

Invoice Address:
 Mr John Example
 Example Company

Datasound Laboratories Limited
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Quote Ref: 7913

Date: 07/04/2015

quotation

www.dsl-ltd.co.uk

Dear John

Following our recent discussions, we are pleased to propose the following:

Item	Part No	Description	Qty	Unit Price
1	APN	Estimated Electronics Development Cost <i>To protect the interests of both DSL and their Clients, we recommend equal payments at key stages of the project. i.e.:</i> 1. Design Specification Approval. 2. Schematic Approval. 3. PCB Layout Approval. 4. Delivery of working prototypes*. * This is the final payment due for the development cost and does not include the cost of any prototype hardware.	10	£0.00
2	APN	Estimated Software Development Cost	10	£0.00
3	APN	Estimated Enclosure Development cost	10	£0.00
4	APN	Estimated Test Rig Development Cost	10	£0.00
5	APN	Estimated cost of first-turn prototype electronics Whilst DSL make every attempt to prevent against mistakes which require a recut of the PCB, it may be necessary to have a second turn prototype run to produce a fully application compliant design. This may also be necessary to include changes discovered during the customers integration testing.	5	£0.00

Beware companies requesting payment up front
 DSL invoice only at key design stages following client approval of our work.

Additionally, DSL can manage your firmware, software, enclosure and testing equipment design where desired.

DSL break down the associated costs into easily digestible man days of effort. Urgent time-scales can be satisfied by assigning multiple Design Engineers working in parallel.

DSL investigate the best value prototype quantities and provide cost estimates to enable our clients to understand a likely 'cost to prototype' total design cost

6	APN	PCB manufacturing tooling, bare board test and solder paste stencil for the first turn prototypes	1	£0.00
7	APN	Enclosure Tooling	1	£0.00
8	APN	Estimated Certification costs	1	£0.00

DSL provide estimates of all required tooling costs involved in all aspects of the design separately.

DSL can manage, or work hand-in-hand with our clients in achieving required certifications, geographical, environmental or industry specific.

NOTES:

- Quotation Validity: 30 days
- Prices assume quoted quantity on single shipment unless otherwise specified
- Payment Terms: 30 days from date of invoice (subject to account)
- Delivery: As per below schedule
- Above prices exclude VAT
- DSL Terms & Conditions apply

Delivering late is every Project Manager's worst nightmare. DSL's time-scale predictions are conservative, never optimistic enabling us to always deliver working prototypes to our clients ahead of expectation.

Key elapsed time milestones for the development, from inception of the project are:

1. Design Specification completed and verified by the client* after ~ χ working days.
2. Schematic capture complete and verified* after ~ χ working days.
3. PCB layout complete and verified* after ~ χ working days.
4. First turn prototype PCB manufacture after ~ $\chi\neq$ working days.
5. First turn prototype PCB assembly complete after ~ $\chi\neq$ working days.
6. First turn prototypes tested and delivered after ~ χ working days.

Total elapsed time to delivery of prototypes ~ χ working days.

* Two days have been included in the task duration for client verification. Increased client verification will affect the overall schedule.

\neq These are the standard turn-around for PCB manufacture and assembly and include one day for delivery. Quicker turn-around times are available at additional cost.

Notes:

- Actual delivery dates are subject to change at the time of order: Dates for each milestone will be confirmed on receipt of order.
- It is advised to allow for a reasonable slippage when booking type approval tests based upon these estimates.

I trust this information is of some assistance and look forward to receiving your instructions on this matter.

Best Regards



Rory Dear

Technical Sales Manager

Datasound Laboratories Limited

Standard Terms and Conditions

The Terms of Trade of DATASOUND LABORATORIES LIMITED (hereinafter called "The Company" at 4 Aylesford Court, Works Road, Letchworth, Herts SG6 1LP.

All orders, in whatever terms are accepted subject to the following conditions and no alterations shall apply unless specifically agreed in writing by a Director or Secretary of the "Company". Previous dealings with the "Company" by any "Customer" shall not vary or replace these terms or be deemed in any circumstances to do so.

The "Customer" acknowledges that before entering into any agreement for the purchase of goods from the "Company" he expressly represented and warranted that he is not insolvent and has not committed any act of bankruptcy, or being a Company with a limited or unlimited liability, knows of no circumstances which would entitle any debenture holder or secured creditor to appoint a receiver to petition for winding up of the Company or apply for the appointment of an administrator or exercise any other rights over or against the "Customers" assets.

Each provision of these terms is to be construed as a separate limitation applying and surviving even if for any reason one or more of the said provisions is held inapplicable or unreasonable in any circumstances.

In any interpretation of these conditions the word "goods" shall where applicable include, but not by way of limitation, any apparatus, services rendered or work done.

The Conditions:

1. Quotations are valid for 30 days, but the "Company" reserves the right to increase quoted prices at any time (whether before or after the date of the "Company's" acceptance of an order) to cover:

- i) Circumstances beyond the "Company's" control including, but not by way of limitation, increases due to exchange rate fluctuations, rises in taxes and the cost of materials or transport.
- ii) Extra cost incurred as a result of the cancellation, alteration or rescheduling of orders due to the "Customers" instructions or lack of instructions.
- iii) Prices quoted do not include VAT. All accounts are payable 30 days from date of invoice.

2.1 The "Company" reserves the right (without prejudice to any other remedy) to cancel any uncompleted order or to suspend delivery in the event of any of the "Customers" commitments to the "Company" not being met.

2.2 The acceptances of a cancellation of an order by the "Customer" shall not be at the discretion of the "Customer".

2.3 If an order is cancelled in any of the circumstances set out above, then the "Customer" shall indemnify the "Company" against all loss, costs, damages, charges and expenses arising out of the order and the cancellation thereof.

3. All delivery dates are quoted in good faith, but time shall not be deemed of the essence. The "Company" shall not be liable for any loss or damage (whether direct or consequential) whatsoever arising from late delivery of goods or materials and the "Customer" shall not be entitled to treat the contract as repudiated by reason of any late delivery.

4. The acceptance by the "Company" of any order for goods shall constitute an agreement to sell the goods and not a sale of them and no title to the said goods shall pass to the "Customer" by reason of delivery or acceptances of the same.

5. The "Company" shall remain the sole and absolute owner of the goods until such time as the agreed price of the goods shall have been paid in full to the "Company" by the "Customer". Until such time the "Customer" shall be the bailee of the goods for the "Company" and shall store them upon his premises separately from his own goods or those of any other person and in a manner which makes the readily identifiable as the goods of the "Company".

6. Goods the subject of any agreement by the "Company" to sell, shall be the risk of the "Customer" as soon as they are delivered by the "Company" to the vehicles of his carriers or his premises or otherwise to his order.

7. The customers rights to possession of the goods shall cease if he commits any available act of bankruptcy or (being a Company) shall go to liquidation (save for the purpose of amalgamation or reconstruction of a solvent Company) or shall have a receiver appointed of its undertaking or if the "Customer" shall enter into an arrangement or composition for the benefit of his creditors or shall suffer any distress or execution to be levied on his goods or (being a Company) shall do anything which would entitle any person to present a petition for winding up or to apply for an administration order. The "Customer" agrees that the "Company" may for the purposes of recovery of its goods enter the premises of the "Customer" and repossess such goods.

8. The "Customer" shall be at liberty to incorporate the "Company's" goods into another product or chattel subject to the condition that if the goods the property of the "Company" are admixed or united in any way with those of the "Customer", the product therefore shall become and/or shall be deemed to be for all purposes the property of the "Company". If the goods the property of the "Company" are admixed or united in any way with the property of any person or persons other than the "Customer" or processed with incorporated therein, the product thereof shall become and shall be deemed for all purposes to be owned in common with that other person or persons.

9. On the sale to a sub-purchaser of any product, goods or chattels to which the "Company's" goods have been attached or been incorporated the proceeds thereof shall be held in trust for the "Company", shall not be mingled with other moneys and shall not be paid into any overdrawn bank account but shall be paid into a fiduciary account for the "Company" with the companies bankers and not until payment to the "Company" of the agreed price shall the "Customer" be entitled to transfer any other moneys to any other account.

10. The "Customer" shall inspect the goods immediately on delivery thereof and shall within 14 days from such delivery give notice in writing to the "Company" of any damage or loss or shortage of goods, or of any matter or thing by reason whereof the "Customer" may allege that the goods are not in accordance with the contract or are defective in material or workmanship. If the "Customer" shall fail to give such notice the goods shall be conclusively proved to be in all respects in accordance with the contract and free from any defect which would be apparent on reasonable examination of the goods and the "Customer" shall be deemed to have accepted the goods accordingly. In the event that the "Customer" establishes to the "Company's" reasonable satisfaction that the goods are not in accordance with the contract or are so defective, the "Customer's" sole remedy in respect of such non accordance or defects shall be limited as the "Company" may elect to the replacement of the faulty part or refund of the purchase price against the return of the goods.

11. Defects after Delivery:

11.1 The "Company" will make good by repair, reworking or at the "Company's" option by the supply of a replacement, defects which under proper use appear in such part or parts of the goods as are of the "Company's" manufacture within a period of twelve months after the goods have been delivered and arise solely from faulty material or workmanship.

Provided always that:

- a) Any such goods requiring inspection for repair or replacement are delivered promptly by the "Customer", carriage paid, to the "Company".
- b) The goods are properly maintained and operated in accordance with any instructions supplied to the "Customer" by the "Company".
- c) Any repairs to the goods which may become necessary are carried out by the "Company" or its agents or otherwise as the "Company" may at its discretion agree in writing.
- d) Prompt notification of the discovery of any defect in the goods is given to the "Company" and, if aggravated damage may result from continued operation the goods are not used again until repairs have been effected.

11.2 The "Company" will use all reasonable endeavors to procure for the "Customer" the benefit of such warranties and other rights as are conferred on the "Company" in relation to defect in such part or parts of the goods as are not of the "Company's" manufacture by terms of the "Company's" agreement with the suppliers of the goods.

11.3 These terms set out the "Company's" entire liability in respect of the goods, and the "Company's" liability under these terms shall be in lieu and to exclusion of all other warranties, conditions, terms and liabilities express, implied or statutory or otherwise in respect of the quality or the fitness for any particular purpose of the goods or otherwise howsoever (notwithstanding any advice or representative to the "Customer", all liability in respect of which howsoever arising is expressly excluded) except any implied by law or statute and which by law or statute cannot be excluded. Save as provided in these terms and except as aforesaid the "Company" shall not be under liability, whether in contract, tort or otherwise in respect of defects in the goods or failure to correspond with the specification or sample or for any injury, damage or loss resulting from such defects or from any work done in connection therewith.

12. Limitation of Liability: The "Company's" liability (if any) whether in contract, tort or otherwise in respect of any defect in the goods, or for any breach of the agreement or of any duty owed to the "Customer" in connection therewith shall be further limited in the aggregate to the price of the goods in question.

13. Patent Right: The sale of any goods and the publication of any information or technical data relation to such goods does not imply freedom from patent or other protective rights in respect of any particular application of the goods.

14. Force Majeure: The "Company" shall have no liability in respect of failure to deliver or perform or delay in delivery or performing any obligations under a contract due to any cause outside the reasonable control of the "Company" including but not limited to civil commotion's, strikes, lockout, war, fire, accidents, epidemics, governmental regulations or requirements unavailability of materials or failure of original manufacture or supplier, carrier or subcontractor to deliver the goods and if the delay or failure has continued for a period of 3 months then either party may give notice in writing to the other determining the contract and on such determination the "Company" shall refund to the "Customer" any payment which the "Customer" has already made on account of the price of the goods after deduction of any payment due to the "Company"

15. Law: Any contract between the "Company" and the "Customer" shall be governed by English law. Any dispute arising out of or in connection with these terms shall be determined by the English Courts.

EXAMPLE