



## Frequently Asked Questions

### PAR Technology Corporation Acquisition of SIVA

#### The Deal

- Has PAR acquired SIVA?

Yes. PAR announced on November 2, 2006 its agreement to purchase SIVA Corporation™.

- What is the expected timing for the transaction to close?

The closing of the transaction is subject to customary closing conditions and is expected in the fourth quarter of 2006.

- What is the purchase price?

The purchase price is approximately \$6.6 million in cash and PAR stock.

- Who is PAR?

PAR Technology Corporation (PTC) is a leading provider of professional services and enterprise business intelligence technology solutions. ParTech, Inc., a wholly-owned subsidiary of PAR Technology Corporation, develops, markets and supports hardware and software products that improve the ability of hospitality business professionals to make timely, fact-based business decisions. It is the world's largest supplier of point-of-sale systems to the quick service restaurant market with more than 40,000 systems installed in more than 100 countries.

PAR Technology Corporation also is a leader in providing computer-based system design and engineering services to the Department of Defense and other federal government agencies. PAR Technology Corporation's stock is traded on the New York Stock Exchange as PTC.

- Who is SIVA?

SIVA Corporation is the creator of point-of-sale, kitchen, back office and operations intelligence software that use next generation technologies to improve operational efficiency and reduce the cost of technology ownership for multi-unit restaurant operators. The company's comprehensive, integrated family of applications streamlines core processes associated with money, materials and people. It increases the availability and timeliness of operations information throughout the organization.

Designed for the connected enterprise, SIVA's unique point-of-sale architecture features embedded connectivity, automatically propagated application updates, real-time data synchronization, and an automatic mirror of remote systems on an



enterprise server. The software was built using Internet technologies that enable platform independence and free exchange of data.

SIVA is located in Delray Beach, Florida. The company's customers include Darden Restaurants (owner of the Red Lobster and Olive Garden), the largest casual dining chain in the world.

## The Strategy

- How does the acquisition of SIVA fit with PAR's current business strategy?

As a solutions company that provides software, hardware and services for our hospitality customers worldwide, our long term strategic plan is to better leverage our infrastructure by offering a range of applications targeted to the various segments of the hospitality market. Software is often the lead component in a solutions sale and can pull through significant hardware and services revenue. Because of SIVA's enterprise software design, we anticipate that its products will help us win additional accounts among the large global restaurant chains. And, by increasing the proportion of software sales in our product mix, we will increase both product and service margins.

- How does this announcement relate to PAR's recent acquisition of PixelPoint and PAR Springer-Miller?

The acquisition of SIVA rounds out our go-to-market strategy for hospitality software. PAR Springer-Miller enabled us to extend our business in the hotel, resort and spa segment. PixelPoint provided us with a solid dealer channel product for the independent restaurant market. SIVA brings us innovative table service applications and proven next generation architecture. When these three companies are combined with our historic strength in the quick service space, we have a software solution for the full range of hospitality businesses, from a single site to a multinational company, across all types of properties and modes of operations.

- Will there be any follow-on acquisitions?

Today we are focused on the integration of SIVA into PAR and the enormous opportunity that the combination of our companies will bring over the next several years. However, mergers and acquisition activities are a fundamental element in our growth strategy and we will continue to assess new opportunities to leverage our international infrastructure.

- Why did PAR choose to acquire SIVA versus another company?

SIVA shares our vision of the future of restaurant technology: enterprise-enabled applications designed for the connected business. After an exhaustive review of nearly 20 potential acquisition targets over the course of the last 18 months, we felt that from a technology perspective, SIVA's product architecture was the best choice



for PAR's next generation software platform. In addition, SIVA has established a leading position in the casual dining and table service chain markets with its *iSIVA*<sup>™</sup> point-of-sale system. The company's enterprise architecture is proven in that space and can be easily extended into the QSR and Quick-Casual markets.

Looking beyond SIVA's point-of-sale, an added benefit of the acquisition is the company's broad portfolio of operations-oriented applications.

- Did SIVA agree to be acquired?

Yes. SIVA's software was designed for large chain operators and its investors have always recognized that an international sales, services and support framework would be required in order for the company's products to reach their full market potential. Combining SIVA's innovative technology with the resources of PAR – a global NYSE company that has 30 years of experience serving the largest hospitality companies in the world – creates a compelling value proposition for potential customers.

- How will PAR capitalize on the SIVA opportunity?

Currently many of the largest restaurant chains are dealing with a technology infrastructure that has been in place for almost a decade. We expect to see a significant software turnover among this group in the next two-to-three years. With the acquisition of SIVA's applications, PAR is the first major hospitality technology provider to offer a Java-based, enterprise-architected solution set to this market.

We are committed to investing in the additional development and deployment resources necessary to make *iSIVA* the premier next generation solution for large multi-unit restaurant operators. To that end, we intend to build on SIVA's early successes in the table service segment by completing the internationalization of the table service restaurant product. Drawing on our extensive knowledge of the quick service market, we will build out a QSR offering on the SIVA platform.

## The Technology

- What is PAR's vision of the future of hospitality technology? How do SIVA's solutions fit into that vision?

Tomorrow's technology is moving far beyond the traditional point-of-sale, connecting geographically dispersed restaurant chains with a real-time information infrastructure for managing every aspect of the business. Operators want technology providers to support new operational areas such as food safety, loss prevention, equipment monitoring and energy management. SIVA offerings fulfill the requirements of real-time business by reaching into a wide range of restaurant touch points to provide monitoring, analysis and real-time feedback to on-site and above-site personnel.

At the same time, the point of sale is fragmenting into many different order taking and payment processing interactions. Emerging lines of business such as delivery and curbside pick-up require new approaches to supporting the sales process. Restaurant



chains want to see technology drive the top line with more effective management of the customer experience. SIVA applications move beyond the counter, offering handheld, kiosk, and on-line ordering, as well as, tableside or carside payment and delivery management.

Tomorrow's market is ready for a complete solution with integrated, innovative applications working together seamlessly on a single hardware/software stack, fully supported by a full range of professional services and available from a single source. With the acquisition of SIVA, PAR is building the future as reality.

- What are SIVA's products?

SIVA's enterprise applications improve on traditional software designs by delivering information throughout the organization and by reducing the cost and complexity normally associated with system ownership. In addition to Internet-enabled versions of traditional restaurant applications, the company offers software that supports operations areas otherwise underserved by technology. The company's products include:

***iSIVA™ Point-of-Sale*** Streamlines the order life cycle for table service, counter service and bar operations, while simplifying IT support with centralized application management tools.

**POS<sup>2</sup>** Extends the traditional point-of-sale with wireless order-taking capabilities.

**Pay@Table/Pay@Curb** Enables tableside or curbside electronic payment processing as well as integrated guest surveys.

***iSIVA Delivery*** Manages delivery, takeout and catering orders with comprehensive driver functionality, route management and capacity controls.

***iSIVA Back Office*** Automates administration of time and attendance, labor scheduling, inventory and cash management tasks.

**IntelliKitchen®** Improves kitchen coordination and throughput.

***iSIVA Enterprise*** Delivers real-time information to site and corporate employees via a browser-based portal.

- What is the value of SIVA's products for restaurant operators?

The SIVA products are distinguished by a unique architecture that maximizes opportunities for information availability in a connected enterprise. Drawing upon successful technologies and strategies developed for the Internet, SIVA has created a set of applications that successfully solve the problems associated with owning older, site-focused store systems – inaccessible information, restrictive platform



requirements and high cost of ownership – while building an IT framework that can support ongoing innovation in restaurant technology.

- Going forward, what is PAR's strategy for the SIVA product offering?

We intend to sell and support the full SIVA product line. IntelliKitchen, POS<sup>2</sup> and Pay@Table will be integrated with our InFusion point-of-sale, enabling our long time customers to obtain these new solutions without changing their POS. *iSIVA* will evolve into our next generation point-of-sale platform, initially focused on table service and later extended into quick service.

- Will any customers be forced to migrate to a different platform?

No. Our go-to-market strategy is to provide the right solution for each type of restaurant operator rather than imposing one solution on all. InFusion is a mature, stable application with some of the most sophisticated functionality for quick service operations available today. It is simply the best choice for many chains right now. We have no intention of taking that choice away.

However, as quick service functionality is added to *iSIVA* over time, PAR customers will be provided with the opportunity of upgrading to our next generation platform. For 29 years, over seven generations of solutions, PAR has worked closely with our major accounts to plan smooth technology transitions. We will make sure that all of the tools are in place to make any changeover to *iSIVA* as seamless as possible.

- Why is the *iSIVA* architecture the right enterprise software strategy for PAR?

Designed in the age of the Internet, Java, Linux, and low-cost communication infrastructures, the *iSIVA* architecture is built around an enterprise database that provides centralized configuration and deployment of information to the site as well as real-time synchronization of transaction information from the site to the enterprise. The architecture has incredible flexibility, supporting fat, thin and ultra-thin point-of-sale configurations, as well as wireless and hosted solutions. SIVA's products are the first to leverage the opportunities inherent in a connected enterprise.

Unlike .Net, *iSIVA* preserves the customer's freedom of choice, offering the broadest range of options to meet his or her particular technology strategy and/or budgetary needs. Applications are built from the ground up using Internet technologies that enable platform and system independence, standards-based data exchange and use of open source options. The service-oriented architecture enables loosely coupled relationships between SIVA applications and Web-oriented integration to third party applications anywhere in the network, from store to enterprise.

With its cost savings, high reliability and flexibility, *iSIVA* enables rapid adoption of advanced technology, making it an ideal choice for sophisticated chain operators.



## The Business

- How and when will SIVA be integrated into PAR?

We are currently working through the details of a complete integration of SIVA into PAR's software organization, including the blending of both companies' Florida offices. Following the integration, PTI will be organized into four major divisions – Software Solutions, Products, International and Par Springer-Miller. Software Solutions will be responsible for crafting solutions for major accounts in the global chain restaurant market.

We plan to preserve the SIVA brand through continued use of the SIVA product names.

- How will the acquisition affect employees?

PAR and SIVA employees are secure in their jobs. We foresee significant growth opportunities and we need these employees' talent and knowledge of our industry. Jim Melvin will be joining PAR as the Chief Strategy Officer for PAR's software solutions.

- How will the acquisition affect SIVA customers?

With the help of current SIVA employees, PAR will continue to provide existing customers with the pioneering products that they have come to expect. In addition, SIVA customers will benefit from access to PAR's world class, world-wide implementation, installation, helpdesk and field services organization.

- How will the acquisition affect PAR customers?

PAR's current and future customers will have a new option in the *iSIVA* point-of-sale solution as well as access to ongoing introductions of complementary restaurant technologies.

- How will the acquisition affect the SIVA channel partner network?

Our objective is a smooth continuation of our established relationship with existing SIVA channel partners. To that end, we are committed to honoring current reseller agreements.

We believe SIVA resellers will benefit from PAR's extensive training and support capabilities as well as the company's reputation for quality in the hospitality industry.