



Schuur Metals & Supply

AS9120 PURCHASING TERMS & CONDITIONS

Rev. ORG, 12/24/2018

1) **Special Processes**

- a) All special processes, products, and services required by a Purchase Order must be performed by suitably qualified personnel and supplied with the required relevant technical data as noted on the Purchase Order and as detailed below.

2) **Approval**

- a) Our organization reserves the right to approve or specify the requirements of products, processes, services, designs, methods, processes, equipment, tests, inspection plans, verifications, uses of statistical techniques for product acceptance, and applicable related items including key product characteristics required for acceptance.
- b) Our organization requires notification of changes to products, processes, or services, including changes to the use of external suppliers as related to the Purchase Order and Purchasing Terms & Conditions, and whether or not QMS changes are required.

3) **Communication**

- a) Our organization requires all communication relating to the acceptance, alteration, and processing of a Purchase Order to be communicated and confirmed in writing or via email.

4) **Performance**

- a) Supplier performance shall be a consideration for continued status as an Approved Supplier. Conformance to the requirements of the Purchase Order, the Purchasing Terms & Conditions, and On Time Delivery is monitored and reviewed periodically for acceptability.

5) **Test Specimens**

- a) Our organization reserves the right to designate requirements for test specimens, inspection & verification, design approval, investigation, or auditing.

6) **QMS**

- a) Our organization reserves the right to review and approve Approved Supplier's:
 - i) Quality Management System.
 - ii) Use of external suppliers and processors.
 - iii) Processes for insuring the flow down of applicable requirements to external suppliers.
 - iv) Process for preventing the use of suspected unapproved, unapproved, or counterfeit parts.
 - v) Process for notifying our organization of nonconforming products, processes, or services.
 - vi) Process for notifying our organization of changes to the QMS.

7) **Non-Conforming Product**

- a) Our organization requires that suppliers notify our Purchasing Department of any non-conforming product immediately upon discovery and that they obtain our approval for non-conforming product disposition. Material will not be accepted without the appropriate certificate of conformity, test reports, or authorized release notification, as applicable.

8) **Material Traceability**

- a) Any products supplied to our organization under a purchase order must be traceable to the manufacturer with documentation available upon request from our organization and through us, by our customer's representatives. The identification of material shall include but not be limited to the following types of information where appropriate: heat or lot numbers, manufacture date, conforming specifications, and expiry dates etc. Our organization requires the approved supplier to retain records relating to our purchase order for seven(7) years and to flow this information down the supply chain. Our organization and through us, our customers, the government, or regulatory representatives, shall have access to view any quality records pertaining to our purchase orders.
- b) Identification information where appropriate and including product information and purchase order number, shall be supplied with the material at the time of delivery.

9) **Document Retention**

- a) Approved suppliers agree to retain all documentation related to material supplied against purchase orders from our organization for a period of seven(7) years.



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10) **Description & Identification**

- a) The purchasing confirmation that the approved supplier shall provide must describe the product to be purchased, including where appropriate, requirements for approval of product, certifications, specifications, procedures, processes and equipment.
- b) Identification information where appropriate and including product information and purchase order number, shall be supplied with the material at the time of delivery.

11) **Right of Access**

- a) Our organization reserves the right of access by our representatives and through us, our customers and any regulatory authorities, to all applicable areas of facilities, including all applicable records, at any level of the supply chain involved in the purchase order.

12) **Authorized Distributor**

- a) The purchases of a product from a supplier who is an authorized distributor for an OEM, includes the requirement that in the event of the revocation or cancellation of their authorized distributor status, they must immediately notify our organization.

13) **Supplier Responsibilities**

- a) Our organization requires that suppliers periodically insure that their employees and external suppliers are aware of the importance of their contribution to product or service conformity, quality, and safety, and the importance of ethical behavior through the supply chain.

14) **Liability & Penalty**

- a) An approved supplier that does not adequately address and remedy the delivery of non-conforming or counterfeit product, will lose approved supplier status, and may be subject to liabilities and penalties.