CADKEY

CAD/CAM/CAE Software

October 2, 1993

An Open Letter to all Registered DataCAD® Customers in the USA and Canada:

Dear Valued DataCAD Customer:

Since joining Cadkey, Inc. in October, 1992, I have received numerous letters about DataCAD from customers and Authorized Dealers. Many have expressed great appreciation of the product; many have requested a more aggressive development schedule. Some letters expressed dissatisfaction with the maintenance program and complained about poor return on investment. The vast majority of letters came from customers who like DataCAD and wanted to encourage us to "breathe new life into it."

We want to be honest and open with customers, and I would like to advise you of our plans with regard to DataCAD and its future. You will appreciate that even with the best-laid plans, events can overtake us, but here is how we view the future today:

DataCAD 5:

- DataCAD 5 for MS-DOS began shipping in late September. I hope that you will be delighted with the new version and will find it contains many valuable new features and functions to enhance your productivity.

- DataCAD 5 is priced at $495. Additional seats and home use systems will be available at $495 per seat. Upgrades from all previous versions will cost $495 per seat. Effective immediately, maintenance contracts and competitive upgrades are no longer available. All existing maintenance contracts will be honored until their expiration date.

- All DataCAD customers with current maintenance contracts will receive DataCAD 5 without additional charge soon after it ships. One product will be provided for each maintenance contract, with a license for use on one computer. Additional seats may be purchased separately.

Future DataCAD Releases:

- No major new MS-DOS versions of DataCAD are planned.

- The next planned upgrade is intended to be a Microsoft Windows product, which has been previewed under different names such as "Parthenon" and "Cadkey Architect." Development work is progressing well, and the product is planned to ship in 1994. This is a totally new CAD system which is object-oriented, written in C++, and will run under Microsoft Windows and Microsoft Windows NT. It is a remarkable piece of software and will certainly be "state of the art" in every respect when it ships. While it is running now, and has been previewed extensively

under both Windows and NT, it is not yet a worthy successor to DataCAD. We are therefore taking the additional time required to make it the best product it can be.

- DataCAD customers with full maintenance contracts that are current at the time of release, will be able to upgrade to the Windows product without additional charge.
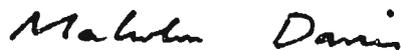
As we move closer to the new release, we will keep you informed of our progress.

I hope that the above clears away some of the confusion, clarifies our commitment to DataCAD and our support for the A/E/C community, and reassures you as a DataCAD customer that your investment is being protected.

I am enclosing an extended version of the $50/DataCAD 128 "Thank You" Bonus, valid until November 30. Now if you can refer ten new customers, we will give you a free DataCAD 5! Please tell your friends about DataCAD; we appreciate your support!

Thank you for using DataCAD!

Sincerely

Malcolm Davies
President & CEO

*Note all prices listed above are suggested retail.