PHARMAWORKS™

Scanware Vision Systems Hardware Obsolescence Notification

March 31, 2021

Valued Customer

Hello,

As the North American representative for Scanware vision systems, Pharmaworks has supported scanware systems for partners like you for over 25 years. We still have equipment nearly that old in fact that is <u>still</u> in production. This demonstrates the commitment that Scanware has in building and supporting outstanding quality equipment. Although Scanware manufactures much of the electronic hardware themselves, there is a dependency on 3rd party equipment, namely CPU's and cameras which cease to be manufactured and available from the OEM. Therefore, this letter is to inform you of the status of the equipment you have, allowing you to make informed decisions to ensure your production lines remain productive.

<u>Our records indicate the following Scanware equipment is at your facility along with the status of the impacted subcomponents.</u> Please take a moment to confirm the status of the equipment – not only for our records, but also to allow us to ensure that we can provide you with the best options for getting those units updated to an Active/Fully Supported status.

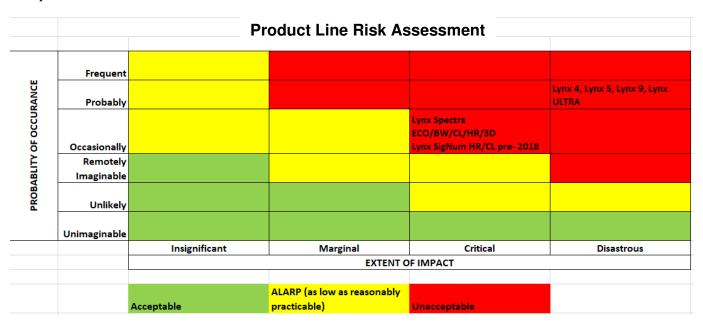| Project N°	CPU	Camera	Line
204.300.01.01.042	CPU-7CCM, 2,26GHz, 2GB, 32bit	JAI CV-M9CL-IRB1, 3CCD Prog.	Line 6
206.300.00.01.004	CPCI-CPU Pentium M 1,6GHz, 512MB	JAI CV-M9CL-IRB1, 3CCD Prog.	Line 4
212.300.00.01.102	CPU-7CCM, 2,26GHz, 2GB, 32bit	JAI CV-M9CL-IRB1, 3CCD Prog.	Hormone

NOTE: **Line 4 (system 206.300.00.01.004) has a replacement unit (system 219.300.00.01.133) at your facility awaiting install. This system <u>has</u> the latest/supported CPU (model SC-1)**

The cell colors indicate system subcomponent classifications broken into 3 categories of support:

Active/Fully Supported	Most current offering within a product category
End of Life	Product line sub-component is discontinued date/last time buy announced by component supplier. Repair/exchange may be possible.
Discontinued	Product line sub-component is no longer manufactured or available. Component can not be repaired by component manufacturer nor scanware

Not to worry, the Spectra, Signum and Capa product lines themselves are fully supported, however over the years system sub-components have been impacted by lack of availability from suppliers.

Risk Assessment: The following tables indicate the risk associated with the product lines and sub-components:

Product Line Risk Assessment

PROBABILITY OF OCCURANCE	Insignificant	Marginal	Critical	Disastrous
Frequent				
Probably				Lynx 4, Lynx 5, Lynx 9, Lynx ULTRA
Occasionally			Lynx Spectra ECO/BW/CL/HR/3D Lynx SigNum HR/CL pre- 2018	
Remotely Imaginable				
Unlikely				
Unimaginable				
	Insignificant	Marginal	Critical	Disastrous
		EXTENT OF IMPACT		

Acceptable	ALARP (as low as reasonably practicable)	Unacceptable

Sub-Component Risk Assessment

PROBABILITY OF OCCURRENCE	Insignificant	Marginal	Critical	Disastrous
Frequent				
Probably				CPU, Hard Drive
Occasionally		Monitor	Lynx Spectra ECO/BW/CL/HR/3D Lynx SigNum HR/CL pre- 2018	Frame Grabber
Remotely Imaginable				Cameras, Lenses, DIO, PLC
Unlikely		DOM tower, Monitor Housing		Illumination Units
Unimaginable				
	Insignificant	Marginal	Critical	Disastrous
		EXTENT OF IMPACT		

Acceptable	ALARP (as low as reasonably practicable)	Unacceptable

The following table describes the options/levels that exist to upgrade your existing system to the latest supported status along with budgetary expenses for your future reference:

Option	Description	Spectra HR Product Inspection
Level 1	Replacement of CPU, disk, housing, frame grabber, software	**Line 4**: upgrade already in inventory **Line 6 & Hormone**: Budgetary cost: $XXk **
Level 2	Replacement of CPU, disk, housing, frame grabber, software, camera & lens, cable set	**Line 4**: upgrade in inventory (less camera) **Line 6 & Hormone**: Budgetary cost: $XXk (based on 2 high res cameras) **
Camera Replacement	In the event that the Camera is either End of Life or Discontinued, however the CPU is still Active/Fully Supported. THIS OPTION ONLY APPLIES TO LINE 4 WHICH WILL HAVE THE LATEST SC-1 CPU ONCE THE SYSTEM THAT IS IN HOUSE IS INSTALLED.	**Line 4:** (1 camera) $XXk **Line 6 & Hormone**: (3 cameras): N/A since CPU not supported

**Cost depends on necessity to update the system software level and chosen software upgrade level

Something to consider:

- The JAI CV-M9CL has historically been a very robust camera not prone to failure. Replacing the camera requires all formats to be retaught so this has a greater impact. Spare/replacement systems are still available at scanware (currently) however it might be suggested to purchase a spare M9 camera to keep in inventory since all of your systems use the same camera (5 in use).
- If there is a consideration to upgrade Line 4 to higher resolution (as Line 6 is) it might make sense to upgrade to the latest cameras (JAI AP-3200 3COMOS 3x3, 2 Mpxl)
- If Line 6 OR the hormone line CPU is upgraded (Level 1) this would provide a spare CPU-7CCM so perhaps only 1 upgrade is currently needed.

Impact of replacing the CPU and/or the camera:

Upgrading the CPU:

The currently supplied CPU boards (SC-1) are a larger form factor and require additional cooling which means that the evaluation unit/rack needs to be replaced. Unfortunately, this requires replacing the frame grabber that is in the current evaluation unit since its form factor is not compatible with the new rack.

Note: Your current inspection formats/recipes <u>will</u> still be useable if only upgrading the CPU

Upgrading the Camera:

The cameras used in scanware systems have historically had a very low failure rate (<10 failures with hundreds of installations of one model for example), therefore a lower probability of risk. However *if* a camera fails the chance may be high that the particular model may not be available. Analog cameras will require an upgrade to a Camera Link frame grabber as analog frame grabbers no longer exist in the new form factor.

Note: Your current inspection formats/recipes <u>will not</u> be useable, all formats will need to be retaught from scratch.

Q&A:

1. **What is the advantage of these upgrades?**
    - In case of component failure scanware can provide drop in/like for like replacement hardware
    - You will be already switching to the next generation of scanware systems.
    - You will benefit from future developments without having to make a "major switch" to the new system generation
    - You can do this step by step without having to invest in a new complete system.
    - You are already prepared to implement future technologies
    - Long-term support
    - High availability
    - Service and spare parts supply secured for many years
2. **What is the disadvantage of not doing that upgrade?**
    - If you were to have a failure of components that were no longer available (CPU for example), an extensive replacement would be required causing extended downtime along with unplanned revalidation. Current CPU's require a larger evaluation unit/rack which is incompatible with the cards (frame grabber for example) from the existing evaluation unit, therefore those cards also require replacement.
3. **Will Scanware continue to support our current version of CPU?**
    - If equipment is classified as "end of life" then scanware can continue to provide spare/replacement components as long as the supplier has inventory. Once this is depleted this hardware is no longer available. Attempts can be made to repair hardware but this is not always possible.
4. **Will existing product formats/recipes be affected?**
    - CPU replacement may require a Spectra or SigNum software update, however existing formats/recipes can still be used. Camera replacements require new format teach-ins
5. **What is the expected lifetime of currently supplied CPU's and cameras?**
    - scanware will provide functional like-for-like compatibility on the new CPU platform (compactPCI serial) for at least another 15 years. There are a huge amount of systems running for almost 20 years on the previous compactPCI parallel bus system.

Next Steps:

1. Please confirm the table provided showing your existing scanware systems.
2. Once you decide which level of upgrade you want to pursue, Pharmaworks can provide a quotation for a complete replacement package that can include the system hardware and validation documents to allow you to have a customized system prepared that is precisely tailored to your specific configuration. You can then schedule an installation when appropriate for you (you may be able to do this yourself in fact), knowing that you have a system in inventory with the associated documentation to allow the upgrade to go seamless. Pharmaworks has 25 years of field upgrade experience of scanware systems so you can rest assured we will make sure you have a system that is prepared to minimize your downtime.

We stand available to answer any questions you may have to help you to ensure your systems are fully supported as painless as possible. Please contact us and we can set up a call to discuss the options that make most sense for you.

Sincerely,

Peter Buczynsky | Sales Manager, Vision Systems

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