



June 14, 2018

To whom it may concern:

After more than twenty years of offering Real Time Location System (RTLS) products, we have decided to end of life the Elpas RTLS product line. In making this decision, we took into account a number of factors, including the overall health of the business, the amount of investment and innovation required to continue to offer a competitive solution to our customers, and the overall impact of our decision to the Elpas integrator and end user base. Please note that there is no transition or migration plan at the time of this notification. However, we continue to explore all options, and if we are able to develop a suitable transition or migration plan for the Elpas installed base, we will communicate those details at a later date.

As a result of the decision to end of life the Elpas RTLS product line, we are hereby providing formal notification of the following:

1. Elpas is ceasing manufacturing operations for the Elpas RTLS product line and is announcing a last time buy for its products. Purchase orders for Elpas RTLS products must be submitted by July 20, 2018. Elpas will use reasonable efforts to accept and fulfill purchase orders that are placed by this deadline but reserves the right to allocate quantities of product among customers taking into account relevant factors, including the order history of each customer.
2. Effective June 20, 2018, the Elpas RTLS product line will enter maintenance mode. As a result, Elpas will continue to provide support to its existing installed base for the standard warranty period of one year, following which, the Elpas RTLS product line will reach its final end of life (EOL) on June 20, 2019, and such support will cease.

The foregoing applies to all Elpas RTLS products without exception. Of course, Elpas fully intends to meet all pre-existing contractual obligations that extend beyond the foregoing periods.

This letter also serves as formal notification that Elpas is exercising its right to terminate our existing distribution, reseller, supply, purchase or similar agreement for convenience. As a result, said agreement will terminate effective thirty (30) days from the date of this letter or such longer period as is required under the Agreement. Alternatively, if said agreement does not provide for early termination, then this letter shall serve as notice that Elpas is electing not to renew the agreement at its next renewal date. Accordingly, the final date for the submission and acceptance of purchase orders for Elpas RTLS products under said agreement will be no later than the specified termination or expiration date in compliance with the applicable contract terms. Please ensure that you cease all further reference to Elpas in your advertising, literature, website, paperwork or any other media by such date.

For any questions or concerns related to all product offering and non-Americas sales, please contact **David Fensterheim** (david.fensterheim@jci.com) or for Americas sales, please contact **Mohsen Hekmatyar** (mohsen.hekmatyar@jci.com).

Elpas Solutions Ltd./ Elpas Inc.