UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 10, 2024**

AEYE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-39699**	**37-1827430**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

One Park Place, Suite 200, Dublin, California	**94568**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(925) 400-4366**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, par value $0.0001 per share	LIDR	The Nasdaq Stock Market LLC
Warrants to purchase one share of Common Stock	LIDRW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

Securities Purchase Agreement with Dowslake Microsystems Corporation

On May 10, 2024, AEye, Inc. (the "Company") entered into a Securities Purchase Agreement (the "Dowslake Purchase Agreement") with Dowslake Microsystems Corporation ("Dowslake"), pursuant to which Dowslake has agreed to purchase 330,823 shares of common stock of the Company, par value $0.0001 per share (the "Common Stock") for the purchase price of $853,523.34, which represents a per share purchase price of $2.58, the Nasdaq Official Closing Price (as defined under the rules and regulations of the Nasdaq Stock Market) of the Common Stock immediately preceding the execution of the Dowslake Purchase Agreement, and an unsecured convertible promissory note (the "Note") with the principal amount of $146,476.66, for an aggregate purchase price of $1,000,000.00 for both the purchased shares and the Note (together, the "Dowslake Transaction"). The Dowslake Transaction is expected to close on May 27, 2024, or at such other time as the Company and Dowslake mutually agree.

The Note has a five (5) year maturity from the Original Issue Date (as defined in the Note) with an interest rate per annum equal to the sum of: (i) the daily simple Secured Overnight Financing Rate published by the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator), on its website as of the most recent historical Quarterly Interest Calculation Date (as defined in the Note) plus (ii) one percent (1%). Any interest accrued on the Note is payable on a quarterly basis or, at the option of the Company, added to the principal amount (as adjusted, the "Principal Balance") under the Note. The Note maturity may be accelerated upon continuing occurrence of an Event of Default (as defined in the Note).

Upon maturity of the Note, the Company shall pay the Principal Balance and all accrued, unpaid and uncapitalized interest. Additionally, at any time while the Note is outstanding, the Company has the right to prepay in whole or any portion of the Principal Balance or any accrued, unpaid, and uncapitalized interest. Subject to Dowslake's sole discretion as to the allocation, any payment on the Note may be made by (i) paying cash, (ii) converting the applicable amount of Principal Balance into Common Stock, or (iii) any combination of the foregoing (each, a "Note Payment").

The conversion price applicable to each Note Payment shall be the per share closing price of the Common Stock on the Nasdaq Stock Market or such other principal market or exchange on which the Common Stock is then listed for trading as of the immediately preceding trading day. Any conversion of the Note into the Common Stock is subject to limitations that the number of shares of Common Stock issuable shall not exceed (A) 19.99% of the number of shares of Common Stock outstanding on the Original Issue Date, including shares of Common Stock issued or issuable in any transaction that is required to be aggregated with Dowslake Transaction under the rules and regulations of the Nasdaq Stock Market or (B) 19.99% of the number of shares of Common Stock outstanding or the total voting power of the Company's securities outstanding.

The Dowslake Purchase Agreement contains customary representations, warranties, closing conditions, and obligations of the parties in agreements of this type. The Company has agreed to register the resale of the shares of Common Stock purchased pursuant to the Dowslake Purchase Agreement and the shares of Common Stock issuable upon conversion of the Note under the Securities Act of 1933, as amended of 1933 (the "Securities Act").

The foregoing description of the Dowslake Purchase Agreement and the Note do not purport to be complete and is qualified in its entirety by reference to the full text of the Dowslake Purchase Agreement and the form of Unsecured Convertible Promissory Note attached hereto as Exhibit 10.1 and Exhibit 4.1, respectively.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information contained above in Item 1.01 is hereby incorporated by reference into this Item 2.03.

Item 3.02. Unregistered Sales of Equity Securities.

The information contained above in Item 1.01 is hereby incorporated by reference into this Item 3.02.

The securities referred to in this Current Report on Form 8-K are being issued and sold by the Company to the Purchaser in reliance upon the exemptions from the registration requirements of the Securities Act afforded by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated thereunder.

Item 5.07. Submission of Matters to a Vote of Security Holders.

On May 15, 2024, the Company held its 2024 Annual Meeting of Stockholders (the "Meeting"). Present in person or by proxy at the Meeting were shares of Common Stock representing 4,151,846 votes, or approximately 63.8% of the 6,502,980 shares outstanding and entitled to vote as of the record date of March 26, 2024.

At the Meeting, the Company's stockholders elected each of the two persons listed below under Proposal One to serve as a Class III director of the Company until the 2027 Annual Meeting of Stockholders. An increase in the number of shares of Common Stock issuable under our 2021 Equity Incentive Plan as described in Proposal Three was not approved.

With respect to Proposal Two, requesting shareholder ratification of Deloitte & Touche LLP ("Deloitte") as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2024, the Company previously announced on a Current Report on Form 8-K filed with the Securities and Exchange Commission on April 12, 2024 that it had dismissed Deloitte and appointed KPMG LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2024. Notwithstanding the dismissal of Deloitte, the Company did not withdraw Proposal Two, which was approved by the Company's stockholders.

The following tables set forth the results of the voting at the Meeting.

Proposal One – to elect two (2) Class III directors, Prof. Dr. Bernd Gottschalk and Jonathon B. Husby, each to hold office until the Company's 2027 Annual Meeting of Stockholders and until his successor is duly elected and qualified, or until his earlier death, resignation, or removal:

Nominee	For	Withheld	Broker Non-votes
Prof. Dr. Bernd Gottschalk	1,420,577	1,158,010	1,573,259
Jonathon B. Husby	1,409,240	1,169,347	1,573,259

Each nominee received the required affirmative vote of holders of a plurality of the votes cast and, therefore, each of the nominees was elected as a Class III director to hold office until the Company's 2027 Annual Meeting of Stockholders, and until his successor is duly elected and qualified, or until his earlier death, resignation, or removal.

Proposal Two – to ratify the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2024:

For	Against	Abstain	Broker Non-votes
2,388,236	1,518,442	245,168	0

Proposal Two required the affirmative vote of the holders of a majority of the voting power of the shares of stock present at the Meeting or represented by proxy and entitled to vote thereon and was approved by stockholders as set forth in the table above.

Proposal Three – to approve an increase in the number of shares of Common Stock issuable under the Company's 2021 Equity Incentive Plan by 950,000 shares:

For	Against	Abstain	Broker Non-votes
1,088,914	1,273,080	216,593	1,573,259

Proposal Three required the affirmative vote of the holders of a majority of the voting power of the shares of stock present at the Meeting or represented by proxy and entitled to vote thereon and was not approved by stockholders as set forth in the table above.

Item 9.01. Financial Statement and Exhibits.

(d) Exhibits.

Exhibit Number	Description
4.1	Form of Unsecured Convertible Promissory Note to be issued by the Company pursuant to and in accordance with the Securities Purchase Agreement.
10.1	Securities Purchase Agreement by and among AEye, Inc. and Dowslake Microsystems Corporation, dated May 10, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AEye, Inc.

Dated: May 15, 2024

By: /s/ *Andrew S. Hughes*
Andrew S. Hughes
Senior Vice President, General Counsel & Corporate Secretary

*NEITHER THIS UNSECURED CONVERTIBLE PROMISSORY NOTE (THIS "**NOTE**") NOR THE SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OF APPLICABLE STATES. THIS NOTE AND SUCH SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION UNDER SUCH LAWS OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS. THE HOLDER OF THIS NOTE OR THE SECURITIES ISSUED UPON CONVERSION OF THIS NOTE MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE ISSUER OF THIS NOTE AND ANY SECURITIES ISSUABLE UPON CONVERSION OF THIS NOTE MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE SECURITIES ACT AND ALL APPLICABLE STATE SECURITIES LAWS.*

AEYE, INC.
UNSECURED CONVERTIBLE PROMISSORY NOTE

$146,476.66 Original Issue Date: [ ], 2024

Subject to the terms and conditions of this Note, for value received, AEye, Inc., a Delaware corporation (the "***Company***"), hereby promises to pay to the order of Dowslake Microsystems Corporation, a Virginia corporation ("***Holder***"), the principal sum of One Hundred Forty-Six Thousand Four Hundred Seventy-Six Dollars and Sixty-Six Cents ($146,476.66) (as adjusted with PIK Interest pursuant to Section 2.1, the "***Principal Balance***"), together with accrued and uncapitalized interest on the Principal Balance outstanding hereunder from time to time, at the rates, on the dates and otherwise in accordance with the terms set forth in this Note.

The following is a statement of the rights of the Holder and the terms and conditions to which this Note is subject, and to which Holder, by the acceptance of this Note, agrees.

1. **DEFINITIONS**. The following definitions shall apply for purposes of this Note.

"Applicable Rate" means a rate per annum equal to the sum of: (i) the daily simple Secured Overnight Financing Rate published on the Federal Reserve Bank of New York, as the administrator of the benchmark (or a successor administrator) on its website as of the most recent historical Quarterly Interest Calculation Date plus (ii) one percent (1%); *provided*, that the Applicable Rate immediately following the Original Issue Date of this Note until the first Quarterly Interest Calculation Date following the Original Issue Date shall be the Applicable Rate calculated using the Original Issue Date in lieu of the most recent historical Quarterly Interest Calculation Date.

"Business Day" means a weekday on which banks are open for general banking business in New York.

"Common Stock" means the common stock of the Company, par value $0.0001.

"Conversion Price" means the per share closing price of the Common Stock on the Principal Market as of the immediately preceding Trading Day.

"Conversion Shares" means the shares of Common Stock issuable upon conversion of this Note.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Highest Lawful Rate" means the maximum non-usurious rate of interest, as in effect from time to time, which may be charged, contracted for, reserved, received or collected by Holder in connection with this Note under applicable law.

"Maturity Date" means the earlier of (i) the fifth anniversary of the Original Issue Date, and (ii) the time at which the Balance of this Note is due and payable upon an Event of Default; *provided, however* that if the Event of Default is cured as permitted in this Note, then the Maturity Date shall not thereafter be deemed to have occurred with regard to such Event of Default under this clause (ii).

"Note" means this Unsecured Convertible Promissory Note.

"Original Issue Date" means the date of the first issuance of this Note, regardless of any transfers of the Note and regardless of the number of instruments which may be issued to evidence this Note.

"Person" means an individual, corporation, limited liability company, partnership, association, joint-stock company, trust, unincorporated organization, joint venture or other entity or any governmental authority.

"Purchase Agreement" means that certain Securities Purchase Agreement by and between the Company and the Holder, dated as of even date with this Note.

"Principal Market" means the Nasdaq Stock Market, or such other principal market or exchange on which the Common Stock is then listed for trading.

"***Quarterly Interest Calculation Dates***" means the first Business Day of April, July, October and January in each year.

"***Quarterly Period***" means January 1 through and including March 31; April 1 through and including June 30; July 1 through and including September 30; or October 1 through and including December 31 in any fiscal year.

"Securities Act" means the Securities Act of 1933, as amended.

"Trading Day" means any day during which the Principal Market is open for trading.

2. INTEREST; PAYMENT; RANKING.

2.1 **Interest.** Interest shall accrue on the Principal Balance at the Applicable Rate, beginning on the Original Issue Date until the entire Principal Balance and accrued, unpaid and uncapitalized interest is paid in full (or until the date on which this Note redeemed or converted, as provided herein), compounded quarterly in arrears. Accrued interest on this Note shall be computed on the basis of a 365-day year. Any interest accrued hereunder for a Quarterly Period shall be payable in arrears by the Company on or before fifteenth calendar day from the end of such Quarterly Period (or if such day is not a Business Day, the first Business Day thereafter, the "***Interest Payment Date***"), in cash or, at the election of the Company in its sole discretion, in kind by capitalizing such accrued interest for the Quarterly Period and treating it for all purposes following such capitalization as part of the Principal Balance (the "***PIK Interest***") (or a combination thereof). For the avoidance of doubt, any portion of the interest for any Quarterly Period paid in cash on an Interest Payment Date shall not be capitalized and added to the Principal Balance.

2.2 **Payment**. The Principal Balance and all accrued, unpaid and uncapitalized interest due hereunder shall be paid to the Holder on the Maturity Date by, in the Holder's sole discretion, (i) paying cash in U.S. dollars, (ii) subject to Section 3.3 herein, converting such amount into Conversion Shares, or (iii) any combination of the foregoing (the Holder's allocation of the foregoing, the "***Maturity Payment Allocation***"). The Holder shall, in a written notice, inform the Company of its Maturity Payment Allocation (the "***Maturity Allocation Notice***") at least three (3) Business Days prior to the Maturity Date. If the holder fails to deliver the Maturity Allocation Notice to the Company at least three (3) Business Days to the Maturity Date, notwithstanding anything to the contrary in this Agreement, the Company shall have sole discretion as to the Maturity Payment Allocation. The Company shall make any cash payments by wire transfer of immediately available funds for the account of the Holder as the Holder may designate from time to time and notify in writing to the Company at least three (3) Business Days prior to the Maturity Date. Any Conversion Shares will be registered in the name of the Holder (or its designee) in book-entry form with the Company's transfer agent. If the Maturity Date falls on a day that is not a Business Day, the required payment will be made on the next succeeding Business Day and no interest on such payment will accrue in respect of the delay.

2.3 **Ranking**. This Note shall rank senior or *pari passu* to all existing unsecured indebtedness of the Company, and senior or *pari passu* to all future unsecured indebtedness of the Company, but subordinate to all current and future secured indebtedness of the Company.

3. PREPAYMENT.

3.1 **Optional Prepayment**. At any time while this Note is outstanding, the Company shall have the right, exercisable on two (2) Business Days' prior written notice to the Holder, to prepay in whole or any portion of the Principal Balance or any accrued, unpaid and uncapitalized interest then outstanding under this Note from time to time in accordance with this Section 3.1 by, in the Holder's sole discretion, (i) paying cash to the Holder (the "***Cash Prepayment***"), (ii) subject to the limitations set forth in Section 3.3, converting the applicable amount of Principal Balance into Conversion Shares (the "***Conversion Prepayment***") or (iii) any combination of the foregoing. Any notice of prepayment hereunder (an "***Optional Prepayment Notice***") shall be delivered to the Holder at its registered addresses or by email and shall state: (1) that the Company is exercising its right to prepay the Note, (2) the amount of prepayment (the "***Prepayment Amount***") and (3) the date of prepayment, which shall be at least two (2) Business Days from the date of the Optional Prepayment Notice (the "***Optional Prepayment Date***"). Within one (1) Business Day from receipt of the Optional Prepayment Notice, the Holder shall, by written notice (the "***Holder's Notice***"), inform the Company whether the prepayment will be a Cash Prepayment, Conversion Prepayment or a combination thereof (and if a combination, the respective Prepayment Amounts to be made pursuant to a Cash Prepayment (the "***Cash Prepayment Amount***") and a Conversion Prepayment (the "***Conversion Prepayment Amount***")). If the holder fails to deliver the Holder's Notice to the Company within one (1) Business Day from receipt of the Optional Prepayment Notice, notwithstanding anything to the contrary in this Agreement, the Company shall have sole discretion as to whether the prepayment will be a Cash Prepayment, Conversion Prepayment or a combination thereof (the "***Company Allocation***"). If the Holder's Notice (or the Company Allocation, if applicable) includes Cash Prepayment, prior to the Optional Prepayment Date, the Holder shall specify in writing payment instructions to the Company. On the Optional Prepayment Date, the Company shall (a) with respect to any Cash Prepayment Amount, make payment to the Holder of an amount in cash equal to 100% of the

Cash Prepayment Amount or (b) with respect to any Conversion Prepayment Amount, convert and issue to the Holder such number of Conversion Shares equal to the Conversion Prepayment Amount divided by the Conversion Price determined as of the date of prepayment, subject to the limitations specified in Section 3.3. Any Prepayment Amounts prepaid pursuant to this Section 3.1 shall be credited (i) first, against any accrued, unpaid and uncapitalized interest outstanding as of the date of prepayment and (ii) second, against the outstanding Principal Balance outstanding as of the date of prepayment.

3.2 **No Fractional Shares**. No fractional shares shall be issued upon a Conversion Prepayment. If upon a Conversion Prepayment, a fraction of a share would otherwise be issued, then in lieu of such fractional share, the Company shall at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the applicable Conversion Price or round up to the next whole share.

3.3 **Limitations on Conversion Prepayment**. Notwithstanding anything herein to the contrary, in connection with the Conversion Prepayment, the Company shall not issue to the Holder, and the Holder shall not request the Company to issue, any Conversion Shares to the extent such shares, after giving effect to such issuance and when added to the number of shares of Common Stock (i) issued and issuable to the Holder pursuant to the Purchase Agreement and (ii) issued and issuable to other persons and entities (the "***Other Purchaser***s") in transactions that are required to be aggregated with the transactions contemplated by the Purchase Agreement (including the issuance of this Note) pursuant to the rules and regulations of the Principal Market (the "***Other Issuances***") (whether such shares of Common Stock issuable to the Other Purchasers were (i) issuable upon conversion of convertible notes or other securities issued in the Other Issuances, (ii) issuable upon conversion of convertible notes or other securities issued after the date hereof, or (iii) otherwise issued after the date hereof in transactions not involving a public offering within the meaning of the rules and regulations of the Nasdaq Stock Market that would, under NASDAQ rules, be aggregated with the Conversion Shares issued or issuable upon a Conversion Prepayment), would result in (A) the Holder (and its affiliates) and the Other Purchasers (in the Other Issuances) being issued Common Stock that in the aggregate would exceed 19.99% of the number shares of Common Stock outstanding on the Original Issue Date (which, for the avoidance of doubt, is [ ], subject to any stock dividend, stock split, stock combination or other similar transaction) (the "***Private Offering Limitation***") or (B) the Holder (and its affiliates) being issued Common Stock that in the aggregate would exceed (i) 19.99% of the number of shares of Common Stock outstanding (the "***Maximum Aggregate Ownership Amount***"), or (ii) 19.99% of the total voting power of the Company's securities outstanding that are entitled to vote on a matter being voted on by holders of the Common Stock (the "***Maximum Aggregate Voting Amount***"), in each case (A) and (B), unless and until the Company obtains shareholder approval permitting such issuance in accordance with applicable rules of the Principal Market (or any other applicable national securities exchange on which the Company's Common Stock are then listed) ("***Stockholder Approval***"). If any attempted Conversion Prepayment results in issuance of Conversion Shares to the Holder and Common Stock to the Other Purchasers (and their respective affiliates) that would result in the Holder (and its affiliates) and the Other Purchasers (and their respective affiliates) exceeding the Private Offering Limitation, the Maximum Aggregate Ownership Amount or the Maximum Aggregate Voting Amount and the Company shall not have previously obtained Stockholder Approval at the time of such Conversion Prepayment, then any purported issuance of such excess Conversion Shares or Common Stock shall be null, void *ab initio* and treated as if never made, the Company shall only issue to the Holder or the Other Purchasers such number of Conversion Shares or Common Stock as may be issued below the Private Offering Limitation, the Maximum Aggregate Ownership Amount or Maximum Aggregate Voting Amount, as the case may be.

3.4 **Adjustment to Conversion Price**. If the Company at any time subdivides (by any stock split, stock dividend, stock combination, recapitalization or other similar transaction) its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to such subdivision will be proportionately reduced, and if the Company at any time combines (by any stock split, stock dividend, stock combination, recapitalization or other similar transaction) its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination will be proportionately increased. Any adjustment pursuant to this Section 3.4 shall become effective immediately after the effective date of such subdivision or combination. If any event requiring an adjustment under this Section 3.4 occurs during the period that a Conversion Price is calculated hereunder, then the calculation of such Conversion Price shall be adjusted appropriately to reflect such event.

4. EVENTS OF DEFAULT. Each of the following events shall constitute an "***Event of Default***" hereunder:

(a) The Company fails to make any payment when due under this Note on the applicable due date and five (5) Business Days have elapsed after written notice of such failure has been given by Holder to the Company;

(b) A receiver is appointed for any material part of the Company's property, the Company makes a general assignment for the benefit of creditors, or the Company becomes a debtor or alleged debtor in a case under the U.S. Bankruptcy Code or becomes the subject of any other bankruptcy or similar proceeding for the general adjustment of its debts or for its liquidation; or

(c) The Company's Board of Directors adopts a resolution for the liquidation, dissolution or winding up of the Company.

If an Event of Default occurs and is continuing, the Holder may declare all of the then outstanding Principal Balance any accrued, unpaid and uncapitalized interest due thereon, to be due and payable immediately, except that in the case of an Event of Default arising from events described in clauses (b) and (c) of this Section 4, this Note shall become due and payable without further action or notice.

5. GENERAL PROVISIONS.

5.1 **Attorneys' Fees**. In the event any party is required to engage the services of an attorney for the purpose of enforcing this Note, or any provision thereof, each party shall bear its own expenses and costs, including attorneys' fees.

5.2 **Transfer; Successors and Assigns**. Holder agrees that Holder will not transfer, dispose or assign this Note without the express written consent of the Company, which consent will not be unreasonably withheld, delayed or conditioned. Notwithstanding the foregoing, Holder may transfer this Note (a) by beneficiary designation, will or intestate succession, (b) to such Holder's spouse, children or grandchildren or to a trust established by such Holder for the benefit of such Holder or his or her spouse, children or grandchildren (c) to an Affiliate (as defined in Rule 405 under the U.S. Securities Act of 1933, as amended) of Holder; provided, however, that in the event of any transfer made pursuant to this Section 5.2 by Holder, the transferee shall furnish the Company with a written agreement to be bound by and comply with all provisions of this Note and the Purchase Agreement, in each case to the extent applicable to Holder. None of the rights, privileges, or obligations set forth in, arising under, or created by this Note may be assigned or transferred by the Company without the prior consent in writing of Holder. Except as otherwise provided, the terms and conditions of this Note shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

5.3 **Governing Law**. This Note shall be governed by and construed under the internal laws of the State of Delaware, without reference to principles of conflict of laws or choice of laws.

5.4 **Headings**. The headings and captions used in this Note are used only for convenience and are not to be considered in construing or interpreting this Note. All references in this Note to sections and exhibits shall, unless otherwise provided, refer to sections hereof and exhibits attached hereto, all of which exhibits are incorporated herein by this reference.

5.5 **Notices**. All notices and other communications given or made pursuant to this Note shall be in writing and shall be deemed effectively given upon the earlier of actual receipt, or (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) Business Day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next Business Day delivery, with written verification of receipt.

If to the Company: AEye, Inc.
Attention: Andrew Hughes
One Park Place, Suite 200
Dublin, CA 94568
Email: legal@aeye.ai

With a copy (which shall not constitute notice) to:

Allen Overy Shearman Sterling US LLP
Attention: Christopher M. Forrester
1460 El Camino Real, 2nd Floor
Menlo Park, CA 94025
Email: Chris.Forrester@aoshearman.com

If to Holder: Holder's address as set forth beneath its signature.

5.6 **Interest Rate Limitation**. Anything herein to the contrary notwithstanding, if during any period for which interest is computed hereunder, the amount of interest computed on the basis provided for in this Note, together with all fees, charges and other payments which are treated as interest under applicable law, as provided for herein or in any other document executed in connection herewith, would exceed the amount of such interest computed on the basis of the Highest Lawful Rate, then the Company shall not be obligated to pay, and Holder shall not be entitled to charge, collect, receive, reserve or take, interest in excess of the Highest Lawful Rate, and during any such period the interest payable hereunder shall be computed on the basis of the Highest Lawful Rate.

5.7 **Amendments and Waivers.** This Note may not be amended and provisions hereunder may not be waived without the written consent of each of the Company and Holder.

5.8 **Severability**. If one or more provisions of this Note are held to be unenforceable under applicable law, then such provision(s) shall be excluded from this Note to the extent they are held to be unenforceable and the remainder of this Note shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

[Signature page follows]

IN WITNESS WHEREOF, the Company has caused this Unsecured Convertible Promissory Note to be signed in its name as of the date first written above.

COMPANY

AEye, Inc.

By:_____
Name: Matthew Fisch
Title: Chief Executive Officer

[Signature Page to Unsecured Convertible Promissory Note]

AGREED AND ACKNOWLEDGED:

HOLDER

Dowslake Microsystems Corporation

By:_____
Name: Dan Yang
Title: President
Address: [redacted]

[Signature Page to Unsecured Convertible Promissory Note]

AEYE, INC.

SECURITIES PURCHASE AGREEMENT

This Securities Purchase Agreement (this "Agreement") is made as of May 10, 2024, by and between AEye, Inc., a Delaware corporation (the "Company"), and Dowslake Microsystems Corporation, a Virginia corporation (the "Purchaser").

WHEREAS, the Company wishes to sell to Purchaser, and Purchaser wishes to purchase from the Company, (A) 330,823 shares (the "Purchase Shares") of common stock of the Company, par value $0.0001 (the "Common Stock"), equivalent to four and 99/100th percent (4.99%) of the Company's issued and outstanding Common Stock as of the date hereof, and (B) the convertible note in the form attached hereto as Exhibit A, in the aggregate principal amount of $146,476.66 (the "Note"), convertible into shares of Common Stock upon the terms and subject to the limitations and conditions set forth in such Note (such shares of Common Stock issued upon conversion of the Note, the "Conversion Shares");

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1

Authorization and Sale of Common Stock and Convertible Note

1.1 Sale of Securities. Subject to the terms and conditions set forth herein, at the Closing (as defined below), the Company shall sell to Purchaser, and Purchaser shall purchase from the Company, the Purchase Shares and the Note (collectively, the "Securities"), at the Closing, for the consideration specified in Section 1.3.

1.2 Closing.

(a) The issuance and sale to, and purchase by, Purchaser of the Securities pursuant to Section 1.1 hereof shall take place remotely via the exchange of documents and signatures, at 10:00 a.m. California time, on May 27, 2024, or at such other time and place as the Company and the Purchaser mutually agreed upon, orally or in writing (which date, time and place are designated as the "Closing"); *provided*, that, the Closing in no instance shall occur any time prior to May 27, 2024.

(b) At or prior to the Closing, the Purchaser shall deliver to the Company a wire transfer, pursuant to the wiring instructions provided by the Company, of immediately available funds in an amount equal to the Aggregate Purchase Price.

(c) At the Closing, the Company shall deliver to the Purchaser (i) the Purchase Shares, registered in book-entry form with the Company's transfer agent in the name of the Purchaser, and (ii) the Note.

1.3 Purchase Price. The Purchaser shall purchase the Securities for an aggregate purchase price of one million dollars ($1,000,000.00) (the "Aggregate Purchase Price"). The aggregate purchase price of the Purchase Shares shall be $853,523.34 which represents a per share purchase price of $2.58, the "Nasdaq Official Closing Price" of the Common Stock immediately preceding the execution of this Agreement. The aggregate purchase price of the Note shall be $146,476.66.

SECTION 2

Representations and Warranties of the Purchaser

Purchaser hereby represents and warrants to the Company with respect to the purchase of the Securities as follows:

2.1 Authorization. The Purchaser has the corporate or limited liability company power and authority (or in the case of an individual, the capacity) to execute and deliver this Agreement and all other agreements, documents, certificates, and instruments delivered to the Company in connection with the transactions contemplated under this Agreement to which it is a party, and to consummate the transactions contemplated hereby and thereby. No other proceedings on the part of the Purchaser are necessary to authorize the execution and delivery by the Purchaser of this Agreement and the consummation by it of the transactions contemplated hereby and thereby. This Agreement have been duly executed and delivered by the Purchaser and (assuming due authorization, execution and delivery by the counterparties thereto) constitutes a valid and binding agreement of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at law).

2.2 Experience; Risk; Accredited Investor. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the purchase of the Securities and of protecting its interests in connection herewith. The Purchaser is able to fend for itself in the transactions contemplated by this Agreement and has the ability to bear the economic risk of this investment, including complete loss of the investment. The Purchaser is an "accredited investor," as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act, and it is able to bear the economic risk of an investment in the Company's securities. The Purchaser is familiar with the business in which the Company is engaged, and based upon its knowledge and experience in financial and business matters, it is familiar with the investments of the type that it is undertaking to purchase. The Purchaser understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

2.3 Investment. The Purchaser is acquiring the Securities for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof, and has no present intention of selling, granting any participation in, or otherwise distributing the same. The Purchaser understands that the Securities to be purchased have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein.

2.4 Restricted Securities; Rule 144. The Purchaser understands that the Securities are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations the Securities may be resold without registration under the Securities Act only in certain limited circumstances. The Purchaser acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available. The Purchaser is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of shares purchased in a private placement subject to the satisfaction of certain conditions. The Purchaser acknowledges that the Company only has obligations to register or qualify the Securities pursuant to Section 6 hereof. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Securities, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

2.5 Access to Data. The Purchaser acknowledges that it has received all the information it considers necessary or appropriate to enable it to make an informed decision concerning an investment in the Securities. The Purchaser has had an opportunity to discuss the Company's business, management and financial affairs with the Company's management and the opportunity to review the Company's facilities. The Purchaser has been given such access to the books and records of the Company as is reasonably necessary for the Purchaser to make an informed investment decision. The Purchaser confirms that the Company has not given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of an investment in the Securities.

2.6 No Public Market. The Purchaser understands that no public market now exists for the Note, and that the Company has made no assurances that a public market will ever exist for the Note.

2.7 General Solicitation. The Purchaser undersigned acknowledges that neither the Company nor any other person offered to sell the Securities to it by means of any form of general solicitation or advertising, including, but not limited to: (i) any advertisement, article, notice, or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or (ii) any seminar or meeting whose attendees were invited by any general solicitation or general advertising.

2.8 Foreign Investor. If the Purchaser is not a United States person, the Purchaser represents that he/she has satisfied him/herself as to the full observance of the laws of its jurisdiction in connection with the purchase of the Securities or execution of this Agreement, including: (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Securities.

2.9 Legends. It is understood that each certificate representing the Securities and any securities issued in respect thereof or exchange therefor shall bear a legend in or similar to the following form (in addition to any legend required under applicable state securities laws):

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SECURITIES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY ACCEPTABLE TO IT STATING THAT SUCH SALE OR TRANSFER IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SECURITIES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY."

2.10 No Disqualification Events. The Purchaser is not subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event").

2.11 Advice. The Purchaser understands that nothing in this Agreement, the Note, or any other materials presented to the Purchaser in connection with the purchase and sale of the Securities constitutes legal, tax or investment advice. The Purchaser has consulted such legal, tax and investment advisors as it, in its sole discretion, has deemed necessary or appropriate in connection with its purchase of the Securities.

2.12 Brokerage. There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of the Purchaser or for which the Purchaser may otherwise be liable.

SECTION 3

Representations and Warranties of the Company

The Company hereby represents and warrants to the Purchaser with respect to the purchase of the Securities as follows:

3.1 Authorization. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

The Company has the corporate power and authority to execute and deliver this Agreement, the Note, and all other agreements, documents, certificates, and instruments delivered to the Purchaser in connection with the transactions contemplated under this Agreement to which it is a party, and to consummate the transactions contemplated hereby and thereby. No other corporate proceedings on the part of the Company are necessary to authorize the execution and delivery by the Company of this Agreement and the consummation by it of the transactions contemplated hereby and thereby. This Agreement and the Note have been duly executed and delivered by the Company and (assuming due authorization, execution and delivery by the counterparties thereto) each of them constitutes a valid and binding agreement of the Company and is enforceable against the Company in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether considered in a proceeding in equity or at law).

3.2 Noncontravention. The execution and delivery by the Company of this Agreement and the Note do not, and the consummation of the transactions contemplated hereby and thereby and compliance with the provisions hereof and thereof by the Company will not, conflict with or result in any material breach of the terms, conditions, or provisions of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, amendment, cancellation, or acceleration of any obligation, or result in the creation of any lien upon any of the properties or assets of the Company under (a) any material contract of the Company, (b) any provision of the certificate of incorporation or bylaws of the Company, or (c) any law applicable to the Company or its properties or assets, except as would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the Company or its properties or assets.

3.3 Issuance of the Securities. The Securities, when issued and paid for in accordance with the terms of this Agreement, will be duly and validly authorized and issued, fully paid and non-assessable, free and clear of any liens, security interests, encumbrances or pledges and will be issued in compliance with all applicable federal and state laws. The Conversion Shares, if and when issued in accordance with the terms of the Note, will be duly and validly authorized and issued, fully paid and non-assessable, and will be issued in compliance with all applicable federal and state laws; provided, however, that the Securities and the Conversion Shares may be subject to restrictions on transfer under state and/or federal securities laws or as otherwise set forth in this Agreement or in the Note, as applicable.

SECTION 4

Conditions to Purchaser's Obligations at Closing

The obligations of Purchaser under Section 1 of this Agreement are subject to the fulfillment on or before the Closing of each of the following conditions:

4.1 Representations and Warranties. The representations and warranties of the Company in Section 3 of this Agreement shall be true and correct as of the Closing with the same force and effect as though such representations and warranties had been made on and as of the date of the Closing.

4.2 Performance. All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the Closing shall have been performed or complied with by the Company in all material respects as of the Closing.

4.3 Permits, Qualifications and Consents. All authorizations, approvals, consents or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Securities pursuant to this Agreement shall be duly obtained and effective as of the Closing.

4.4 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at the Closing hereby and all documents incident thereto shall be reasonably satisfactory in form and substance to the Purchaser, and the Purchaser shall have received all such counterpart original and certified or other copies of such documents as they may reasonably request.

SECTION 5

Conditions to the Company's Obligations at Closing

The obligations of the Company to Purchaser under Section 1 of this Agreement are subject to the fulfillment on or before the Closing of each of the following conditions:

5.1 Representations and Warranties. The representations and warranties of the Purchaser in Section 2 of this Agreement shall be true and correct as of the Closing with the same force and effect as though such representations and warranties had been made on and as of the date of the Closing.

5.2 Payment of Aggregate Purchase Price. The Purchaser shall have delivered to the Company cash in an amount equal to the Aggregate Purchase Price by wire transfer in immediately available funds, to an account or accounts designated in writing by the Company to Purchaser.

5.3 Permits, Qualifications and Consents. All authorizations, approvals, consents or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Securities pursuant to this Agreement shall be duly obtained and effective as of the Closing.

SECTION 6

Registration Rights

6.1 Shelf Registration.

(a) Registrable Securities. "Registrable Securities" shall mean the Purchase Shares and Conversion Shares (the "Shares") (together with any other equity security issued or issuable with respect to the Shares by way of share split, dividend, distribution, recapitalization, merger, exchange, or replacement); provided, however, that such Registrable Securities shall cease to be Registrable Securities with respect to the Purchaser upon the earliest to occur of (a) the date on which a Registration Statement with respect to the sale of such Purchaser's Shares shall have been declared effective under the Securities Act and all of such Purchaser's Shares shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement and (b) the date on which such Purchaser's Shares shall have ceased to be outstanding; provided that during the continuance of any period in which such Purchaser's Shares may be sold pursuant to Rule 144 without restriction (including volume restrictions) within a 90-day period, such Shares shall not constitute Registrable Securities so long as such period is continuing.

(b) Filing. The Company shall, within one hundred eighty (180) days following the Closing, prepare and file with the Securities Exchange Commission ("SEC") a Registration Statement under the Securities Act to cover the public resale of the Registrable Securities and any other shares of Common Stock to which the Company has granted registration rights as of the date such Registration Statement is initially filed with the Commission, as permitted by Rule 415 under the Securities Act (or any successor or similar provision adopted by the SEC then in effect) (the "Shelf Registration Statement") on the terms and conditions specified in this Section 6.1 and shall use its commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective as soon as practicable after the filing thereof. The Shelf Registration Statement filed with the SEC pursuant to this Section 6.1 shall be on Form S-3 or, if Form S-3 is not then available to the Company, on Form S-1 or such other form of registration statement as is then available to effect a registration for resale of such Registrable Securities, covering such Registrable Securities, and shall contain a prospectus in such form as to permit any Purchaser to sell such Registrable Securities pursuant to Rule 415 under the Securities Act (or any successor or similar provision adopted by the SEC then in effect) at any time beginning on the effective date for such Shelf Registration Statement. A Shelf Registration Statement filed pursuant to this Section 6.1 shall provide for the resale pursuant to any method or combination of methods legally available to, and requested by, the Purchaser. As soon as practicable following the effective date of a Shelf Registration Statement filed pursuant to this Section 6.1, the Company shall notify the Purchaser of the effectiveness of such Registration Statement.

(c) Continued Effectiveness. The Company shall use its reasonable best efforts to cause the Shelf Registration Statement to remain effective and to be supplemented and amended to the extent necessary to ensure that such Shelf Registration Statement is available or, if not available, that another registration statement is available, for the resale of all the Registrable Securities held by the Purchaser until the earliest of (A) the date all such Registrable Securities have ceased to be Registrable Securities and (B) the date all such Registrable Securities covered by such Shelf Registration Statement can be sold publicly without restriction or limitation under Rule 144 under the Securities Act and without the requirement to be in compliance with Rule 144(c)(1) under the Securities Act.

(d) Reduction of Registrable Securities. Notwithstanding anything contained herein, in the event that the SEC requires the Company to reduce the number of Registrable Securities to be included in the Shelf Registration Statement in order to allow the Company to rely on Rule 415 with respect to the Shelf Registration Statement, then the Company shall reduce the number of Registrable Securities to be included in such Shelf Registration Statement (after consultation with the Purchaser as to the specific Registrable Securities to be removed therefrom) to the maximum number of securities as is permitted to be registered by the SEC. In the event of any reduction in Registrable Securities pursuant to this paragraph, the Company shall use its commercially reasonable efforts to file one or more new Shelf Registration Statement with the SEC in accordance with Section 6.1(b).

(e) Purchaser Information. At least two (2) Business Days prior to the anticipated filing date of the Shelf Registration Statement, the Company shall notify the Purchaser in writing of the information the Company requires from the Purchaser to have any of the Registrable Securities included in the Shelf Registration Statement. It shall be a condition precedent to the obligations of the Company to complete the registration pursuant to this Agreement with respect to the Registrable Securities that (i) the Purchaser furnish to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it as shall be reasonably required to effect the effectiveness of the registration of such Registrable Securities, and (ii) the Purchaser execute such documents in connection with such registration as the Company may reasonably request.

(f) Expenses. The Company shall pay the expenses incurred by the Company in complying with Section 6, including, all registration and filing fees, FINRA fees, exchange listing fees, printing expenses, fees and disbursements of counsel for the Company, blue sky fees and expenses and the expense of any special audits incident to or required by any such registration. The Purchaser shall pay its own expenses incurred by the Purchasers in connection with any use or sale made under the Shelf Registration Statement.

(g) Grace Period. Notwithstanding anything to the contrary herein, at any time after the effective date of the Shelf Registration Statement, the Company may delay the disclosure of material, non-public information concerning the Company the disclosure of which at the time is not, in the good faith opinion of the board of directors of the Company and its counsel, in the best interest of the Company, would reasonably be likely to materially and adversely affect the Company and, in the opinion of counsel to the Company, is not otherwise required to be disclosed other than as a result of the effectiveness of the Shelf Registration Statement (a "Grace Period"); provided, that the Company shall promptly (i) notify the Purchaser in writing of the existence of material, non-public information giving rise to a Grace Period (provided that in each notice the Company will not disclose the content of such material, non-public information to the Purchaser) and the date on which the Grace Period will begin, and (ii) notify the Purchaser in writing of the date on which the Grace Period ends. For purposes of determining the length of a Grace Period above, the Grace Period shall begin on and include the date the Purchaser receive the notice referred to in clause (i) and shall end on and include the later of the date the Purchaser receive the notice referred to in clause (ii) or the date referred to in such notice.

SECTION 7

Termination

7.1 Termination. This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, at any time prior to Closing:

(a) by mutual written agreement of the Company and Purchaser; or

(b) by either the Company or the Purchaser by written notice to the other party if the Closing shall not have occurred by June 30, 2024 (the "Outside Date"), provided that the party seeking to terminate this Agreement pursuant to this Section 7.1(b) shall not have breached in any material respect its obligations under this Agreement in any manner that shall have been the primary cause of the failure of the Closing to occur on or before the Outside Date.

SECTION 8

Miscellaneous

8.1 Governing Law. This Agreement shall be governed in all respects by the laws of the State of Delaware as applied to contracts made and to be fully performed entirely within such State between residents of such State. All disputes arising out of this Agreement shall be subject to the exclusive jurisdiction and venue of any court within Wilmington, Delaware and the parties consent to the personal and exclusive jurisdiction and venue of such courts.

8.2 Successors and Assigns. Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

8.3 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

8.4 Entire Agreement; Amendment. This Agreement constitutes the full and entire understanding and agreement between the parties with regard to the subjects hereof. Neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the Purchaser and the Company.

8.5 WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

8.6 California Corporate Securities Law. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTIONS 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

8.7 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the party actually executing such counterpart, and all of which together shall constitute one instrument.

8.8 Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable in any respect under the applicable law of any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

8.9 Notices. All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given: (a) on the date of service if served personally on the party to whom notice is to be given; (b) on the day of transmission if sent via facsimile transmission to the facsimile number given below and telephonic confirmation of receipt is obtained promptly after completion of transmission; (c) on the business day after deposit to Federal Express or similar overnight courier or the Express Mail service maintained by the United States Postal Service, to the party as follows; or (d) upon delivery if sent by electronic mail.

If to the Company: AEye, Inc.
Attention: Andrew Hughes
One Park Place, Suite 200
Dublin, CA 94568
Email: legal@aeye.ai

With a copy (which shall not constitute notice) to:

Allen Overy Shearman Sterling US LLP
Attention: Christopher M. Forrester
1460 El Camino Real, 2nd Floor
Menlo Park, CA 94025
Email: Chris.Forrester@aoshearman.com

If to Purchaser: Purchaser's address as set forth beneath its signature.

* * *

The foregoing Securities Purchase Agreement is hereby executed as of the date first set forth above.

AEYE, INC.

By: /s/ Matthew Fisch
Name: Matthew Fisch
Title: Chief Executive Officer

The foregoing Securities Purchase Agreement is hereby executed as of the date first set forth above.

PURCHASER:
DOWSLAKE MICROSYSTEMS CORPORATION

By: /s/ Dan Yang
Name: Dan Yang
Title: President
Address: [redacted]

EXHIBIT A

FORM OF CONVERTIBLE NOTE