FFS and Appareo Sept 3, 2020

Hal, Lee, Kris, Tim, Dave, Behlul, Mike

Dave – Expectation is to be in listening mode. Thanks to Tim for walking through needs. Eager to be a supplier/partner. Mostly in standby

Tim – Have had internal conversation and outlines of the arrangement. Interested and engaged. Working on business and five year planning with ACR.

Qty: 5 years need 7,000 parts. Beta1, Beta3 and Superplus (75 or 175)

1100, 1700 …

6500 class 1 application

650 class 3 application

One card can be used for all application (goal)

Propose to consume. Pay royalty based on application: class 1 lower than class 3

NRE: Not impossible – trade against royalty

NRE 500K (cash upfront class 3) royalty Class 1 - $366, Class 3 $596

3.3M over 5 years

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **NRE** | **Class 1** | **Class 3** |  | **Totals** |
| 1 | 6,500 | 650 |  | 7,150 |
| $ 500,000 | $ 366 | $ 596 |  |  |
| $ 500,000 | $ 2,379,000 | $ 387,400 |  | $ 3,266,400 |

Next week to come pretty darn close.