

COMPUTER USAGE COMPANY

344 Main Street

Mt. Kisco, New York 10549

December 6, 1967

To the Holders of Common Stock of
COMPUTER USAGE COMPANY:

At its meeting on December 5, 1967, the Board of Directors authorized an offering of additional shares of Common Stock on a subscription basis to holders of Common Stock in the ratio of one share for each six shares of Common Stock owned.

The Company has filed today a Registration Statement with the Securities and Exchange Commission relating to this offering. This Registration Statement is expected to become effective on January 3, 1968 or shortly thereafter. The close of business one day prior to such effective date will be the date of record for determining stockholders entitled to subscribe for additional shares of Common Stock. On the effective date there will be mailed to each stockholder of record a Prospectus and a Warrant representing his Subscription Rights. It is anticipated that the subscription period will extend for about fourteen days and hence will expire on or about January 17, 1968.

If you are going to be away during the subscription period, you should make arrangements with someone to act for you with respect to your Rights. This is important, because if you do not exercise or sell your Rights during the subscription period, they will become worthless at the expiration of such period.

No action is required of you at this time, since this letter is only to notify you of this proposed stock offering and is not an offer of any shares or of any Rights to subscribe. The Subscription Offer will be made only by the Prospectus mentioned above. The Board of Directors reserves the right to postpone the Subscription Offer until a later time, or to refrain from making it if in its judgment such action seems advisable.

While Prospectuses will be mailed to all holders of Common Stock, Warrants will not be mailed to those stockholders whose addresses are outside the United States, Puerto Rico or Canada, or to those having A.P.O. or F.P.O. addresses, but will be held by The Chase Manhattan Bank (National Association), 1 Chase Manhattan Plaza, New York, N. Y. 10015, the Subscription Agent, for the account of such stockholders, until 12:00 Noon, Eastern Standard Time, on the expiration date of the Subscription Offer. At that time (if no instructions as to the exercise, sale or other disposition of the Rights represented by such Warrants have been received by the Subscription Agent) such Rights will, if feasible, be sold and, to the extent permitted by law, the net proceeds remitted to such stockholders.

Yours sincerely,

ELMER C. KUBIE
President