

May 27, 2005

Dear StoreNext Dealer Partners,

With the Retalix acquisition of TCI, StoreNext, Retalix and TCI staffs were presented an exciting challenge. How would we design an organization that would make the most of the market opportunities presented by TCI's suite of products, the StoreNext and TCI dealer channels and the many great people from that company?

We are now pleased to announce our expanded organization, product lines and channel operations. These changes open up new opportunities for dealers with the promise of StoreNext being an even more competitive and focused partner and one that puts new sets of established industry relationships at your service.

- First, the dealer operations group within the former TCI will become part of StoreNext. The attached update letter from Ray provides the key points, purposes and people. I will only add here that Retalix is continuing to centralize all dealer products, channels and operations through StoreNext is a key vote of confidence. StoreNext dealers benefit with strong new products that support a wide range of POS platforms.
- The two most important products in that range are TCI Store and TCI HQ. Renamed as "Retalix Store" and "Retalix HQ," they become vital products in StoreNext's offering set. Like RBO, Connected Services and our other products, StoreNext will now coordinate development of these subsystems, delivering you the seamless wall-to-wall solutions that your independent grocery customers need. I expect that many current StoreNext dealers will take advantage of Retalix Store's broad wholesaler and market acceptance and become certified to sell this product.
- But just as important as the products is the new organization we've designed to ensure success for both dealers and StoreNext. With this broader range of offerings we've taken to heart the necessity of bringing specialization and a new focus to our field operations. We are therefore introducing StoreNext's new Enterprise Systems team who will be responsible all of our back office, hosting and Connected Services offerings.

Led by Tom Saari, this group brings the specialized product, services and implementation experience skills required for these product sets. They will work shoulder-to-shoulder with my Store Systems team to make sure that both you and your customers get the best of both worlds: specialized focus with seamless end-to-end operations and support.

More information and materials will be coming your way as we complete this integration. We look forward to talking with you in person in your offices and at the upcoming RSPA show in Toronto.

To Your Success!

Bruce

Bruce Minale

Update Bulletin

“TCI” Products and Support from StoreNext

May 27, 2005

We are pleased to announce that StoreNext will now provide sales and support of the “TCI” products from Retalix with a new Enterprise Systems team. As described in our April communications, dealers in the former TCI Dealer Program will continue to enjoy full sales and product support, while existing StoreNext dealer partners are invited to expand their business with new products and programs wrapped around the new Retalix Store and HQ systems (formerly “TCI Store” and “TCI HQ”).

The focus of the Enterprise Systems team is ensuring the continued success of all dealers with Retalix Store, RBO and Connected Services. In cooperation with our dealers, this team will also spearhead the implementation of Retalix HQ systems in smaller accounts. It is our belief that these products require a deeper level of sales and services specialization and focus to ensure market success.

To give all dealers the greatest possible opportunities and support, StoreNext is being expanded to include the former TCI channel sales group. Led by Tom Saari, this new Enterprise Systems team also welcomes Tom Cox and Doug Holloway to StoreNext, continuing their current field account management roles. In addition, Drew Otte, StoreNext’s Business Development Manager for Connected Services and RBO, joins this team. Bruce Minale will continue to lead StoreNext’s sales and support efforts with ISS45, ScanMaster, U-Scan, and other complementary store automation offerings.

A new StoreNext classification, “*Enterprise Select Dealers*” includes all former TCI dealers who currently market the Retalix Store product – now to accounts up to 20 stores. There are no current plans for changes in pricing, discount levels or representation for this dealer group, although Enterprise Select dealers will have the additional opportunity to represent applicable StoreNext Connected Services to their accounts over time.

The StoreNext Enterprise Systems team will also work with current StoreNext ScanMaster and ISS45 dealers to ensure the continued success of StoreNext’s RBO and Connected Services products and support the new Retalix Store and HQ programs.

We are delighted to have the privilege of working with these many new dealers, and now add Retalix Store and HQ to the industry’s most complete portfolio of offerings.

To Your Success,



Ray Carlin

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