



Velodyne Acoustics, Inc.

July 25, 2011

[REDACTED]  
[REDACTED]  
[REDACTED]

RE: Cancellation of Contract/Agreement

To insure that Velodyne continues to be competitive in the marketplace and operate efficiently, we are making a number of changes to our business roadmap. Our decisions are not made lightly and we are making every effort to balance business priorities with the respectful treatment of our representatives who have made numerous contributions to Velodyne over the years.

Due to our new roadmap and after much consideration, we are terminating our relationship with all of our representatives. Per our contract and/or agreement, please accept this letter as your notice that Velodyne Acoustics, Inc. is ending our relationship with you effective 3 days from the mailing date of this letter. You will continue to receive commissions through August 31, 2011.

On behalf of Velodyne I would like to thank you for your dedication and service. It has been a pleasure doing business with you. Best of luck to you in your future endeavors.

Regards,

A handwritten signature in black ink, appearing to read "David S. Hall".

David S. Hall  
CEO