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|-----------------------|---|--------------------|
| ID No. 591 | Product/Process Change Notification | Date 22.08.2018 |
| Product | Ordering Code | |
| ALS3-US R3 | L30960N3485A30* | |
| ALS3-E | L30960N3490A30* | |
| ALS3-US R4 | L30960N3485A40* | |
| ALS3-E | L30960N3490A40* | |
| AHS3-W R3.1 | L30960N3000A31* | |
| | | |
| | | |
| Ordering No. changes: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | |
| Product | New Ordering Code | |
| | | |

Reason of Change:


- | | |
|--|---|
| <input type="checkbox"/> Technical requirement | <input checked="" type="checkbox"/> Change of production process/logistical changes |
| <input type="checkbox"/> Customer requirement | <input type="checkbox"/> Location of production moved |
| <input type="checkbox"/> Quality improvement | <input type="checkbox"/> Other: |

| | |
|--|--|
| Description of change: | <p>ALS3 and AHS3-W</p> <p>To supply on increased module demand Gemalto's supplier BYD needs to increase production capacity by changing their workshop layout. Hence the following changes will apply:</p> <p>Changing items:</p> <ul style="list-style-type: none"> - (1) The mounter will be increased from 4pcs to 7pcs - (2) The mounter will be increased from 5pcs to 7pcs - (3) The lasering machine will be increased from 1pc to 2pcs - (4) The burn-in chamber will be increased from 3pcs to 5pcs, and the thermo chambers will be increased from 2pcs to 3pcs - (5) The taping machine will be increased from 1pc to 3pcs - (6) The packing area will be narrowed to get some space for testing lines. More than 40 testers will be put here. - (7) With two SMT line move forward, the warehouse area will be narrowed to get some space for kitting materials <p>Details of planned extension/ changes are available in the attached supplier document. Please note that said Actia products are manufactured on production line #1 (the upper one in the figures) only.</p> |
| Scheduled date of introduction (cw/year): | CW52/2018 |
| Timing note: | If Gemalto M2M GmbH does not receive a notification to the contrary within a period of 6 weeks, Gemalto M2M GmbH assumes that the customer agrees to the change. |

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| Quality assurance measurements: | The new processing equipment fulfills all internal requirements according to our Quality Management process and philosophy. |
|--|---|

24.08.2018

24.08.2018

X 

F.Ryll

PLM

Signiert von: Frank Ryll 10015116

X Clemens Schultz

C.Schulz

Quality Manager

Signed by: Clemens Schultz 10015121

Attachments:

- PCN_Workshop layout change.pdf

↓ **Customer acknowledgment (see next page)** ↓

Customer Confirmation

| | |
|--|---|
| Company Name: | |
| Address: | |
| First Sample Report (FSR) required | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| Required number of First Samples Address for FSR and samples: | |
| Allowed to ship old and new products for an interim period | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| Use up permissible of | <input type="checkbox"/> Products <input type="checkbox"/> Software |
| Special requirements for first shipment Which? | <input type="checkbox"/> YES <input type="checkbox"/> NO |
| Remarks: | |

Customer Feedback for Product/Process Changes *)

| | |
|---|--|
| Company Name: Customer Responsible/Name: Department: Date: | |
| With your signature, in this field you confirm that you accept and release the Product/Process Changes: Signature: | If NO, please give a brief reason: Signature: |

***) Dear Customer, kindly note that without your written confirmation, Gemalto M2M is not allowed to ship the modules with the described changes. In case you feel impelled to sign in the NO box, please contact your Gemalto M2M Sales representative in order to clarify coming shipments.**



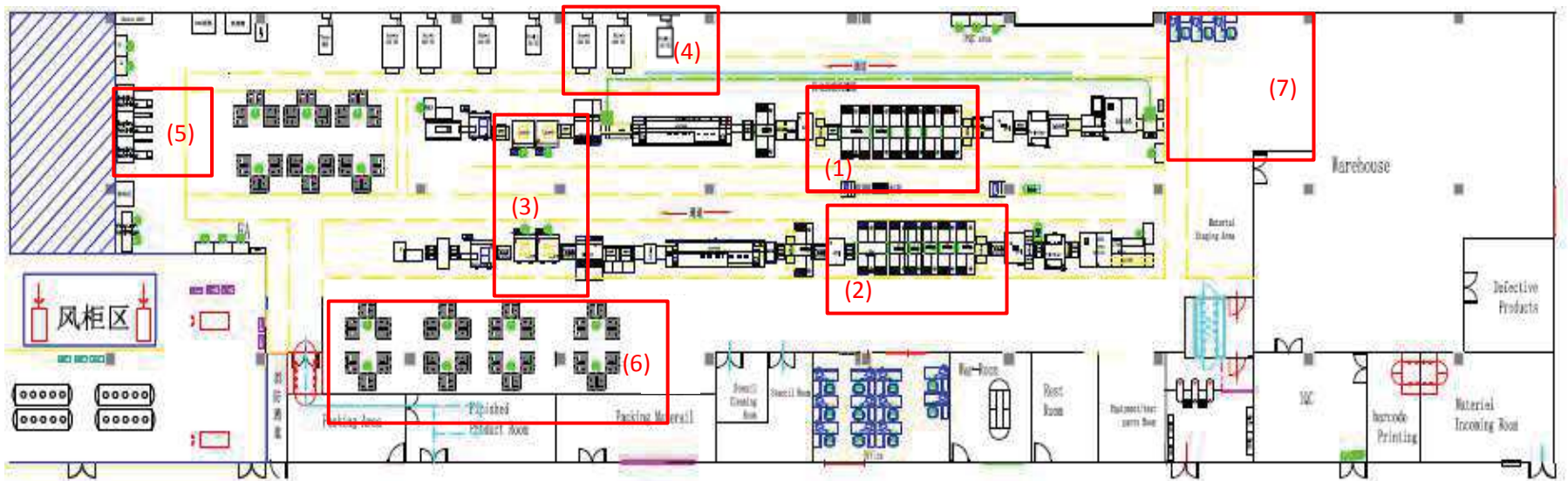
PCN Evaluation list

| | | | | | | | | |
|------------------------|---|---|---|--|--|-------------|--|---|
| Change Topic | Testing capacity increase-FCT fixtures | | Module SAP P/N | | Evaluation Date: | 7/20/2018 | PCN No. | 20180720P004 |
| | | | Module Discription | All variants | Proposer: | Shirley Xu | Revision: | A/0 |
| Change Purpose | <input type="checkbox"/> Design change | <input type="checkbox"/> Cost down | <input type="checkbox"/> Quality improvement | <input type="checkbox"/> Material change | <input type="checkbox"/> Template change | Change type | <input checked="" type="checkbox"/> General change | <input type="checkbox"/> Product change |
| | <input type="checkbox"/> Customer requirement | <input type="checkbox"/> Technology processing optimize | <input checked="" type="checkbox"/> Capacity promote | <input type="checkbox"/> Others: | <input checked="" type="checkbox"/> Long-term change | | <input checked="" type="checkbox"/> Important change | <input type="checkbox"/> Process change |
| Pitching-in Way | <input checked="" type="checkbox"/> Rolling change [Do not affect the current production] | | Remark: | | | | | |
| | <input type="checkbox"/> Cut in [Inventory rework] | | Remark: | | | | | |
| | <input type="checkbox"/> Date [Inventory no need rework] | | Remark: | | | | | |
| | <input type="checkbox"/> PO [Temporary technically improve] | | Customer cut in PO: _____;quantity: _____PCS;Production Orders: _____ ,Estimate Data: _____ | | | | | |
| Change Reason | Requirment(Details:) : With the volume going up, we need to change the layout to get more SMT & testing & packing capacity | | | | | | | |

The layout before changing



The layout after changing



Change
Content
Evaluation

Changing items:

- (1) The mounter will be increased from 4pcs to 7pcs
- (2) The mounter will be increased from 5pcs to 7pcs
- (3) The lasering machine will be increased from 1pc to 2pcs
- (4) The burn-in chamber will be increased from 3pcs to 5pcs, and the thermo chambers will be increased from 2pcs to 3pcs
- (5) The taping machine will be increased from 1pc to 3pcs
- (6) The packing area will be narrowed to get some space for testing lines. More than 40 testers will be put here.
- (7) With two SMT line move forward, the warehouse area will be narrowed to get some space for kitting materials

Changing plan(more detailed plan will be provided later if necessary):

| Time | 30-Jul-2018 | 30-Aug-2018 | 30-Sep-2018 | 30-Oct-2018 | 30-Nov-2018 | 30-Dec-2018 |
|----------|--|-----------------------|-------------|--------------------|-------------------------------|-------------|
| Activity | Internal application for purchasing budget | Equipments purchasing | | Equipments arrival | Set up equipments in workshop | Audit |

Verification plan:

1. Mounters: CPK, trial run builds, control run builds.
2. SPI: GR&R, trial run builds, control run builds.
3. Lasering machine: keep the same function and status as the current one
4. Taping machine: keep the same function and status as the current one
5. Testers: GR&R, testing report
6. ESD protection for the equipments

| | | | | | | | | |
|------------------------------------|---|------------|--|---------------|--|--------------|--|--------------|
| Change Schedule | Material inventory | | Material outside order | | semi-finished products | | Finshed product | |
| | New order | | Rework product | | RMA | | shipping product | |
| Evaluation Countersignature | <input checked="" type="checkbox"/> PE | Roman Zhao | <input checked="" type="checkbox"/> Project | Shirley | <input checked="" type="checkbox"/> Technology | Lei wang | <input checked="" type="checkbox"/> Test | Yangpeng Hou |
| | <input checked="" type="checkbox"/> Quality | Minfei Fu | <input checked="" type="checkbox"/> Planning | Yanling Zhang | <input checked="" type="checkbox"/> PMC | Zhihan Zheng | <input checked="" type="checkbox"/> Maufacture | Chao Xue |
| | <input type="checkbox"/> Purchasing | | <input checked="" type="checkbox"/> Business | Tabby Tian | <input type="checkbox"/> ustoms business | | <input type="checkbox"/> other dep. | |