give rise to any liability on the part of the Calculation Agent, Goldman, Sachs & Co., the Trustee or the Company.

5. Settlement on Exercise of Call Option or Put Option. For as long (but only for as long) as this Bond or any portion hereof is issued in the form of a Global Security, the provisions of paragraph 5(a) through 5(d) below, inclusive, shall apply with respect to this Bond or such portion, as the case may be.

(a) If the Call Option is exercised, then, on the applicable Reset Date, all beneficial interests in this Bond held by or through Agent Members (as defined below) shall be transferred to a Depository account designated by Goldman, Sachs & Co. The transfers shall be made automatically, without any action on the part of any holder or beneficial owner, by book entry through the facilities of the Depository. Goldman, Sachs & Co. shall be obligated to make

payment of the Face Value of this Bond to the Depository or its nominee, for credit to the accounts of the Agent Members by or through which beneficial interests in this Bond are held, by the close of business on the applicable Reset Date. Each such transfer shall be made against the corresponding payment, and each such payment shall be made against the corresponding transfer, in accordance with the Depository's Applicable Procedures. In all cases, the Company shall remain obligated to make payment of accrued and unpaid interest on this Bond, with interest payable on the applicable (or any prior) Reset Date being payable to the registered holder on the corresponding Interest Payment Record Date.

If Goldman, Sachs & Co. fails to pay the Face Value of this Bond on the applicable Reset Date, the Call Option shall be deemed not to have been exercised and the Put Option will be deemed to have been exercised on this Bond with respect to such Reset Date. In these circumstances, the registered holder on the applicable Reset Date may not continue to hold this Bond by giving an Effective Hold Notice, and the Company will be obligated to pay, not later than two business days following the applicable Reset Date, the Put Price for this Bond (including accrued interest from the Reset Date to the date payment is made), with settlement otherwise occurring as described in the next paragraph.

As used herein, (i) "Agent Member" means, at any time, any person who is a member of, or participant in, the Depository at such time and (ii) "Applicable Procedures" means, with respect to any payment, transfer or other transaction to be effected with respect to a Global Security, through the facilities of the Depository at any time, the policies and procedures of the Depository applicable to such transaction, as in effect at such time.

(b) If the Put Option is exercised as to this Bond, then, on the applicable Reset Date, all beneficial interests in this Bond held by or through Agent Members shall be transferred to a Depository account designated by the Company. The transfers shall be made automatically, without any action on the part of any holder or beneficial owner, by book entry through the facilities of the Depository. The Company shall be obligated to make payment of the Put Price of this Bond to the Depository or its nominee, for credit to the accounts of the Agent Members by

or through which beneficial interests in this Bond are held, by the close of business on the applicable Reset Date (or, if the Put Option is deemed to have been exercised as contemplated by the second paragraph of paragraph 5(a) above, by the close of business on the second business day following the applicable Reset Date). Each such transfer shall be made against the corresponding payment, and each such payment shall be made against the corresponding transfer, in accordance with the Depositary's Applicable Procedures. If the Company fails to pay the Put Price for this Bond on the applicable Reset Date, accrued interest from such Reset Date to the date the payment is made shall be payable as part of such Put Price, in the same manner and for credit to the same accounts as such Put Price. Whether or not purchased pursuant to the Put Option, the Company shall remain obligated to make payment of accrued and unpaid interest on this Bond, with interest payable on the applicable (or any prior) Reset Date being payable to the registered holder on the corresponding Interest Payment Record Date as provided herein and in the Indenture.

(c) The transactions described in paragraphs 5(a) and 5(b) above shall be executed on the applicable Reset Date through the facilities of the Depositary in accordance with its Applicable Procedures, and the accounts of the respective Agent Members shall be debited and credited and beneficial interests in this Bond shall be delivered by book entry as necessary to effect the purchases and sales provided for above. Unless the Depositary's Applicable Procedures require otherwise, such transactions shall settle, and all other payments in respect of the Bonds shall be made, in immediately available funds through DTC's Same-Day Funds Settlement System. Notwithstanding any provision hereof or of the Indenture, neither the Company, the Trustee nor Goldman, Sachs & Co., nor any agent of any such person, shall have any responsibility with respect to the Applicable Procedures or for any payments, transfers or other transactions, or any notices or other communications, among the Depositary, its Agent Members, any other direct or indirect participants therein and any beneficial owners of a Global Security. For all purposes of this Bond and the Indenture, any payment or notice to be made or given with respect to this Bond by the Company or Goldman, Sachs & Co. shall be deemed made or given when made or given to the Depositary or its nominee, in accordance with its Applicable Procedures.

(d) The settlement procedures described in paragraphs 5(a), 5(b) and 5(c) above may be modified, notwithstanding any contrary terms of the Bonds or the Indenture, to the extent required by the Depositary. In addition, notwithstanding any contrary terms of the Bonds or the Indenture, the Company may modify the settlement procedures described in paragraphs 5(a), 5(b) and 5(c) above in order to facilitate the settlement process.

(e) If any Bonds are issued in non-book-entry form, the Company shall modify the provisions of paragraphs 5(a) through 5(d) above, inclusive, so as to ensure that Reset Date settlements of transactions in such Bonds are effected in as comparable a manner as practical, provided that such modified procedures shall not adversely affect the interests of the holders of the outstanding Bonds in any material respect.

6. Default, Waiver, Amendment and Enforcement. (a) In case an Event of Default, as defined in the Indenture, with respect to the Bonds shall have occurred and be continuing, the principal of all outstanding Bonds may be declared, and upon such declaration shall become, due and payable, in the manner, with the effect and subject to the conditions provided in the Indenture. The Indenture provides that in the event of such a declaration, its consequences may be rescinded and annulled (and the related default and its consequences may be waived) with respect to all the Bonds by the holders of a majority in aggregate principal amount of all the Bonds then outstanding, voting as a separate class (or, in some cases, of all the Securities then outstanding, voting as a single class), in accordance with the provisions of, and in the circumstances provided by, the Indenture. It is also provided in the Indenture that the holders of a majority in aggregate principal amount of the Bonds at the time outstanding may, on behalf of the holders of all of the Bonds, waive, prior to such a declaration, any past default under the Indenture with respect to the Bonds and its consequences, except a default in the payment of interest on or principal of any Bond.

For all purposes of this Bond and the Indenture, any amount payable by the Company in respect of the Put Price of this or any other Bond (including any such amount payable by the Company because Goldman, Sachs & Co. fails to pay the Face Value of any Bond after its exercise of the

Call Option as to this Bond) shall be deemed to be an amount payable by the Company in respect of the principal of such Bond at its maturity, and any default by the Company in paying such amount shall be deemed to be a default in the payment of such principal at maturity. No failure by Goldman, Sachs & Co. to purchase any Bond pursuant to the Call Option shall be deemed to be a default under this Bond or the Indenture for any purpose.

(b) The Indenture contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than 66 2/3% in aggregate principal amount of the Securities of all series to be affected (voting as one class) at the time outstanding, evidenced as in the Indenture provided, to execute supplemental indentures for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture with respect to each such series of Securities or modifying in any manner the rights of the holders of each such series of Securities; provided, however, that no such supplemental indenture shall (i) extend the stated maturity or reduce the principal amount hereof, or reduce the rate or extend the time of payment of interest hereon, or reduce or extend the time of payment of the Face Value or the Put Price hereof, or impair or affect the right of any registered holder hereof to institute suit for the payment hereof, without the consent of the registered holder hereof, or (ii) reduce the aforesaid percentage of Securities of any series or of all series (voting as one class), the consent of the holders of which is required for any such supplemental indenture affecting this Bond, without the consent of the registered holder hereof.

(c) As provided in and subject to the provisions of the Indenture, no holder of this Bond shall have the right to institute any suit, action or proceeding with respect to the Indenture, or for appointment of any receiver or trustee or for any other remedy thereunder, unless such holder previously shall have given the Trustee written notice of default and the continuance thereof, the holders of not less than 25% in aggregate principal amount of the Bonds then outstanding shall have made written request to the Trustee to institute such suit, action or proceeding and shall have offered to the Trustee reasonable indemnity and the Trustee, for 60 days after the receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute the same and shall not have received



any direction inconsistent therewith from the holders of a majority in aggregate principal amount of all affected Securities then outstanding (which holders, voting as a single class, shall be entitled to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee with respect to the Bonds).

(d) No reference herein to the Indenture and no provision of this Bond or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal or Put Price of and interest on this Bond at the place, at the respective times, at the rate and in the coin or currency herein prescribed.

(e) Any consent, waiver or other action by the registered holder of this Bond provided pursuant to this Bond or the Indenture (unless effectively revoked as provided in the Indenture) shall be conclusive and binding upon such holder and upon all future holders of this Bond and of any Bond issued in exchange or substitution herefor, irrespective of whether or not any notation of such consent or waiver is made upon this Bond or such other Bond.

7. Form and Denomination; Global Securities. (a) The Bonds are issuable as fully registered Bonds without coupons in the denominations of \$1,000 and any whole multiple of \$1,000. At the corporate trust office of the Trustee referred to on the face hereof, and in the manner and subject to the limitations provided herein and in the Indenture, Bonds may be exchanged for a like aggregate principal amount of Bonds of other authorized denominations, without payment of any charge other than a sum sufficient to reimburse the Company for any tax or other governmental charge incident thereto.

(b) The transfer of this Bond is registrable by the registered holder hereof in person or by his attorney, duly authorized in writing, on the books of the Company at the office or agency of the Company referred to on the face hereof, subject to the terms of this Bond and the Indenture but without payment of any charge other than a sum sufficient to reimburse the Company for any tax or other governmental charge incident thereto, and upon surrender and cancellation of this Bond upon any such transfer, a new Bond or Bonds of authorized denomination or denominations, for the same aggregate principal amount, shall be issued to the transferee in exchange herefor.

(c) The Bond evidenced by this certificate has been issued in the form of a Global Security and, for as long as this Bond shall be issued in such form, the provisions of paragraphs (c)(i) through (c)(iv), inclusive, below shall apply to this Bond.

(i) Notwithstanding any other provision of this Bond or the Indenture, this Global Security may not be exchanged in whole or in part for Bonds registered, and no transfer of this Global Security in whole or in part may be registered, in the name of any person other than the Depository or a nominee thereof unless (A) the Depository has notified the Company that (1) it is unwilling or unable to continue as Depository or (2) has ceased to be a clearing agency registered under the Exchange Act or (B) there shall have occurred and be continuing an Event of Default with respect to the Bonds, or except as the Company may request in order to facilitate the purchase of this Bond or any portion hereof by Goldman, Sachs & Co. pursuant to the Call Option or by the Company pursuant to the Put Option on any Reset Date (provided that, after consummation of any such purchase pursuant to the Call Option, the Bond or portion so purchased may be reissued in the form of a Global Security in accordance with the Applicable Procedures).

(ii) Subject to paragraph (c)(i) above, any exchange of this Global Security for other Bonds may be made in whole or in part, and all Bonds issued in exchange for this Global Security or any portion hereof shall be registered in such names and delivered to such persons as the Depository shall direct.

(iii) Every Bond authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, this Global Security or any portion hereof shall be issued and authenticated in the form of, and shall be, a Global Security, shall bear such legend as the Depository may require and shall be delivered to the Depository or a nominee thereof or custodian therefor, unless such Bond is registered in the name of a person other than the Depository or a nominee thereof.

(iv) As used herein, (A) "Global Security" means a Bond that evidences all or any portion of the Bonds

and is registered in the name of the Depository (or its nominee), (B) "Depository" means a clearing agency registered under the Exchange Act and designated by the Company to act as Depository for the Bonds issued in book-entry form, and (C) "Exchange Act" means the Securities Exchange Act of 1934 (or any successor provision) as amended from time to time.

8. Holder. The Company, the Trustee and Goldman, Sachs & Co. (and any agent of any such person) may treat the person in whose name this Bond shall be registered as of the date of determination upon the books of the Company kept for such purpose pursuant to the Indenture as the sole and absolute owner and holder of this Bond (whether or not this Bond shall be overdue and notwithstanding any notation of ownership or other writing hereon) for all purposes, including the making of any payment in respect hereof, any exercise of the Call Option or the Put Option and consummation of any sale and purchase hereof pursuant thereto, the giving of any Call Notice, Hold Notice or other notice with respect hereto, and the giving of any consent or taking of any other action with respect hereto, and neither the Company nor the Trustee nor Goldman, Sachs & Co. nor any such agent shall be affected by any notice to the contrary.

9. Notices. For as long as this Bond (or any portion hereof) is issued in the form of a Global Security, each Call Notice, 10% Requirement Notice and other notice to be given to the holder of this Bond (or any such portion) shall be deemed to have been duly given to such holder when given to the Depository, or its nominee, in accordance with its Applicable Procedures.

If at any time this Bond (or any portion hereof) is not issued in the form of a Global Security, each Call Notice, 10% Requirement Notice and other notice to be given to the holder of this Bond (or any such portion) shall be deemed to have been duly given to such holder upon the mailing of such notice to the registered holder at such holder's address as it appears on the books of the Company maintained for such purpose pursuant to the Indenture as of the close of business preceding the day such notice is given.

Neither the failure to give any notice nor any defect in any notice given to the holder of this Bond or any

other Bond shall affect the sufficiency of any notice given to another holder of any Bonds.

With respect to this Bond, whether or not issued in the form of a Global Security, Hold Notices may be given by the registered holder hereof to the Trustee only by facsimile transmission or by mail and must actually be received by the Trustee at the following address no later than 10:00 A.M., New York City time, on the tenth Market Day prior to the applicable Reset Date:

The First National Bank of Chicago  
One North State Street, 9th Floor  
Chicago, Illinois 60602  
Attention: Corporate Trust Office  
facsimile no.: (312) 407-1708

Hold Notices may be given with respect to this Bond only by the registered holder hereof.

10. No recourse shall be had for the payment of the principal of, or the interest on, this Bond or of the Face Value upon any exercise of the Call Option or of the Put Price upon any exercise of the Put Price, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Indenture or any indenture supplemental thereto, against any incorporator, stockholder, officer or director, as such, past, present or future, of the Company or of any successor corporation or entity, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability being, by the acceptance hereof and as part of the consideration for the issue hereof, expressly waived and released.

11. Provisions Relating to Goldman, Sachs & Co. Insofar as the provisions of this Bond purport to provide rights to Goldman, Sachs & Co. against any holder of this Bond, such rights (including such rights to purchase this Bond pursuant to the Call Option on any Reset Date) shall be rights of the Company and shall be enforceable by the Company against such holder. Each holder of this Bond shall hold this Bond (and by holding the same shall be deemed to have agreed to do so) subject to the foregoing. Without limiting the foregoing, Goldman, Sachs & Co. may take any action under this Bond (including giving any notice, making any determination and effecting any settlement pursuant to

paragraphs 2, 4 and 5 hereof) that the provisions of this Bond contemplate may be taken by Goldman, Sachs & Co.

Pursuant to section 6 of the Calculation Agency Agreement, dated as of January 27, 1998, Goldman, Sachs & Co. has agreed with the Company, for the benefit of the applicable holders of this Bond from time to time, that, if Goldman, Sachs & Co. exercises the Call Option with respect to any Reset Date when this Bond is outstanding, Goldman, Sachs & Co. will purchase this Bond from the registered holder hereof on such Reset Date, upon the terms and subject to the conditions set forth herein. Except as may be expressly provided in section 6 of such agreement, no holder of this Bond shall have any right, remedy or claim against Goldman, Sachs & Co. under this Bond, the Indenture or such agreement.

No provision of this Bond shall be invalid or unenforceable by reason of any reference herein to Goldman, Sachs & Co. In addition, no provision of this paragraph shall be construed to impair or otherwise affect any rights that Goldman, Sachs & Co. may have at any time as a holder of any Securities.

12. Governing Law. As provided in the Indenture, this Bond shall for all purposes be governed by and construed in accordance with the laws of the State of New York.

**EXHIBIT 5.1**

**OPINION OF HUGHES & LUCE, L.L.P.**

**[HUGHES & LUCE, L.L.P. LETTERHEAD]**

January 27, 1998

Securities and Exchange Commission  
Judiciary Plaza  
450 Fifth St., N.W.  
Washington, D.C. 20549-1004

Ladies and Gentlemen:

We have acted as special counsel to Wal-Mart Stores, Inc., a Delaware corporation (the "Company"), in connection with the Company's Registration Statement on Form S-3 (File No. 33-53125) (the "Registration Statement") as filed with the Securities and Exchange Commission (the "Commission") on April 13, 1994 under the Securities Act of 1933, as amended (the "Act"), with respect to the issuance of an aggregate principal amount of \$500,000,000 of Remarketed Put Bonds due February 1, 2010 of the Company (the "Bonds") offered pursuant to that certain Prospectus Supplement (the "Prospectus Supplement") dated January 22, 1998 and filed with the Commission on January 26, 1998 pursuant to Rule 424(b)(2) of the Act, which Prospectus Supplement is part of the combined Prospectus dated April 22, 1994.

In rendering this opinion, we have examined and relied upon executed originals, counterparts, or copies of such documents, records, and certificates (including certificates of public officials and officers of the Company) as we considered necessary or appropriate for enabling us to express the opinions set forth below. In all such examinations, we have assumed the authenticity and completeness of all documents submitted to us as originals and the conformity to originals and completeness of all documents submitted to us as photostatic, conformed, notarized, or certified copies.

Based on the foregoing, we are of the opinion that the Bonds have been duly authorized and are legally issued and constitute the valid and legally binding obligations of the Company.

We are members of the State Bar of Texas and accordingly do not express or purport to express any opinions with respect to laws other than the laws of the State of Texas, the General Corporation Law of the State of Delaware and the federal laws of the United States of America. With respect to matters of the laws of the State of New York as it effects our opinion expressed herein, we have assumed that the laws of the State of New York are identical to the laws of the State of Texas.

January 27, 1998

Page 2

This opinion may be filed as an exhibit to the Registration Statement. We also consent to the reference to this firm as having passed on the validity of the Bonds under the caption "Validity of the Bonds" in the Prospectus Supplement, which is a part of the Registration Statement. In giving this consent, we do not admit that we are included in the category of persons whose consent is required under Section 7 of the Act, or the rules and regulations of the Commission promulgated thereunder.

Very truly yours,

*/s/ Hughes & Luce, L.L.P.*

**Exhibit 10.1**

**EXECUTION COPY**

**CALCULATION AGENCY AGREEMENT  
BETWEEN  
WAL-MART STORES, INC.  
AND  
GOLDMAN, SACHS & CO.**

January 27, 1998

Wal-Mart Stores, Inc., a Delaware corporation (the "Company"), proposes to issue and sell \$500,000,000 aggregate principal amount of its Remarketed Put Bonds due February 1, 2010 (the "Bonds") in accordance with the terms of the Indenture, dated as of April 1, 1991, as amended by the First Supplemental Indenture, dated as of September 9, 1992 (together, the "Indenture"), in each case between the Company and The First National Bank of Chicago, as trustee (the "Trustee"). Terms used but not defined herein shall have the meanings assigned to them in the Bonds.

For the purpose of appointing an agent to perform the functions of Calculation Agent as described in the Bonds, and for other reasons related thereto, the Company and Goldman, Sachs & Co. hereby agree as follows (it being understood that the references to Goldman, Sachs & Co. in subsection 1 through 4 below mean such firm in its capacity as Calculation Agent, in sections 5 and 6 below mean such firm in its individual capacity and not as Calculation Agent, and in sections 7 through 12 below mean such firm in either capacity, as the context may require):

1. Upon the terms and subject to the conditions contained herein, the Company hereby appoints Goldman, Sachs & Co. as agent (solely in such capacity, the "Calculation Agent") for the purpose of performing the functions of Calculation Agent as described in the Bonds.
2. (a) Subject to sections 3 and 4 below, the Calculation Agent agrees to perform the functions of the Calculation Agent described in the Bonds. The Calculation Agent shall require each financial institution that is to act as a Reference Dealer to execute a Reference Dealer agreement substantially in the form attached hereto as Annex A, with such changes as Goldman, Sachs & Co., in its individual capacity, reasonably may request with the approval of the Company.



(b) Upon the request of a registered holder of Bonds, the Trustee or the Company, the Calculation Agent shall inform such holder, the Trustee or the Company of the results of any calculation or determination.

3. The Calculation Agent accepts and agrees to perform its obligations set forth herein, upon the terms and subject to the conditions hereof, including the following, to all of which the Company and the Trustee agree:

(a) The Company promises to reimburse the Calculation Agent for the reasonable out-of-pocket expenses (including counsel fees and expenses) incurred by it in connection with the services rendered hereunder by it as Calculation Agent upon receipt of such invoices as the Company shall reasonably require. The Company also agrees to indemnify the Calculation Agent for, and to hold it harmless against, any and all loss, liability, damage, claims or expense (including the costs and expenses, including reasonable legal fees and expenses, of defending against any claim of liability) incurred by the Calculation Agent that arises out of or in connection with its acting as Calculation Agent hereunder, except such as may result from the gross negligence, willful misconduct or bad faith of the Calculation Agent. The Calculation Agent shall incur no liability and shall be indemnified and held harmless by the Company for, or in respect of, any actions taken, omitted to be taken or suffered to be taken in good faith by the Calculation Agent in reasonable reliance upon (i) the written opinion of counsel satisfactory to it or (ii) instructions from the Trustee or the Company. The Calculation Agent shall not be liable for any error resulting from the use of or reasonable reliance on a source of information used in good faith and with due care to make any determination, calculation or declaration hereunder. In no event shall the Calculation Agent be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Calculation Agent has been advised of the likelihood of such loss or damage and regardless of the form of action. The provisions of this paragraph shall survive the termination of this Agreement.

(b) In acting under this Agreement and in connection with the Bonds, the Calculation Agent is acting solely as agent of the Company and does not assume any obligations to, or relationship of agency or trust for or with, any of the owners or holders of the Bonds.

(c) Notwithstanding any other provision to the contrary set forth in this Agreement, the Calculation Agent shall be protected and shall incur no liability for or in respect of any action taken or omitted to be taken or anything suffered by it in reliance upon the terms of the Bonds or any notice, direction, certificate, affidavit, statement or other paper, document or communication reasonably believed by it to be genuine and to have been approved or signed by the proper party or parties.

(d) The Calculation Agent shall be obligated to perform such duties and only such duties as are specifically set forth for the Calculation Agent herein or in the Bonds, and no implied duties or obligations shall be read into this Agreement against the Calculation Agent.

(e) The Calculation Agent may, upon obtaining the prior written consent of the Company, perform any duties hereunder through agents or attorneys, and the Calculation Agent shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(f) The Company will not, without first obtaining the prior written consent of the Calculation Agent, make any change to the terms of the Bonds if such change would materially and adversely affect the Calculation Agent's rights, duties and obligations under this Agreement.

(g) The Calculation Agent shall be protected and shall incur no liability for or in respect of any action taken or omitted to be taken in good faith or anything suffered in good faith by it in reliance upon anything contained in the Bonds, the Indenture, the Prospectus Supplement dated January 22, 1998 or the Prospectus dated October 14, 1994 relating to the Bonds (together, the "Prospectus") or any information

supplied to the Calculation Agent by the Company pursuant to this Agreement.

(h) The Calculation Agent, whether acting for itself or in any other capacity, its partners, officers, directors, employees and shareholders or any affiliate of the Calculation Agent may become the owner, holder or pledgee of Bonds (or the owner, holder, pledgee or obligor with respect to any option, swap or other contract related thereto) with the same rights as it would have had if it were not acting hereunder as Calculation Agent and may engage or be interested in any financial or other transaction with the Company as fully as if it were not the Calculation Agent.

(i) The Calculation Agent shall promptly provide to the Trustee a written report of all determinations and calculations required to be made by the Calculation Agent pursuant to the terms of this Agreement and the Bonds. The Trustee may conclusively rely on all of the information provided to it pursuant to the preceding sentence without further investigation on its behalf.

Any determination or calculation made by the Calculation Agent in accordance with the terms of this Agreement and the Bonds shall be final and binding on the Company, the Trustee and the Holders and owners of the Bonds, absent manifest error.

4. (a) The Calculation Agent may at any time resign as Calculation Agent by giving written notice to the Company (with a copy to the Trustee) of such intention on its part, specifying the date on which its desired resignation shall become effective; provided, however, that such date shall not be earlier than 30 days after the receipt of such notice by the Company, unless the Company agrees in writing to accept less notice. The Company may remove the Calculation Agent at any time, but only for cause, by filing with the Calculation Agent (with a copy to the Trustee) any instrument in writing signed on behalf of the Company and specifying such removal, the reasons for such removal and the date when such removal is intended to become effective. Such resignation or removal shall take effect upon the date of the appointment by the Company, as hereinafter provided, of a successor Calculation Agent. If at least 30 days prior to the next succeeding Calculation

Date after notice of resignation or removal has been given, a successor Calculation Agent has not been appointed, the Calculation Agent may petition a court of competent jurisdiction to appoint a successor Calculation Agent. A successor Calculation Agent shall be appointed by the Company by an instrument in writing signed on behalf of the Company and the successor Calculation Agent. Upon the appointment of a successor Calculation Agent and acceptance by it of such appointment, the Calculation Agent so superseded shall cease to be such Calculation Agent hereunder. Upon its resignation or removal, the Calculation Agent shall be entitled to the reimbursement of all reasonable out-of-pocket expenses incurred in connection with the services rendered hereunder by it as Calculation Agent.

(b) Any successor Calculation Agent appointed hereunder shall execute and deliver to its predecessor, the Company and the Trustee an instrument accepting such appointment hereunder and agreeing to perform the functions of the Calculation Agent under the Bonds and the obligations of the Calculation Agent under this Agreement and to be bound by this Agreement, and thereupon such successor Calculation Agent, without any further act, deed or conveyance, shall become vested with all the authority, rights, powers, trusts, immunities, duties and obligations of such predecessor with like effect as if originally named as such Calculation Agent hereunder, and such predecessor Calculation Agent, upon payment of its charges and disbursements then unpaid, shall thereupon become obliged to transfer and deliver, and such successor Calculation Agent shall be entitled to receive and the predecessor Calculation Agent shall provide, copies of any relevant records maintained by such predecessor Calculation Agent.

(c) Any corporation, partnership, limited liability company or other entity into which the Calculation Agent may be merged or converted or with which the Calculation Agent may be consolidated, or any corporation, partnership, limited liability company or other entity resulting from any merger, conversion or consolidation to which the Calculation Agent shall be a party, shall, to the extent permitted by applicable law, be the successor Calculation Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto provided that such successor Calculation Agent shall assume, or be deemed to have

assumed, all of the obligations and liabilities of its predecessor under this Agreement. Notice of any such merger, conversion, consolidation or sale shall forthwith be given to the Company and the Trustee.

(d) The foregoing indemnity, reimbursement and other provisions of this Agreement will survive any resignation or removal of the Calculation Agent. The agreements of the parties set forth above will be binding upon and inure to the benefit of their respective successors.

5. For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Company hereby agrees with Goldman, Sachs & Co., in its individual capacity and not as Calculation Agent, as follows:

(a) If at any time Goldman, Sachs & Co., with the advice of its counsel and after consultation with the Company and its counsel, determines that registration of the Bonds under the Securities Act of 1933 (or any successor law), as it may be amended from time to time, is required in order for Goldman, Sachs & Co. to resell the Bonds on any Reset Date as contemplated in the Prospectus, the Company will, at its own expense, cause the Bonds to be so registered in time to permit such resale of the Bonds on the relevant Reset Date; provided, however, that Goldman, Sachs & Co. shall give the Company at least 30 days' notice prior to such Reset Date.

(b) Notwithstanding any provision to the contrary set forth in the Indenture, the Company will not purchase any Bonds in the open market, by tender offer, in a private transaction or otherwise, except pursuant to any purchase obligation it may have under the Bonds or with the prior written consent of Goldman, Sachs & Co., as holder of the Call Option; provided, however, that with respect to any Reset Date, if Goldman, Sachs & Co. does not exercise the Call Option and Effective Hold Notices are given by the holders of the Bonds, this provision shall not restrict the ability of the Company to purchase Bonds for 90 days following such Reset Date.

(c) Notwithstanding any provision to the contrary set forth in the Indenture, the Company will not cause or permit the provisions of any Bond (or the Indenture, as it relates to any Bond) to be modified in any way without the

prior written consent of Goldman, Sachs & Co. (including with respect to the payment and settlement provisions of paragraph 5 of the Bonds).

(d) The Bonds and the Indenture, insofar as they relate to the Call Option or may affect the interests of Goldman, Sachs & Co. as holder of such option (including the provisions relating to the interest rate reset and resale to a Final Dealer, but excluding the provisions referred to in the next sentence), constitute obligations of the Company that are made for the benefit of, and are enforceable by, Goldman, Sachs & Co., in its individual capacity and not as Calculation Agent. In addition, insofar as the provisions of any Bond purport to provide rights to Goldman, Sachs & Co. against any holder of such Bond (including the right to purchase such Bond from any holder on any Reset Date pursuant to the Call Option), the Company shall take all action necessary or desirable to enforce such rights in its own name, but for the benefit of Goldman, Sachs & Co. so as to ensure that Goldman, Sachs & Co. receives the full benefit of such rights as if they were enforceable directly by Goldman, Sachs & Co., in each case if, to the extent and in the manner, but only if, to the extent and in the manner, requested by Goldman, Sachs & Co. Among other things, if requested by Goldman, Sachs & Co., such action by the Company shall include effecting transfers of Bonds or beneficial interests therein as contemplated in paragraph 5 of the reverse of the Bonds, exchanging Bonds in book-entry form for Bonds that are not in such form and vice-versa as contemplated in paragraph 8(c) of the reverse of the Bonds and instituting suit to enforce specific performance of such rights or to obtain money damages or other relief in respect of such rights, whether against the holders or their respective successors, assigns, estates, heirs or representatives. Without limiting the foregoing, Goldman, Sachs & Co. may take any action under the Bonds (including giving any notice, making any determination and effecting any settlement pursuant to paragraphs 2, 4 and 5 thereof) that the provisions of the Bonds contemplate may be taken by Goldman, Sachs & Co., and the Company will not take any action unless Goldman, Sachs & Co. requests it to do so. Goldman, Sachs & Co. shall reimburse the Company for any reasonable, out-of-pocket expenses the Company incurs, including reasonable counsel fees and expenses, in connection with any action it may take in this regard at the request of Goldman, Sachs & Co. The Company's agreements set forth in this paragraph shall not be invalid or

unenforceable by reason of any provision of the Bonds not being unenforceable by Goldman, Sachs & Co. This paragraph is not intended to limit any rights that Goldman, Sachs & Co. may have under the Indenture or the Bonds as a holder or owner of Securities from time to time.

(e) Notwithstanding any provision to the contrary set forth in the Bonds or the Indenture (but subject to section 5(d) above), the Company (i) will use its best efforts to maintain the Bonds in book-entry form with The Depository Trust Company ("DTC") or any successor thereto and to appoint a successor depository to the extent necessary to maintain the Bonds in book-entry form and (ii) will waive any discretionary right it otherwise has under the Indenture to cause the Bonds to be issued in certificated form. The Company will perform its obligations, and pursue its rights against DTC, under the DTC Letter of Representations dated January 27, 1998 among the Company, the Trustee and DTC.

(f) If Goldman, Sachs & Co. resigns or is removed as Calculation Agent, the Company will take such steps as are necessary to ensure that there is at all times thereafter a qualified financial institution appointed and serving as Calculation Agent pursuant to an agreement with the Company that is substantially similar to this Agreement (excluding this section 5) or that is not materially adverse to the interests of Goldman, Sachs & Co. as holder of the Call Option. The Company will promptly provide Goldman, Sachs & Co. with a copy of each such agreement.

The agreements made in this section 5 will remain in effect regardless of whether or not Goldman, Sachs & Co. ceases to act as Calculation Agent or to perform its duties as Calculation Agent hereunder, and regardless of any change in the Trustee. The agreements of the Company in this section 5 are not contingent in any way upon the agreements of the parties set forth in the other sections of this Agreement, will be binding upon the Company and its successors and will inure to the benefit of Goldman, Sachs & Co. and its successors.

6. Goldman, Sachs & Co., in its individual capacity and not as Calculation Agent, hereby agrees with the Company and the Trustee, for the benefit of the Company and the applicable holders of the Bonds from time to time, that, if Goldman, Sachs & Co. exercises the Call Option with

respect to any Reset Date when the Bonds are outstanding, it will purchase the outstanding Bonds from the registered holders thereof on such Reset Date upon the terms and subject to the conditions (including the absence of a Market Disruption Event or Failed Remarketing) set forth in such Bonds, all as provided in such Bonds. If Goldman, Sachs & Co. exercises the Call Option and becomes obligated under this Agreement to purchase outstanding Bonds on any Reset Date but fails to do so, and the Company becomes obligated to purchase such Bonds on the Reset Date as provided in the Bonds, such purchase by the Company will not relieve Goldman, Sachs & Co. from any liability it may have on its obligation under this Agreement to purchase such Bonds. The holders of the Bonds shall have no right, claim or remedy under this Agreement except as provided in this section 6.

7. Any notice required to be given hereunder shall be delivered in person, sent by overnight courier, registered mail, return receipt requested, or facsimile or communicated by telephone (subject, in the case of communication by telephone, to confirmation dispatched within twenty-four hours by letter or by facsimile),

in the case of the Company, to:  
Wal-Mart Stores, Inc.  
702 S.W. Eighth Street  
Bentonville, Arkansas, 72716  
Attention: Treasurer  
Facsimile: 501-273-1969;

in the case of the Calculation Agent, to:  
Goldman, Sachs & Co.  
85 Broad Street  
New York, N.Y. 10004  
Attention: Registration Department Facsimile: (212) 902-3000;

in the case of Goldman, Sachs & Co. (in its individual capacity, and not as Calculation Agent), to:  
Goldman, Sachs & Co.  
85 Broad Street  
New York, N.Y. 10004  
Attention: Registration Department Facsimile: (212) 902-3000;

and in the case of the Trustee, to:

The First National Bank of Chicago,



One North State Street, 9th Floor Chicago, Illinois 60602  
Attention: Corporate Trust Administration Facsimile: (312) 407-1708;

or to any other address of which any party shall have notified the others in writing as herein provided. Any notice hereunder given by facsimile or letter, first class mail, shall be deemed to be received upon actual receipt thereof.

8. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

9. The rights and obligations of the Company hereunder may not be assigned or delegated to any other person without the prior written consent of Goldman, Sachs & Co. The rights and obligations of Goldman, Sachs & Co. hereunder may not be assigned or delegated to any other person without the prior written consent of the Company. This Agreement shall inure to the benefit of and be binding upon the Company and Goldman, Sachs & Co. and their respective successors and assigns, and will not confer any benefit upon any other person (other than as provided in section 6 above). The terms "successors" and "assigns" shall not include any purchaser of Bonds merely because of such purchase.

10. If any provision of this Agreement shall be held invalid or unenforceable as applied in any particular case in any or all jurisdictions, such circumstances shall not have the effect of rendering the provision invalid or unenforceable in any other case or jurisdiction, or of rendering any other provision of this Agreement invalid or unenforceable.

11. This Agreement may be amended by any instrument in writing signed by each of the parties hereto.

12. This Agreement may be executed by each of the parties hereto in any number of counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all such counterparts shall together constitute one and the same Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

**WAL-MART STORES, INC.**

By: \_\_\_\_\_  
Name:  
Title:

---

(Goldman, Sachs & Co.)

in its individual capacity and  
as Calculation Agent

**ANNEX A**

**FORM OF  
REFERENCE DEALER AGREEMENT**

\_\_\_\_\_, 200\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sirs:

Wal-Mart Stores, Inc., a Delaware corporation (the "Company"), has issued \$500,000,000 in outstanding principal amount of its Remarketed Put Bonds due February 1, 2010 (the "Bonds") pursuant to an Indenture, dated as of April 1, 1991, as amended by a First Supplemental Indenture, dated as of September 9, 1992 (together, the "Indenture"), in each case between the Company and The First National Bank of Chicago, as trustee (the "Trustee"). The Bonds provide for the periodic reset of the rate at which interest will accrue thereon and for their periodic resale. Pursuant to a Calculation Agency Agreement, dated January 29, 1998, between the Company and Goldman, Sachs & Co. (the "Calculation Agency Agreement"), we have been appointed as the calculation agent (the "Calculation Agent") for purposes of determining the new interest rate for the Bonds on each Reset Date. As Calculation Agent, we would like to extend to you an invitation to participate in the interest reset and resale process as a Reference Dealer, as described more fully in the Bonds.

Capitalized terms used in this Agreement and not defined herein will have the meanings ascribed to them in the Bonds.

The Calculation Date to which this agreement relates is \_\_\_\_\_, and the Reset Date is \_\_\_\_\_.

Please note that by executing this agreement, you agree that, if you are selected as the Final Dealer, you will purchase from Goldman, Sachs & Co. on the Calculation Date for settlement on the Reset Date and at the Final Offer Price all the Bonds that Goldman, Sachs & Co. may purchase pursuant to the Call Option and tender for sale to you on the Reset Date. We will inform you whether you have been selected as the Final Dealer on or shortly after the Calculation Date. If you are selected as the Final Dealer, (i) the aggregate principal amount of Bonds which you may be required to purchase will not exceed \$\_\_\_\_\_ (we will inform you of the actual amount on the Reset Date), (ii) the price for such Bonds will be the Final Offer Price, which we will provide to you when requesting your bid on the Calculation Date, and (iii) the Adjusted Rate for the Bonds for the Reset Period beginning on such Reset Date will be calculated by us based on the bid submitted (and confirmed in writing) by you on the Calculation Date.

Notwithstanding anything to the contrary set forth in this Agreement, you will have no obligation or right to purchase any Bonds on any Reset Date if you are not selected as the Final Dealer or if Goldman, Sachs & Co. does not purchase such Bonds on the Reset Date. Neither the Calculation Agent nor the Company has any obligation hereunder to sell any Bonds to you.

If you are willing to participate as a Reference Dealer under the terms described above, please fill in the information requested below and have an appropriate person sign and return this agreement to us by \_\_\_\_\_. Upon acceptance hereof by you, this letter shall constitute a binding agreement between you and us, and for the benefit of the Company and Goldman, Sachs & Co. (in its individual capacity and not as Calculation Agent).

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH,

THE LAWS OF THE STATE OF NEW YORK.

Very truly yours,

\_\_\_\_\_  
as Calculation Agent

By: \_\_\_\_\_

Name:

Title:

Accepted as of the date hereof:

\_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

Contact: \_\_\_\_\_

Phone No.: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

-3-

**End of Filing**

Powered By  EDGAR  
Online

© 2005 | EDGAR Online, Inc.