



PARISH DATA SYSTEM, INC.

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Dear PDS Customer,

Parish Data System grew up in the days when a computer in the church was unheard of. From our beginning in 1978 our mission was to make it possible for churches to utilize this new technology so that the church office could better serve its members. Those were the days when computers were very expensive and programs were limited by the technology of the day.

In recent years there has been an explosive growth in technology and a decline in the cost of hardware. This has presented us with an almost impossible task as more and more churches purchased computers expecting programs that did more and more. We were presented with a dilemma. How can a company with a staff of 17 keep up with this explosion and still maintain its high standards? The answer, unfortunately is, "it can't". We found that our reputation built up over the years was slowly being eroded. Our mission was becoming a "mission impossible".

During the past few years the demand for updates, new programs, more technical support availability, training classes in local areas, was stretching our small staff to its limits. We found that we were becoming less able to stay on top of expanding technology and increased requests from our customers. More and more we had to answer questions like "why does it take so long to get a program out?" "Why isn't the school program finished?" "When are you going to develop a ministry scheduler?" "What about web products?" "Why don't you offer training in local areas or online?" Our PDS staff was working as hard as it could but it could not produce as fast as the requests were coming in.

Our only solution to this dilemma was to expand or to form an alliance with some other company. We felt that expanding would take too long and require far more capital than we had available. Our best option for our users and ourselves was to seek a company with whom we could form an alliance: a company that had the same philosophy and commitment as PDS. We have found such a company in order to insure the continuation of the PDS commitment to quality software and support.

We wish to inform you that as of April 12, 2004 we have joined forces with ACS Technologies of Florence, South Carolina. ACS has been developing software as long as PDS (since 1978). They have worked primarily with Protestant churches. However they are much bigger than PDS. Since PDS has developed programs primarily for Catholic churches, there is no conflict of interest on the programs that we provide. We compliment each other by combining our expertise in the catholic sector while they have expertise in the protestant sector. We feel that both of our companies will be stronger because of this alliance and better able to serve the technology needs of the church.

This alliance with ACS will help both of our companies because of our combined experience and the creativity of our staffs. We will be able to get products out faster, develop programs that we haven't been able to complete due to staff limitations. What was very difficult to do with a staff of 17 we are now able to do with a combined staff of over 300. This merger of our two companies will benefit all of our customers because it insures continued development of PDS programs and a significant increase in the number of support technicians. This alliance promises much for the future as a new explosion of technology is taking place.

Sincerely,

Michael J. Boyle
President