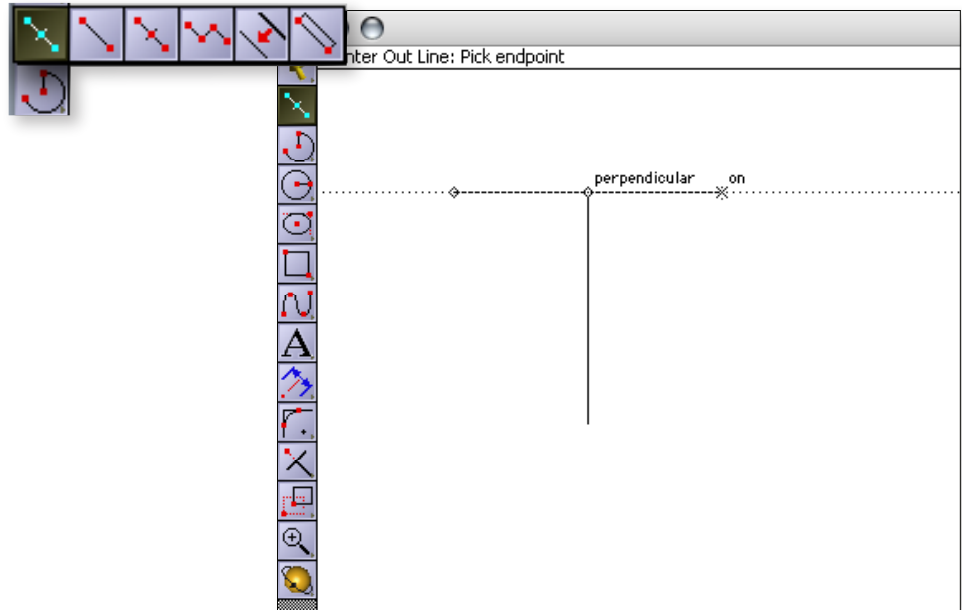


Ashlar-Vellum Channel Partner Newsletter June 2006

Looking Ahead to Graphite v8

The following enhancements are anticipated to be released as part of Graphite v8 during the 4th Quarter of this year:

- Mid-point Line Tool
- An Updated User Interface
- Resizable Dialog Boxes
- Tear-off Tool Palettes
- Dockable Tool Palettes
- Universal Binary Support for the Intel Mac
- Support for File Names Over 32 Characters Long
- AutoCAD 2007 DXF/DWG Support
- Direct, Multi-sheet PDF Creation with Optional DXF Export Embedded
- Spacebar Pan



Use the Mid-point Line Tool to create a line that starts from the center and dynamically draws in both directions until the endpoint is clicked. (New user interface not shown here.)

Graphite v7 Service Pack 3

Sometime next month, we anticipate the release of Graphite v7 SP3. When promoting it to the customer, we say that enhancements in this service pack will include:

- AutoCAD 2004, 2006 DXF/DWG Support
- Mouse Scroll Wheel Support for Zooming

More importantly to those of us on the inside, the new service pack will include the new security system which will sniff the user's network looking for additional

computers running the same serial number and not allow the second user to launch the program. Ashlar-Vellum Graphite v7 SP3 will no longer allow promiscuous use by unlicensed users.



The days of unbridled software promiscuity are coming to an end!

Incremental Upgrade Pricing

Upon release, the price to upgrade to Graphite v8 will range from US\$495 to \$695 for the e-only version.

Just as we did last year with the pre-sale of Cobalt, Xenon and Argon v7 upgrades, we have created a pricing schedule for Graphite v8 where the price goes up each month over the summer as we approach the release date.

The table shows the e-only prices to:

- Pre-order the upgrade from Graphite v7 to v8.
- Pre-order the upgrade from Graphite v6 or earlier to v8, receiving v7 (including SP3) in the interim
- Upgrade from Graphite v6 or earlier to v7 only (including SP3)

We intend to market these prices within North American only,

Second Quarter Design Explorer Ready

The Q2 06 edition of the user newsletter, the *Design Explorer* is available on the Ashlar-Vellum website in English. Notification went out to customers via email on the 22nd of June with a link to both an 8.5x11 and an A4 paper size format to accommodate users around the world. Different versions of the text are being compiled for customers in Switzerland and Germany, Italy, France, and the Benelux countries.

	June 30, 2006	July 31, 2006	Aug 31, 2006	Sept 30, 2006	Until Release
Graphite v7 Users	\$249	\$311	\$373	\$435	\$495 including a Graphite Tips & Trick book
Graphite v6 or prior Users	\$349	\$436	\$523	\$610	\$695 including a Graphite Tips & Trick book
Graphite v6 or prior to v7 only	\$149	\$211	\$273	\$335	\$395 including a Graphite Tips & Trick book

however, some email addresses for foreign users always slip through our database filters. If you've signed up as an affiliate through our web store, you will receive credit for orders placed through the links in our marketing emails.

If you have not already done this, we encourage you to

SIGN UP NOW. Send an email to jimmy.mills@ashlar.com for complete instructions on how to establish this link.

If you are an international channel partner, we encourage you to make a similar offer to the users in your region. Your standard discount applies to the sale price.



v8 Customer Progress Reports

We are instituting regular progress reports sent to customers who pre-order v8 editions of our products. These short emails will highlight the development progress of one feature, function or enhancement just to keep customers in the loop and confident that they will soon get their much-anticipated software.

Profile of the Development Team

Meet the heroes of our core development team. They are a sharp bunch and we're proud of their hard work. We'll be hiring additional programmers as we find them, but honestly, it's hard to qualify to work for Ashlar-Vellum. Our developers must pass an IQ/logic test, a programming test, and demonstrate a high level of fluency in English.

Andrey Voloshin leads our Graphite development team. At university, he graduated at the top of his class and then worked for a Russian defense contractor developing graphical navigation systems. When he's not developing software, Andrey is an ace ping-pong player and likes to hike and fish.

Alexey Rezvov leads our 3D Modeling team. Alexey grew up in the ancient and picturesque Ukrainian city of Kamyanets-Podilskiy, where he graduated from university. He loves puzzles and computer games, which make him excellent at tracking down bugs in our software code. When he's not talking about programming and higher mathematics, Alexey has an avid interest in politics.

Andrey Vinogradov's love of math led him to study at Kiev Polytechnic Institute. He enjoys all things unusual. When he is not reading science fiction or listening to alternative music, he's a master speed skater in the roller rink.

Anton Chigarev joined our team in early March and fixed two bugs on the first day. He comes to us as a 3D modeling user and as a journalist in addition to being a top-flight programmer. Outside of work his interests range from tap dancing to aviation.

Fedor Lyamchik grew up in Kiev and graduated from Kiev Polytechnic Institute with a degree in computer science and advanced studies in CAD systems. He likes to read and play computer games. His persistence and outgoing personality make him a good fit for our development team.

Vladimir Stepanov is a native of Kiev. Prior to joining our development staff, Vladimir was a service engineer for a science and technology company. He loves spending time with his family, reading, walking and traveling.



From left to right: Andrey Vinogradov, Alexey Rezvov, Andrey Voloshin, Fedor Lyamchik, Vladimir Stepanov and Anton Chigarev.

16 Months of Progress

As we struggle through the day-to-day grind, it is very easy to focus on the obstacles and never see the tremendous amount that we have accomplished over the past months. Below is a list of things our team has achieved over the past 16 months. Please celebrate our progress with us.

2005		2006	
March	Strategic Planning Workshop initiated	January	Quick Start Consulting introduced
April	Channel Partner Newsletter established Redesigned website goes live Vellum:environments released Mission Statement adopted	February	Complete ISO product manufacturing disks implemented
May	Kiev office opened, headed by Vladimir at A-VU. Vellum Investment Partners makes a bid to buy A-V	March	New support procedures initiated with Kiev and Austin Greg's first podcast Knowledgebase implemented with Support Suite <i>Design Explorer</i> published in multiple languages
June	DAM project kicks off Munich court orders POSH to cease use of trademark and turn over customer list New spec sheets developed to complement new product sheets The <i>Design Explorer</i> user newsletter established	April	Ashlar-Vellum UK established in London Monthly rental pricing established European domain names secured Graphite Draw by Layers script released
July	Direct Marketing Utility starts in serious use First sale made in Ukraine to Budfarfor Pre-release pricing for Cobalt, Xenon and Argon v7 introduced	May	Service Pack 1 for Cobalt Xenon and Argon v7 released One-year anniversary of Kiev office marked by 20 employees in development, QA, sales and marketing support Girlstart tutorial created
August	Cobalt, Xenon and Argon v7 released New v7 Spec Sheets created	June	Graphite Convert Curves to Lines Utility released Incremental upgrade pricing for Graphite v8 introduced New software security initiated DownRev DXF utility released
September	Hot Fix 1 for Co, Xe, Ar released 12 hours after being alerted to a registration problem Dutch court orders Disaro to cease using Vellum, bricks, website and software New price lists generated		
October	Hot Fix 2 is released for Co, Xe, Ar v7 Increment increases in upgrade pricing for Co, Xe, Ar v7 introduced		
November	Graphite v7 SP2 released New Sales Handbook released Resource Library kicked off A4 Literature Conversion kicked off Incremental increases in Co, Xe, Ar v7 upgrade pricing motivates sales		
December	Hot Fix 3 released for Co, Xe, Ar v7. The <i>Design Explorer</i> is published in German Get a Second License at Half Price promotion brings record sales		

Ashlar-Vellum™
Celebrates
18 Years of
Creative Intuition
 Powered by **Vellum™**