



A3D-003 – First Article Inspection Approval Notice

Subject: Production Order and First Article Approval Process

Dear Valued Customer,

The aim of this message is to delineate the terms and conditions associated with the placement of production orders that involve the provision of the first article parts. This agreement becomes operative as soon as a production order with a first article stipulation is placed.

- 1. First Article Approval Timeline:** Upon receipt of the first article parts, customers are allocated a 30-calendar-day period for approving the rest of the parts in the order. Within this timeframe, one of the following must occur:
 - The production of the remaining units is confirmed in writing by the customer, authorizing us to proceed, or
 - If the order is to be cancelled, a cancellation fee amounting to 10% of the order value will be charged and invoiced accordingly.
- 2. Unforeseen Circumstances & Production Delays:** If any unexpected circumstances arise that cause a delay in the production commencement date, it is imperative that this revised kick-off date be communicated to A3D. Please note that this newly projected kick-off date can be deferred to a maximum of 60 calendar days following the receipt of the first article parts. If this period is exceeded, the remaining balance of parts will be cancelled, and a cancellation fee of 10% will be levied and invoiced.
- 3. Lack of Communication:** If 30 calendar days pass without an update from the customer, a cancellation fee of 10% of the order value will be imposed and invoiced.

By placing an order under these conditions, you are acknowledging and consenting to these terms. We understand the complexities of production schedules and strive to be as accommodating and flexible as possible.

Should you have any questions or require further clarity on any of the points mentioned above, please do not hesitate to get in touch. Your satisfaction and success are of paramount importance to us.

Thank you for your understanding and cooperation.