HOW NEC'S EXIT FROM PREMISE PHONE SYSTEM MARKET IMPACTS EXISTING NEC OWNERS

Given the seismic shift in market demand, preferring cloud-based phone solutions to premise-based ones, Effective April 16, 2024, NEC has made the strategic decision to cease the manufacture and support of all premises-based telephone systems. Moving forward, NEC's business communications focus will be exclusively on their UNIVERGE BLUE Cloud-based platform.

We understand the importance of reliable business phone communications for your operations and the potential concerns this announcement may raise.

So, what does this mean for you?

- 1. **No orders for new systems:** NEC will no longer accept new orders for on-premise products after December 31, 2024.
- 2. **No Tier 3 Support starting in 2026:** NEC will discontinue hardware and software support services for all on-premise products after March 31, 2026.
- 3. **Continued Tier 1 and 2 Support from Clarktel:** Clarktel will provide continued Tier 1 and 2 support for NEC Premises-Based Systems; even beyond March 31, 2026. For customers who choose to continue operating their NEC premises-based systems, rest assured that Clarktel will continue to provide <u>service and maintenance</u>. We have committed to maintaining adequate inventory and supply resources, while available, to support these systems.
- 4. **Upgrade to the cloud now with UNIVERGE BLUE:** If you currently have an NEC premises-based telephone system and are worried about potential concerns, we invite you to choose an easy transition to NEC's UNIVERGE BLUE Cloud-based platform. This shift will ensure that you benefit from the latest features, scalability, and enhanced reliability. UNIVERGE BLUE is the future of NEC's unified communication business and it will be here long into the future.

Clarktel's Commitment to You:

As your trusted service and support provider, Clarktel is fully committed to continuing our support for your NEC premise-based systems. Our team will work closely with you to explore all available options, including <u>maintenance support</u>, purchasing key replacement parts in advance, or even potential upgrades to <u>UNIVERGE BLUE</u>.

No matter what, please rest assured, Clarktel's steadfast commitment to providing uninterrupted service and support to all our clients has never been stronger. We value your business and are here to assist in helping you make the right decision for your business.

Our team will be in touch with further updates and to discuss how we can best support your specific needs as NEC's transition from premise-based systems begins at the end of this year. If you have immediate questions or concerns, please do not hesitate to contact us at 330-572-1717 or info@clarktel.net.

We thank you for your understanding and continued trust in Clarktel. We look forward to navigating these changes together and ensuring your communication needs are met with the highest standards of service and reliability.