

November 23, 2005

IMPORTANT LEGAL NOTICE

Dear MICROS Customer:

Please be advised that Visa, MasterCard, American Express and Discover (collectively known as the "Association") are exerting great pressure on their member banks to ensure that all merchants accepting their card brands strictly adhere to the Payment Card Industry - Data Security Standard, or "PCI". The PCI mandate defines strict standards for the processing and storage of credit card information to which **merchants** must adhere in order to continue accepting credit cards and to avoid substantial fines. Over the past several months, you have received communications from your bank about PCI and its importance in reducing or eliminating credit card fraud.

As your POS provider, we continue to take this initiative **very** seriously. When the new Association guidelines were announced, which prohibited the long-accepted and approved practice of storing track data, MICROS implemented changes to all of its POS applications to prevent the storage of full magnetic stripe data. These enhanced MICROS products have been made available to all MICROS customers since March 2004, subject to standard upgrade charges.

One of the highest priority elements of the 12-point PCI security program is to ensure that full credit card track (swipe) and CW data is not stored in any form after an authorization is completed. This point is extremely important due to the concern that one could create a fraudulent credit card if access to this sensitive data is gained. There are several other steps that merchants will need to address in order to become fully compliant with this standard. Additional information can be found at **www.visa.com**. As you know, the Association has stated that it shall proactively administer fines to member banks that have merchants that are storing full magnetic stripe data. These fines could be imposed at any time, and could be very large. If you are identified as a merchant storing track data at the POS or corporate offices, there is an increased likelihood that your bank may be fined and will pass the fine to you for non-compliance. The Association is aware that certain predecessor versions POS products still in use store track data.

For those merchants that have not upgraded to a version of POS that does not store full magnetic stripe data, which MICROS offers, you are in violation of Association standards, and risk being subject to significant penalties and fines. Again, the fines that are being proposed are not trivial and could have serious financial impact to your business.

It is imperative that you immediately upgrade your systems to PCI-compliant versions.

Please contact your local MICROS office or account manager to determine whether the MICROS POS you are utilizing is PCI-compliant. Neither MICROS nor your service provider are liable for any damages you incur in connection with using non-compliant products.

Best Regards,
MICROS Systems, Inc.