



## PURCHASE ORDER TERMS AND CONDITIONS

Document 102 Rev. C

Following are the terms and conditions (quality requirements) of every purchase order issued by Auger Industries, Inc.(Auger) and is to remain in effect without expiration. Additional conditions may apply in accordance with our customers' requirements and will be stated on the actual purchase order. Should you have any questions or require clarification, regarding any of the following, please do not hesitate to contact us directly.

01 RIGHT OF ENTRY – You are required to allow Auger, and/or our customers and/or regulatory authorities access to your facility, and to those of your sub-tiers involved in the fulfillment of this purchase order and applicable records to ensure compliance with all applicable specifications and laws.

02 REVISION LEVEL – All processing/service associated with Auger purchase orders must be performed in accordance with the latest specification revision unless otherwise specifically requested.

03 NONCONFORMING PRODUCT – You are required to notify Auger of any nonconforming product as result of your process/service. Nonconforming product must not be further processed without written authorization.

Immediate notification must be made of any process or product discrepancy discovered after delivery of product to prevent further processing and/or delivery of nonconforming product. Notification must be made in writing

04 DISCREPANCIES – You are required to notify Auger when there is a discrepancy in piece count or any other information or data that may have an effect on your ability to satisfy the purchase order.

05 PROCESS CHANGES – You are required to notify Auger of changes in product and/or process definition and, where required, obtain Auger approval prior to any further actions.

06 SUB-TIER CONTROLS – You are required to flow down all applicable purchase order requirements, including key characteristics, to sub-tier suppliers when applicable. Auger must have previous knowledge and approval of all (sub-tier) suppliers used for our product.

07 RECORDS – You are required to retain process records, certifications and test reports for a minimum of 10 years. After that time, you may dispose of the records in any manner you choose. The same requirement applies to copies of Certificates of Compliance, etc. forwarded with shipments. These records must be made available for review by request of Auger, our customers and regulatory authorities in accordance with contract or regulatory requirements.

- 08 DOCUMENTATION – You are required to provide documented proof of processing (process certification, mill report, physical and/or chemical test result, etc.) with each and every shipment/order.
- 09 TRACEABILITY – Certificates of Conformance or Process Certifications must identify the Part Number, Revision or Issue, Purchase Order Number, Quantity, Serial Numbers (if applicable), Auger Job or Lot Number, all relevant Specifications with Revisions and Material Heat Number when known; contain the name, title, date and signature of the issuer.
- 10 HANDLING – Product must be handled, stored and packaged to prevent damage or deterioration. This includes appropriate FOD controls.
- 11 For CALIBRATION SOURCES – You are required to comply with the requirements of ISO 17025 or equivalent. All certificate(s) of calibration must reflect compliance.
- 12 **FOREIGN MATERIAL SOURCE – Raw material may only be procured from sources inside the USA or Canada and/or countries listed on the Bilateral Airworthiness Agreement (BAA).**
- 13 For APPROVED PROCESS SUPPLIERS – You have delegated process and inspection authority to ensure all applicable process and material specifications are met and documented accordingly. You are further required, upon request, to demonstrate and provide evidence of your processes to planned results and establish arrangements for the processes including:
- Defined criteria for review and approval of the processes (qualification and approval of special processes prior to use)
  - Approval of equipment and qualification of personnel
  - Use of specific methods and procedures (control of the significant operations and parameters of special processes in accordance with documented process specifications and changes thereto)
  - Requirement for records
  - Revalidation
- 14 QMS REQUIREMENT – You must meet the minimum quality management controls for the product or service provided and associated risk:
- Special Processors: NADCAP and/or (our) Customer Approval  
Material Suppliers: ISO9001 and/or BAAand/or (our) Customer Approval  
Machining Suppliers: Auger QMS review (preferred ISO, may 100% Inspection)