

WAL MART STORES INC

FORM 8-K (Current report filing)

Filed 06/04/98 for the Period Ending 06/02/98

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 6/4/1998 For Period Ending 6/2/1998

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):
June 2, 1998

Wal-Mart Stores, Inc.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Delaware

001-06991

71-0415188

(STATE OR OTHER
JURISDICTION OF
INCORPORATION)

(COMMISSION FILE NUMBER)

(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 June 2, 1998, the Securities and Exchange Commission (the "Commission") declared effective a Registration Statement on Form S-3 of Wal-Mart Stores, Inc. (the "Company"), Registration Statement No. 333-52045 (the "1998 Registration Statement"), pursuant to which the Company registered for the shelf \$750,000,000 of its Debt Securities. On June 2, 1998, the Company commenced an underwritten offering (the "Offering") of \$500,000,000 aggregate principal amount of its Puttable Reset Securities due June 1, 2018 (the "Bonds"), which Bonds are being offered and sold pursuant to the Company's Registration Statement on Form S-3, Registration No. 33-53125 (the "1994 Registration Statement") and the 1998 Registration Statement. The purpose of this Current Report on Form 8-K is: (A) to file with the Commission pursuant to the provisions of Section 13(a) of the Securities Exchange Act of 1934, as amended, (i) the form of Calculation Agency Agreement to be entered into by the Company and Goldman, Sachs & Co. in connection with the Bonds (the "Calculation Agency Agreement") and (ii) the Statement of Eligibility of Trustee on Form T-1 of The First National Bank of Chicago, the trustee under the Indenture dated as of April 1, 1991 between the Company and The First National Bank of Chicago, as Trustee (the "Statement of Eligibility"); and (B) to incorporate by reference (i) in the 1998 Registration Statement, the Underwriting Agreement among the Company, Goldman, Sachs & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, dated May 18, 1994 pursuant to which the Bonds are to be sold to the underwriters in the Offering as Exhibit 1 to the 1998 Registration Statement and (ii) in the 1994 Registration Statement and in the 1998 Registration Statement, the Statement of Eligibility and the Calculation Agency Agreement as Exhibits 10.1 and 25.1, respectively, to the 1994 Registration Statement and as Exhibits 10.1 and 25, respectively, to the 1998 Registration Statement.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits

1 Underwriting Agreement among the Company, Goldman, Sachs & Co. and Merrill Lynch, Pierce, Fenner & Smith Incorporated, dated May 18, 1994 (incorporated by reference from Registration Statement on Form S-3, Registration No. 33-53125).

10.1 Form of Calculation Agency Agreement between Wal-Mart Stores, Inc. and Goldman, Sachs & Co.

25 Statement of Eligibility of Trustee on Form T-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: June 3, 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 -----
10.1	Form of Calculation Agency Agreement between Wal-Mart Stores, Inc. and Goldman, Sachs & Co.
25	Statement of Eligibility of Trustee on Form T-1.

EXHIBIT 10.1

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

June 8, 1998

Wal-Mart Stores, Inc., a Delaware corporation (the "Company"), proposes to issue and sell \$500,000,000 aggregate principal amount of its Puttable Reset Securities PURSSM due June 1, 2018 (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 to 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 against 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 June 2, 1998 or the Prospectus dated June 2, 1998 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 (as defined in the Prospectus) 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 June 8, 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. (a) 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.

(b) If any of the following events (each a "Call Option Termination Event") shall occur on or prior to the Reset Date, then (i) the Company shall notify Goldman, Sachs & Co. promptly of the occurrence of such event (including, in the case of clause (B) below, any modification of any kind to the Indenture or the Bonds) and (ii) Goldman, Sachs & Co., as holder of the Call Option, shall upon the occurrence of such event be entitled to demand that the Company pay them the Call Option Termination Amount (as defined below), and the Company shall pay such amount to Goldman, Sachs & Co. within three Business Days (as defined in the Indenture) of the date of such demand: (A) an Event of Default (as defined in the Indenture) with respect to the Bonds shall have occurred and be continuing, or any event which, with the giving of notice or passage of time or both, would constitute such an Event of Default, shall have occurred and continued for the shorter of (a) three Business Days or (b) the number of days between such occurrence and the Reset Date (exclusive), and be continuing, or (B) the Indenture or the Bonds shall have been amended in any manner, or otherwise contain any provision not contained therein as of the date hereof, that in the judgment of Goldman, Sachs & Co. materially adversely changes the nature of the Bonds or the coupon reset procedures, unless consented to in writing by Goldman, Sachs & Co. The Call Option shall terminate upon payment of the Call Option Termination Amount.

(c) The "Call Option Termination Amount" shall mean, on any date, the amount determined by Goldman, Sachs & Co. equal to the "Fair Market Value" of the embedded interest rate option implicit in the option to purchase the Bonds on the Reset Date at 100% of the aggregate principal amount thereof. "Fair Market Value" shall be determined by Goldman, Sachs & Co., as follows: Goldman, Sachs & Co. shall request five primary U.S. Government securities dealers (each a "Reference Treasury Dealer") in the City of New York to provide its quotation of the amount required to enter into an agreement with Goldman, Sachs & Co. that would have the effect of preserving for Goldman, Sachs & Co. the economic equivalent of the Call Option, assuming the Call Option Termination Event had not occurred. Goldman, Sachs & Co. shall request each Reference Treasury Dealer to provide its quotation to the extent reasonably practicable as of the same day and time (without regard to different time zones) on or as soon as reasonably practicable after the notice provided for in paragraph (b) above. The day and time as of which these quotations are to be obtained will be selected in good faith by Goldman, Sachs & Co. If more than three quotations are provided, the Fair Market Value shall be the arithmetic mean of the quotations, without regard to the quotations having the highest and lowest values. (For this purpose, if more than one quotation has the same highest value or lowest value, then one of such quotations shall be disregarded.) If three or fewer such quotations are provided, the Fair Market Value shall be the arithmetic mean of the quotations. The determination of the Call Option Termination Amount by Goldman, Sachs & Co. shall, absent manifest error, be binding on the Company.

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 Puttable Reset Securities PURSSM due June 1, 2018 (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 June 8, 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.: _____

EXHIBIT 25

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM T-1

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939
OF A CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE ELIGIBILITY
OF A TRUSTEE PURSUANT TO SECTION 305(b)(2) _____**

**THE FIRST NATIONAL BANK OF CHICAGO
(EXACT NAME OF TRUSTEE AS SPECIFIED IN ITS CHARTER)**

A NATIONAL BANKING ASSOCIATION

36-0899825
(I.R.S. EMPLOYER
IDENTIFICATION NUMBER)

ONE FIRST NATIONAL PLAZA, CHICAGO, ILLINOIS
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

60670-0126
(ZIP CODE)

THE FIRST NATIONAL BANK OF CHICAGO
ONE FIRST NATIONAL PLAZA, SUITE 0286
CHICAGO, ILLINOIS 60670-0286

ATTN: LYNN A. GOLDSTEIN, LAW DEPARTMENT (312) 732-6919
(NAME, ADDRESS AND TELEPHONE NUMBER OF AGENT FOR SERVICE)

WAL-MART STORES, INC.
(EXACT NAME OF OBLIGOR AS SPECIFIED IN ITS CHARTER)

DELAWARE

(STATE OR OTHER JURISDICTION OF
INCORPORATION OR ORGANIZATION)

71-0415188
(I.R.S. EMPLOYER IDENTIFICATION
NUMBER)

702 S.W. EIGHTH STREET
BENTONVILLE, ARKANSAS
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

72716
(ZIP CODE)

DEBT SECURITIES
(TITLE OF INDENTURE SECURITIES)

ITEM 1. GENERAL INFORMATION. FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

(a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

Comptroller of the Currency, Washington, D.C.; Federal Deposit Insurance Corporation, Washington, D.C.; and The Board of Governors of the Federal Reserve System, Washington D.C..

(b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

The trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR. IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

No such affiliation exists with the trustee.

ITEM 16. LIST OF EXHIBITS. LIST BELOW ALL EXHIBITS FILED AS A

PART OF THIS STATEMENT OF ELIGIBILITY.

1. A copy of the articles of association of the trustee now in effect.*
2. A copy of the certificates of authority of the trustee to commence business.*
3. A copy of the authorization of the trustee to exercise corporate trust powers.*
4. A copy of the existing by-laws of the trustee.*
5. Not Applicable.
6. The consent of the trustee required by Section 321(b) of the Act.

7. A copy of the latest report of condition of the trustee published pursuant to law or the requirements of its supervising or examining authority.

8. Not Applicable.

9. Not Applicable.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, The First National Bank of Chicago, a national banking association organized and existing under the laws of the United States of America, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Chicago and State of Illinois, on the 3rd day of June, 1998.

**THE FIRST NATIONAL BANK OF CHICAGO,
TRUSTEE**

BY /s/ JOHN R. PRENDIVILLE

JOHN R. PRENDIVILLE
VICE PRESIDENT

* EXHIBIT 1, 2, 3 AND 4 ARE HEREIN INCORPORATED BY REFERENCE TO EXHIBITS BEARING IDENTICAL NUMBERS IN ITEM 16 OF THE FORM T-1 OF THE FIRST NATIONAL BANK OF CHICAGO, FILED AS EXHIBIT 25.1 TO THE REGISTRATION STATEMENT ON FORM S-3 OF SUNAMERICA INC., FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON OCTOBER 2, 1996 (REGISTRATION NO. 333-14201).

EXHIBIT 6

**THE CONSENT OF THE TRUSTEE REQUIRED
BY SECTION 321(b) OF THE ACT**

June 3, 1998

Securities and Exchange Commission
Washington, D.C. 20549

Ladies and Gentlemen:

In connection with the qualification of the indenture between Wal-Mart Stores, Inc. and The First National Bank of Chicago, as Trustee, the undersigned, in accordance with Section 321(b) of the Trust Indenture Act of 1939, as amended, hereby consents that the reports of examinations of the undersigned, made by Federal or State authorities authorized to make such examinations, may be furnished by such authorities to the Securities and Exchange Commission upon its request therefor.

Very truly yours,

THE FIRST NATIONAL BANK OF CHICAGO

BY: /s/ JOHN R. PRENDIVILLE

JOHN R. PRENDIVILLE
VICE PRESIDENT

EXHIBIT 7

LEGAL TITLE OF BANK: THE FIRST NATIONAL BANK OF CHICAGO CALL DATE: 12/31/97 ST-BK: 17-1630 FFIEC 031
 ADDRESS: ONE FIRST NATIONAL PLAZA, STE 0303 PAGE RC-1
 CITY, STATE ZIP: CHICAGO, IL 60670
 FDIC CERTIFICATE NO.: 0/3/6/1/8

**CONSOLIDATED REPORT OF CONDITION FOR INSURED COMMERCIAL AND STATE-CHARTERED SAVINGS BANKS
 FOR DECEMBER 31,1997**

All schedules are to be reported in thousands of dollars. Unless otherwise indicated, report the amount outstanding as of the last business day of the quarter.

SCHEDULE RC--BALANCE SHEET

	DOLLAR AMOUNTS IN		C400	
	THOUSANDS		----- BIL MIL THOU	
	-----		-----	
ASSETS				
1. CASH AND BALANCES DUE FROM DEPOSITORY INSTITUTIONS (FROM SCHEDULE RC-A):				
A. NONINTEREST-BEARING BALANCES AND CURRENCY AND COIN(1).....		0081	4,267,336	1.A.
B. INTEREST-BEARING BALANCES(2).....			0071 6,893,837	1.B.
2. SECURITIES				
A. HELD-TO-MATURITY SECURITIES(FROM SCHEDULE RC-B, COLUMN A).....			1754 0	2.A.
B. AVAILABLE-FOR-SALE SECURITIES (FROM SCHEDULE RC-B, COLUMN D).....			1773 5,691,722	2.B.
3. FEDERAL FUNDS SOLD AND SECURITIES PURCHASED UNDER AGREEMENTS TO RESELL.....		1350	6,339,940	3.
4. LOANS AND LEASE FINANCING RECEIVABLES:				
A. LOANS AND LEASES, NET OF UNEARNED INCOME (FROM SCHEDULE RC-C).....	RCFD 2122 25,202,984			4.A.
B. LESS: ALLOWANCE FOR LOAN AND LEASE LOSSES.....	RCFD 3123 419,121			4.B.
C. LESS: ALLOCATED TRANSFER RISK RESERVE.....	RCFD 3128 0			4.C.
D. LOANS AND LEASES, NET OF UNEARNED INCOME, ALLOWANCE, AND RESERVE (ITEM 4.A MINUS 4.B AND 4.C).....			2125 24,783,863	4.D.
5. TRADING ASSETS (FROM SCHEDULE RD-D)			3545 6,703,332	5.
6. PREMISES AND FIXED ASSETS (INCLUDING CAPITALIZED LEASES).....			2145 743,426	6.
7. OTHER REAL ESTATE OWNED (FROM SCHEDULE RC-M).....			2150 7,727	7.
8. INVESTMENTS IN UNCONSOLIDATED SUBSIDIARIES AND ASSOCIATED COMPANIES (FROM SCHEDULE RC-M).....			2130 134,959	8.
9. CUSTOMERS' LIABILITY TO THIS BANK ON ACCEPTANCES OUTSTANDING.....			2155 644,340	9.
10. INTANGIBLE ASSETS (FROM SCHEDULE RC-M).....			2143 268,501	10.
11. OTHER ASSETS (FROM SCHEDULE RC-F).....			2160 2,004,432	11.
12. TOTAL ASSETS (SUM OF ITEMS 1 THROUGH 11).....			2170 58,483,415	12.

(1) INCLUDES CASH ITEMS IN PROCESS OF COLLECTION AND UNPOSTED DEBITS.
 (2) INCLUDES TIME CERTIFICATES OF DEPOSIT NOT HELD FOR TRADING.

SCHEDULE RC-CONTINUED

	DOLLAR AMOUNTS IN THOUSANDS		BIL MIL THOU	
	-----		-----	
LIABILITIES				
13. DEPOSITS:				
A. IN DOMESTIC OFFICES (SUM OF TOTALS OF COLUMNS A AND C FROM SCHEDULE RC-E, PART 1).....		RCON 2200	21,756,846	13.A
(1) NONINTEREST-BEARING(1).....	RCON 6631 9,197,227			13.A.1
(2) INTEREST-BEARING.....	RCON 6636 559,619			13.A.2
B. IN FOREIGN OFFICES, EDGE AND AGREEMENT SUBSIDIARIES, AND IBFS (FROM SCHEDULE RC-E, PART II).....		RCFN 2200	14,811,410	13.B.
(1) NONINTEREST BEARING.....	RCFN 6631 332,801			13.B.1
(2) INTEREST-BEARING.....	RCFN 6636 14,478,609			13.B.2
14. FEDERAL FUNDS PURCHASED AND SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE:.....		RCFD 2800	4,535,422	14
15. A. DEMAND NOTES ISSUED TO THE U.S. TREASURY.....		RCON 2840	43,763	15.A
B. TRADING LIABILITIES(FROM SCHEDULE RC-D).....		RCFD 3548	6,523,239	15.B
16. OTHER BORROWED MONEY:				
A. WITH A REMAINING MATURITY OF ONE YEAR OR LESS.....		RCFD 2332	1,360,165	16.A
B. WITH A REMAINING MATURITY OF MORE THAN ONE YEAR THROUGH THREE YEARS.....		A547	576,492	16.B
C. WITH A REMAINING MATURITY OF MORE THAN THREE YEARS...		A548	703,981	16.C
17. NOT APPLICABLE				
18. BANK'S LIABILITY ON ACCEPTANCE EXECUTED AND OUTSTANDING..		RCFD 2920	644,341	18
19. SUBORDINATED NOTES AND DEBENTURES (2).....		RCFD 3200	1,700,000	19
20. OTHER LIABILITIES (FROM SCHEDULE RC-G).....		RCFD 2930	1,322,077	20
21. TOTAL LIABILITIES (SUM OF ITEMS 13 THROUGH 20).....		RCFD 2948	53,987,736	21
22. NOT APPLICABLE				
EQUITY CAPITAL				
23. PERPETUAL PREFERRED STOCK AND RELATED SURPLUS.....		RCFD 3838	0	23
24. COMMON STOCK.....		RCFD 3230	200,858	24
25. SURPLUS (EXCLUDE ALL SURPLUS RELATED TO PREFERRED STOCK).		RCFD 3839	2,999,001	25
26. A. UNDIVIDED PROFITS AND CAPITAL RESERVES.....		RCFD 3632	1,273,239	26.A.
B. NET UNREALIZED HOLDING GAINS (LOSSES) ON AVAILABLE- FOR-SALE SECURITIES.....		RCFD 8434	24,096	26.B.
27. CUMULATIVE FOREIGN CURRENCY TRANSLATION ADJUSTMENTS.....		RCFD 3284	(1,515)	27
28. TOTAL EQUITY CAPITAL (SUM OF ITEMS 23 THROUGH 27).....		RCFD 3210	4,495,679	28
29. TOTAL LIABILITIES AND EQUITY CAPITAL (SUM OF ITEMS 21 AND 28).....		RCFD 3300	58,483,415	29

MEMORANDUM

TO BE REPORTED ONLY WITH THE MARCH REPORT OF CONDITION.

1. INDICATE IN THE BOX AT THE RIGHT THE NUMBER OF THE STATEMENT BELOW THAT BEST DESCRIBES THE MOST COMPREHENSIVE LEVEL OF AUDITING WORK PERFORMED FOR THE BANK BY INDEPENDENT EXTERNAL NUMBER AUDITORS AS OF ANY DATE DURING 1996..... RCFD 6724 M.1

NA

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|--|---|
| <p>1 = INDEPENDENT AUDIT OF THE BANK CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS BY A CERTIFIED PUBLIC ACCOUNTING FIRM WHICH SUBMITS A REPORT ON THE BANK</p> <p>2 = INDEPENDENT AUDIT OF THE BANK'S PARENT HOLDING COMPANY CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS BY A CERTIFIED PUBLIC ACCOUNTING FIRM WHICH SUBMITS A REPORT ON THE CONSOLIDATED HOLDING COMPANY (BUT NOT ON THE BANK SEPARATELY)</p> <p>3 = DIRECTORS' EXAMINATION OF THE BANK CONDUCTED IN ACCORDANCE WITH GENERALLY ACCEPTED AUDITING STANDARDS BY A CERTIFIED PUBLIC ACCOUNTING FIRM (MAY BE REQUIRED BY STATE CHARTERING AUTHORITY)</p> | <p>4. = DIRECTORS' EXAMINATION OF THE BANK PERFORMED BY OTHER EXTERNAL AUDITORS (MAY BE REQUIRED BY STATE CHARTERING AUTHORITY)</p> <p>5 = REVIEW OF THE BANK'S FINANCIAL STATEMENTS BY EXTERNAL AUDITORS</p> <p>6 = COMPILATION OF THE BANK'S FINANCIAL STATEMENTS BY EXTERNAL AUDITORS</p> <p>7 = OTHER AUDIT PROCEDURES (EXCLUDING TAX PREPARATION WORK)</p> <p>8 = NO EXTERNAL AUDIT WORK</p> |
|--|---|

(1) INCLUDES TOTAL DEMAND DEPOSITS AND NONINTEREST-BEARING TIME AND SAVINGS DEPOSITS.

(2) INCLUDES LIMITED-LIFE PREFERRED STOCK AND RELATED SURPLUS.