

Update Bulletin

Retalix Store — New Small-Store Pricing, New Support Policies, New Order Form and the Product Bulletin

February 22, 2006

StoreNext is pleased to announce the additions and changes to our Enterprise Systems product line and Retalix Store. These are designed to further enhance your market scope with these products and compete profitably and effectively.

NEW SMALL STORE SYSTEM

Following the lead of other StoreNext products, StoreNext is announcing the Retalix Pricing Package for Small Stores at a \$3,195 list price point — including the wholesaler interface.

- This product is designed and released for small store POS systems only as defined by the POS vendor. Examples include StoreNext's ScanMaster or ISS45 Espresso or Express systems and the IBM small-store ACE bundle.
- In cases where the small-store configuration is sold with the IBM ACE small store system, StoreNext's intended plan is for the Retalix Store package to be purchased through Agilysys. This program will enable StoreNext to validate that these small store configurations have been properly configured into small stores. StoreNext intends to finalize the program in the very near future, but while this agreement is being finished the Retalix Store Small Store Configuration for ACE can be purchased through StoreNext as well as the small-store configurations for other POS platforms.



RTI PRINT LAB SUITE NOW INCLUDED

StoreNext has enhanced the Retalix Store Plus package by including the Print Lab Suite system instead of Print Lab Lite. With this change your customers will no longer be subject to the five-template limitation of the Lite version. Instead, Print Lab Suite provides an unlimited number of sign and label templates to use with the Retalix Store systems.

- The list price of Retalix store is now a little higher — by \$300 to \$9,595 (that's 3.2%) — and well worth it for the full Print Lab Suite product.
- For earlier sites and other Retalix store modules, StoreNext now also offers the full Print Lab Suite as an optional module at a \$995 list price.

ENHANCED SOFTWARE MAINTENANCE AND SUPPORT

StoreNext has modified the former support and annual maintenance services ("SAMS") offering to eliminate confusion and discrepancies across the Enterprise product lines at both StoreNext and Retalix. We now provide an enhanced standard offering that you can sell effectively with the same polices across these product lines.

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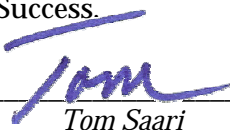
- The price for Software Maintenance and Support (SMS) is still the same 15%-of-list as the previous TCI SAMS program.
- Under the new SMS program, StoreNext dealers now have the option of keeping 40% of the software maintenance and support revenues by providing Level 1 and Level 2 support services.
- Dealers can also still select to have all support provided directly. SMS provides comprehensive Help Desk/Level 1 support through Level 4 support — and remember that software updates and maintenance releases are also included under SMS at no additional charge.

NEW PRODUCT BULLETIN AND ORDER FORM

StoreNext has (finally) completed the Retalix Store Product Bulletin/Price List and an Excel order form for your use when ordering Retalix Store, Retalix HQ and their respective options. When using this new pricing and order form, please be aware of a few important points and practices:

- Please complete all of the necessary information on the order form, then just attach it to your P.O. — this way you don't have input the information twice.
- You will see a box called "Dealer Level" on the order form which defaults to "Select." This default level is correct unless you have been formally notified that your dealership qualifies for Elite or Premier status. As you would likely assume, order forms arriving with incorrect dealer levels and pricing will delay the order while StoreNext returns the order to the dealer for correction.
- A separate order form is required for each Store or Headquarters location. Please complete all of the pertinent information about that site on the order form.
- StoreNext uses a specific Product Identification Number (PIN) for each product. These PINs are provided in StoreNext's Product Information Package (Bulletin #1211) as well as appearing on the order form. Whenever a product is ordered, the PIN for that package must be included — StoreNext must have the PINs to process the order.
- There are some more rarely-ordered products or options which are not included on the price list or order form — for example, the legacy IMS components. They have been omitted to simplify the order form and pricing and to make the new order form easy to navigate and use. If you need to order something that doesn't have a PIN listed on the order form, please call your StoreNext area manager to get the appropriate PIN for the item. The new order form provides blank lines where you can list the PIN and description for such products.
- The order form automatically extends the quantity, list price and discount for that item.
- A flat shipping charge of \$28 will now apply to all orders.
- If your customer plans to engage StoreNext's professional services for the implementation of the Store and/or HQ sites, a StoreNext Statement of Work (SOW) needs to accompany your order. Make sure you consult with your StoreNext area manager to insure that the SOW and any other requirements are completed.
- Please send all orders to your StoreNext area manager — they make sure your order is all set for completeness and accuracy before submitting it to StoreNext Order Entry.

To Your Success.



Tom Saari

