



Dear Valued Customer,

Thank you for your continued support and loyalty over the past years. The Nevo team at Universal Electronics is proud of the many accomplishments we have brought to the market in delivering a new entertainment control experience with the line of Nevo® Control Products.

At this juncture in our history, celebrating our 25th year of product and technology innovation, it makes sense to take stock of our accomplishments and evaluate new product opportunities and challenges.

As we begin 2011, the challenging market conditions and changing requirements of the Custom Installation channel require a re-assessment of our Nevo hardware platform offerings in order for us to continue to meet and exceed our customer's needs.

While we are working diligently on a new strategy for this market, we have a few announcements that we would like to share with you as we begin a new calendar year.

First and foremost, we would like to re-iterate that we continue to sell and support our current line of Nevo Pro and Nevo Custom series hardware platforms, accessories and programming software applications.

- For our International market activities, we will continue Nevo sales activities through the support of our existing exclusive distribution partner program.
- For our North American activities, we will be streamlining our distribution by managing our Nevo sales activities through a select number of regional distributors, which will be announced in the near future.
- Additionally, effective January 2011, the NevoQ50 Remote will no longer be available for sale in the North American market.

Thank you again for your continued support and commitment, we look forward to a great year with the confidence that we will continue to create sustainable value to our customers in the Custom Installation channel.

Sincerely,

Em Klaver
Vice President, Custom Installation