

GENERAL:

The design and development of the products are done by LDL Technology's headquarters in Toulouse (France), ISO 9001 certified.

The manufacturing of the products is done under LDL Technology responsibility by LDL Technology's manufacturing subcontractor, ISO 9001 and ISO TS 16949 certified. Therefore, LDL Technology's products are manufactured according to these standards.

LDL Technology Quality policy aims to select suppliers ISO 9001 certified and experienced in automotive business, in order to have "automotive qualified" components.

LDL targets 0 defect. To achieve this target, LDL Technology manages the projects through the Project Management Process (PMP), starting with acquisition up to serial production and using:

- Regular project meetings to follow project progress,
- Project milestones (Quality Gates),
- Validation and qualification tests of each product of the system,
- Standard automotive tools and methodologies like FMEAs, 8D, PPAP.

The actual product development will not be started until the Customer has issued to LDL Technology a purchase order or a Letter of Intent, for the annual volume and program duration stated in the RFQ.

For system development and validation purposes, LDL Technology asks the Customer to supply:

- a) Vehicle or
- b) A portion of the vehicle with all representative mechanical, electrical and software environment of the system

The language of the offer and of project documentation is English.

LDL is able to submit PPAP to the Customer. If the Customer needs PPAP submission, LDL will quote it after agreement on its content (LDL standard is PPAP level 2).

This offer doesn't include the RF-LF homologation (RED directive, FCC, e marking...).

The period of validity of the quotation is 30 days from the date shown at the top of this letter.

These general conditions of sale are applicable to all products sold by LDL Technology. Any Customer's purchase order or any approved LDL Technology quotation by the Customer means that the Customer accepts the LDL Technology's general conditions of sale and renounce to its general conditions of purchase. The fact that LDL Technology does not take advantage at some point of one of the general conditions of sale cannot be interpreted as being a renunciation to take advantage later of one of the aforementioned conditions. Any waiver to the general conditions of sale shall be approved in writing by LDL Technology management.

PURCHASE ORDERS:

The Customer agrees to respect in its orders the Minimum Order Quantities (MOQ) per Delivery as defined in the offer.

Given the leadtimes of electronic components, the Customer agrees to send to LDL Technology on a monthly basis the delivery programs of the open order according to the following rules:

- The current month is designated by "M";
- From month M to month M+3: The volumes are fixed and cannot be cancelled by the Customer;
- From month M+4 to month M+8: The volumes represent forecasts and are used by LDL Technology to order the components according to their lead times and Minimum Of Quantities (MOQ). The forecasted volumes [M+4 ; M+8] can be cancelled partially or in totality by the Customer. Therefore, on one hand, in case of volume cancellation or reduction and if material orders can not be cancelled, the customer will be invoiced. On the other hand, in case of forecasted volumes increase during the period [M+4 ; M+8], the Customer agrees to first contact LDL Technology, who will do its best to respond in the shortest possible time to the feasibility and to any incurred potential additional costs.
- From month M+9 to M+12: The forecasted volumes can be cancelled by the Customer without any consequence.
- Latest on the 5th (fifth) business day of the month M, the Customer shall send to LDL Technology the actualized delivery program for the months [M; M+12]. If not, the forecasted volumes M+4 from the previous delivery program will become firm, considered as M+3 volumes for LDL Technology and the

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forecasted volumes M+9 from the previous delivery program will become considered as M+8 volumes for LDL Technology.

- The Customer shall buy the surplus raw material that has aging more than 6 months since the last shipment.

DELIVERY:

Unless otherwise specified in the offer:

- Delivery terms: Ex works from LDL production facility.
- Packaging: Standard Automotive packaging (GALLIA 13).

If volumes are reduced below those shown in this offer, the Customer and LDL Technology agree to renegotiate part prices.

PAYMENT TERMS:

LDL Technology does not include in the quotation the delivery of either the source code, or the electronic schematic, or the plan of each mechanical component, or the data from the production test benches. Partial data may be transmitted according to the needs during the execution of the project. In any case, they are subject to the non disclosure as defined in paragraph 1.7.

This quotation excludes any productivity gain request and any late delivery penalty.

Payment terms: 30 days net after invoicing.

Overdue amounts are submitted to a penalty of 1% per month.

40 Euros for liquidated damages of delay will be applied.

WARRANTY:

LDL Technology agrees that the products related to this quotation shall meet the specifications defined, validated and signed by LDL Technology and by the Customer (hereafter referred to as the "Specifications").

The warranty and the liability of LDL Technology for the products related to this quotation are established for a period of twelve (12) months from the date of delivery by LDL Technology. If the date of delivery cannot be established, the manufacturing date printed on the product + 3 months shall be applicable.

In the event that within the above-mentioned warranty period, the Customer returns any defective product to LDL Technology, the Customer shall inform LDL Technology before sending back the products with all detailed problem description data and circumstances. At reception of the products, LDL Technology shall identify all immediate containment actions to protect the Customer, analyze the root causes of the con conformity and set up the appropriate corrective and preventive actions, according to the LDL Technology method « Quick Quality Analysis » (QQA).). In case LDL Technology's responsibility is clearly established after common expertise by the Customer and LDL Technology, LDL Technology shall replace the non-conform products, without cost to the Customer. Any additional costs such as disassembly/assembly, administrative or any collateral damage directly or indirectly caused by LDL Technology's product are not covered by warranty.

The warranty and liability of LDL Technology do not extend to any losses or damages due to misuse, accident, abuse, modification, or use beyond the use defined in the specifications.

The warranty and liability of LDL Technology describes above constitute the sole warranty and liability conditions of LDL Technology toward the Customer and exclude any other other warranty and liability, expressed or implied, from any legal on any other constraints ,not defined in the specifications.

Once the serial production will be finished, a specific mutual contract shall be negotiated between the Parties to define the terms and conditions of sales of the aftermarket products, taking into account the production and resources constraints. The target of this new mutual contract will be to define the conditions and duration to insure the availability of the necessary aftermarket products.

Any repair or furniture done under warranty will not extend the warranty period.

FORCE MAJEURE:

All LDL Technology's engagements will be suspended in any situation where the non-execution of an obligation would result from a case of force majeure.

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A case of force majeure, leading to non-delivery, delivery delay or delivery not conform, are events reasonably out of control from LDL Technology, such as strike affecting LDL Technology or its sub-contractors, suppliers or transporters, lock-out, tool break, severe weather events.

CONFIDENTIALITY:

This quotation will be treated confidentially by the Customer. The Customer agrees not to share the quotation or its contents with third parties.

In case of NDA already signed between LDL and the customer, all confidentially conditions defined in the NDA are applicable for this quotation. If not, please find them here: The Confidential Information can include but without being limited to know-how, algorithms, software, masks of integrated circuits, drawings and models, original creations and can appear on all media (such as written or printed documents, computer files on a USB stick, emails, CD Rom, samples, prototypes...)

The confidentiality provisions also apply to:

- (i) in general, any information of any nature whatsoever, from which the Customer may have knowledge in any form whatsoever, during his visits to LDL Technology,
- (ii) any information or data disclosed orally insofar as the confidential nature of the Confidential Information has been brought out to the attention of the Customer no later than thirty (30) days after disclosure,
- (iii) any information exchanged in the context of a meeting on confidential items, without Customer or LDL Technology has a need to notify its confidential character.

During the validity period of the project related to this quotation during 10 (ten) years after termination of the project, the Customer shall treat all Confidential Information as confidential and not to disclose or otherwise communicate in any form whatsoever to third parties and including sub-contractors or to any other person without the prior written consent of LDL Technology and provided that the third party recipient agrees in advance and in writing to comply with the same confidentiality obligations as these contained in the quotation, the Customer remains liable to LDL Technology to the fulfillment of confidentiality obligation of the third party.

Customer agrees to not use the Confidential Information for purposes other than the project related to this quotation. In addition, Customer agrees to limit the disclosure of Confidential Information which has been received in the context of the present quotation to the staff directly involved in the project related execution and agrees to oblige the said Staff to comply with the confidentiality provisions of the present quotation.

The obligations of paragraph 1.7 shall not apply however to any information which:

- is already in the public domain or becomes available to the public through no breach of this quotation by the Customer
- or was in the Customer's possession as proven by its written records prior to receipt from LDL Technology
- or has been disclosed after written authorization by LDL Technology
- or is received independently from a third party free to disclose such information to the Customer
- or is subsequently independently developed by the Customer as proven by its written records or other adequate proof.

INTELLECTUAL AND INDUSTRIAL PROPERTY:

Neither this quotation nor the delivery of any Goods hereunder shall be construed as granting any right in or license under any present or future data, drawings, plans or ideas or methods disclosed in this quotation, or under any invention, patent, copyright or trade secret now or hereafter owned or controlled by LDL Technology.

Consequently, the Confidential Information shall be returned to LDL Technology (along with all copies thereof) within 30 days of receipt by the Customer.

PATENT INFRINGEMENT:

LDL Technology is not responsible for claims resulting from any infringement of present or future proprietary rights or other intellectual property rights if

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- (i) the alleged infringement results from the use of items (including processes and technologies) that are required by the Customer specification,
- (ii) the alleged infringement results from the combination of the LDL Technology product with items or software that is not provided by LDL Technology,
- (iii) the alleged infringement results from the failure to promptly install or distribute a product update or modification,
- (iv) or the alleged infringement results from a product update or modification that was not authorized by LDL Technology. License costs are not part of this quote.

RECOVERY OF COSTS (TOOLINGS AND DESIGN & DEVELOPMENT):

In the event of cancellation of the project by the Customer prior to termination or volume dropping prior to the full amortization of actual amortized costs (Tooling and Design & Development costs), the Customer agrees to reimburse LDL Technology the full amount of costs incurred or committed by LDL Technology up through the date of cancellation:

- Expenses covering capital, tooling and manufacturing expenditures incurred or committed to the date of cancellation,
- All LDL Technology tooling expenses incurred or committed to the date of cancellation,
- The cost of all ordered goods, and all project related material that is either finished, in-process or inventoried.

RECYCLING:

Any costs of recycling are not included in the offer.

SPECIFICATION CHANGES:

Any change request issued by the Customer in the system or product specification shall be communicated to LDL Technology through a prior written Modification Request. It is noticed that specification change could affect for example the piece prices, the tooling costs, the R&D costs, the delivery schedule.

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