



## PURCHASE ORDER TERMS AND CONDITIONS

Document 102 Rev. G

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.  
  
Notification must be made in writing within 24 hours and in accordance with AS9131, or equivalent, of any process or product discrepancy discovered after delivery of product to prevent further processing and/or delivery of nonconforming product.
- 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 or 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. Change approval(s) may include our customer(s).
- 06 SUB-TIER CONTROLS – You are required to flow down all applicable purchase order requirements, including key characteristics, and applicable priority rating, etc., 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 by shredding. 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, processed, stored and packaged to prevent damage or deterioration. FOD controls must meet the requirements of AS9146.
- 11 For CALIBRATION SOURCES – You must comply with the requirements of ANSI Z540-3 or equivalent. All certificate(s) of calibration must reflect compliance.
- 12 MATERIAL CONTROL REQUIREMENTS – Raw material may only be procured from known and reliable sources inside the USA or Canada and/or countries listed on the Bilateral Airworthiness Agreement (BAA) to ensure no foreign/counterfeit materials or conflict minerals enter the supply chain evidenced by certification documents. Counterfeit prevention controls must meet the requirements of AS6174. Material controls include off-the-shelf parts and components (nuts, bolts, grease fittings, grease, etc.). Reference QMS REQUIREMENT below. When the end user is Collins Aerospace Landing Gear the distributor must be on Collins QDL.
- 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:
- Define criteria for review and approval of the process(es)
  - Determine conditions to maintain approval
  - Approval of facilities and equipment
  - Qualification of personnel
  - Use of specific methods and procedures for implementation and monitoring process(es)
  - Requirement for record retention
- 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  
Machining Suppliers: Auger QMS review (preferred ISO, may impose 100% Inspection)  
Material Suppliers: ISO9001 and/or BAA and/or (our) Customer Approval  
and/or AS6174, and/or AS9146 and/or Consumer Protection Act HR4173,  
Section 1502 as applicable for product or service
- 15 CONTRIBUTION TO OUR QMS – It is imperative that you and your personnel are aware of your contribution to the conformity of the product and service you provide; their contribution to product safety and the importance of ethical behavior as it ultimately affects the conformity of the product(s) we provide to our customers and all of our continued business.