



## PROCUREMENT FLOW DOWN REQUIREMENTS

### 1.0 PURPOSE

This document describes the method by which quality assurance Procurement Clauses will be flow down to the Newcut Approved Supplier List (ASL)

### 2.0 SCOPE

The procedure applies to all Purchase Orders (POs).

### 3.0 ASSOCIATED DOCUMENTS

AS9100D	Aerospace Standard, Revision D
ISO 9001	Quality Management System
Newcut 7.3	Purchasing

### 4.0 RESPONSIBILITY

4.1 Newcut Quality Assurance is responsible for approving and maintaining a current and up-to-date listing of Procurement Clauses as described in APPENDIX A, QUALITY PROCUREMENT CLAUSES AND FLOW DOWNS. Quality Assurance is also responsible for identifying the minimum flow down requirements for each Product Code as specified in Appendix B, REQUIRED QUALITY ASSURANCE FLOW DOWN CLAUSES FOR EACH PRODUCT TYPE. Quality Assurance also has approval authority over all Purchase Order deviations from the listings as described in APPENDIX A and APPENDIX B. This includes any customer specific requirements as may be specified directly in writing by the customer or through the Newcut Program Office.

4.2 Purchasing is responsible for listing the appropriate procurement clauses as specified by Product Code and defined in APPENDIX B on all Purchase Orders. Deviations from APPENDIX A and/or APPENDIX B will require specific signed approval from the Quality Manager.

### 5.0 PROCEDURE

5.1 The Purchasing Department will assure that all special, customer-issued and regulatory quality flow down requirements are addressed. APPENDIX B is to be considered a minimum. Additional quality clauses other than those categorized in APPENDIX B will be specifically added into the PO for vendor notification when necessary.

5.2 Additional flow down requirements not covered in Appendix A may be added to any Purchase Order with the approval of the Quality Manager

5.3 The Purchasing Department will insure all Purchase Orders include the following:

5.3.1 Vendor is on the Newcut Approved Supplier List (ASL).



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- 5.3.2 Applicable Procurement Clauses and flow downs are known and all customer requirements are addressed.
- 5.3.3 All Newcut released documents used by the suppliers to fulfill the Purchase Order are the correct revision.
- 5.4 When required, the following Quality Clauses are flowed down and accepted by Newcut suppliers on every Purchase Order: 1, 2, 8, 12, 16, 17, 18, 44, 46, 47

### APPENDIX A

#### QUALITY PROCUREMENT CLAUSES AND FLOW DOWNS

- 1. RIGHT OF ACCESS:** During the performance of this order, Newcut personnel, Newcut customers, and/or other Regulatory Agencies shall have right to access the applicable areas of the Seller's facilities where the Purchase Order is processed. This applies to any level of the supply chain that is involved with the processing of the Purchase Order and to all applicable records. Records shall be open for review and verification. They may review the Quality Control or Inspection System in place along with workmanship and manufacturing processes.
- 2. RECORDS:** Seller shall maintain records of manufacturing and traceability of material used in the fabrication of the parts, sub-assemblies or assemblies produced in fulfillment of this purchase order. These records shall be maintained by the Seller for a period of ten (10) years after completion of the purchase order unless otherwise specified by the Purchase Order or Contract. These records shall be made available for review by authorized Newcut and/or government personnel.
- 3. FIRST ARTICLE INSPECTION AT SUPPLIERS FACILITY:** Seller shall perform a First Article Inspection on one (1) sample article. The sample article must be accompanied with a complete First Article Report indicating compliance to pertinent dimensions, tolerances, and verification of drawing notes and functional characteristics before submission of subsequent components.
- 4. RAW MATERIAL CERTIFICATION:** Each shipment shall be accompanied by the material certification as furnished by the material supplier or an independent test lab. Material certifications must agree in all respects with the raw material requirements of their applicable specification. All certifications shall state as a minimum, the latest revision of the Specification certified, and shall be certified by your Quality Representative.
- 5. SPECIAL PROCESS CERTIFICATION:** Each shipment shall be accompanied by the certification for special processes used under the terms of this Purchase Order. Special processes include, but are not limited to, heat treating, magnetic particle inspection, penetrate



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inspection, ultrasonic inspection, vacuum brazing, and plating. The certification shall list the applicable specifications, including revision letter or number to which the process conforms, the type or class (if applicable), the date, Newcut part number, and quantity as a minimum, and was performed by certified operator(s)

**6. TRACEABILITY:** Seller shall reference on the Certification of Compliance the manufacturer's part number for the distributed items and date code or lot number of the furnished items.

**7. CORRECTIVE ACTION:** In response to Buyer initiated action requests, the Seller shall advise the Buyer of action taken to correct the reported discrepancies on a Corrective Action Request Form furnished by Newcut. Such requests require timely responses and must include the following information; Description of Discrepancy, Root Cause, Containment Actions and Corrective Action Plan.

**8. PACKING, PACKAGING AND PRESERVATION:** The Supplier shall utilize appropriate packing, packaging and preservation methods and materials to ensure articles are received at Newcut in an acceptable condition. Electrostatic sensitive components shall be handled and packaged in accordance with ANSI/ESD S20.20 Protection of Electrical and Electronic Parts, Assemblies and Equipment. All items are adequately assured of their packaging to prevent damage or contamination to the markings of the items.

**9. CERTIFICATION OF COMPLIANCE (C of C):** The Supplier shall include with each shipment a C of C certified by a quality representative of the Supplier. The C of C shall constitute certification by the Supplier that the articles are in full compliance with all Purchase Order requirements and that the Supplier holds available for review documented evidence of such compliance. As a minimum, the C of C shall contain the following:

- A) Newcut Purchase Order Number,
- B) Newcut part number and when applicable the drawing revision letter,
- C) Manufacturer's Part Number,
- D) Manufacturer's Serial Number and/or Date/Lot Code,
- C) Suppliers shipping document number,
- D) Quantity of articles,
- E) Serial number or lot number, when applicable.

**10. TEST REPORTS:** Each shipment shall be accompanied by the actual test results, identifiable with test parameters and items submitted. Calibration Test Reports shall include all test data used to verify calibration to standard. These reports must include the responsibility of the Quality representative of the Agency performing the tests.

**11. Purchase Order Required Language:** Contractors must include, in bold font, an abbreviated version of the EO clause found in §60-300.5(a) and §60-741.5(a), in contracts, subcontracts, purchase



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orders and vendor agreements. The example statement below applies to subcontracts/purchase orders of \$15,000 or more:

**This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a) and 41 CFR 60-741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing information about compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, or disability.**

The example statements below apply to subcontracts/purchase orders of \$150,000 or more: (This includes the 13496 requirements.)

**This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, national origin, or for inquiring about, discussing, or disclosing information about compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Contractor/subcontractor agrees to comply with all the provisions set forth in 29 CFR Part 471, Appendix A to Subpart A (Executive Order 13496).**

**12. MRB AUTHORITY:** Without prior approval of the Newcut Quality Assurance Department, deviations from the requirements of this Purchase order will not be acceptable. Seller is required to notify Newcut upon discovery of nonconforming products used in fulfilling this PO. Approval is to be obtained from Newcut for the use and processing of any nonconforming product by submitting an Newcut Supplier Deviation Request form.

**13. IDENTIFICATION OF SHELF LIFE MATERIALS:** The Supplier shall identify each item, package, or container of material with the cure date, expiration date, and special storage and handling requirements. This identification, including special handling conditions, shall be recorded on certification and shipping documents for the material.

Remaining Shelf Life will exceed 85% of Shelf Life expiration date listed on material documentation

**14. MATERIAL SAFETY DATA SHEET (MSDS):** Seller shall provide MSDS on hazardous product, upon first shipment of product, or if there are any changes to the MSDS.

**15. HOMOGENEOUS REQUIREMENTS:** Parts supplied under this purchase order shall be homogeneous and identical, that is, there shall be no change in design, processing, or



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method, or manufacture without the express authorization of Newcut. Design changes shall be defined as all changes in material, material characteristics and all dimensional changes. A processing and method of manufacture change shall be defined as change in special processing methods (e.g. plating, heat treating, anodizing, and all changes in suppliers of critical components and processes).

**16. CHANGES IN PRODUCT OR PROCESS:** Changes in Purchased Product or Process(s) utilized to make the Purchased Product are to be communicated to Newcut for approval. Newcut approval must be obtained prior to the Change Effective Date at the supplier even in the event that the supplier is an OEM. Supplier must communicate with Newcut Quality Assurance to verify that the change does not have a detrimental effect on a current Newcut product design. Changes of the supplier's sub-tier suppliers are also to be communicated to Newcut Quality Assurance for approval. This includes changes of manufacturing facility location and processes.

**17. FLOW DOWN PROVISIONS:** The requirements herein shall be flowed down to all Sub-tier Suppliers.

**18. QUALITY MANAGEMENT SYSTEM:** The Supplier shall have developed and maintained a Quality Management System to AS9100 and/or ISO 9001 standards or approved by Newcut.

**19. GOVERNMENT SOURCE INSPECTION:** If Government Inspection is required prior to shipment from your plant, upon receipt of this order, promptly notify the government representative who normally services your plant so that appropriate planning for Government Inspection can be accomplished. Seller shall provide evidence of Government Source Inspection with shipment. Upon receipt of this order, promptly furnish a copy to the government representative, who normally services your plant or if none, to the nearest Army, Navy, Air Force or Defense Supply Agency Inspection Office. In the event the representative or office cannot be located, the Newcut Purchasing Department will be notified immediately.

**20. APPROVED SOURCES REQUIRED:** Supplier shall contact Newcut Quality Assurance Department to obtain the name and location of the approved source of the material or process required by the drawing, specification or purchase order instructions. Failure to comply with the requirement shall be cause for rejection of the material or parts supplied and disapproval of the responsible Supplier.

**21. FIRST ARTICLE INSPECTION AT Newcut:** This order is subject to First Article Acceptance at Newcut on one (1) sample article prior to delivery and/or acceptance of the balance of the order. Delivery of production of Articles, other than the sample, prior to First Article Acceptance by Newcut, shall be at the sole risk of the Supplier. The sample article submitted shall be representative in all respects to the articles to be delivered on the remainder of this order. The Supplier agrees to inform Newcut of any changes affecting parameters on Newcut furnished drawing on this or future orders, subsequent to First Article Acceptance.



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**22. Newcut SOURCE INSPECTION:** Source Inspection is required on all material after your final inspection and prior to shipment to packaging and/or shipment to your final processor.

**23. LOT NUMBER IDENTIFICATION/NEWCUT FURNISHED MATERIAL:** Seller shall maintain the Newcut established material's lot number identification from receipt of raw material thru delivery of finished articles. Finished articles shall be identified with the applicable Lot Number(s), using an ink marker (for formed Parts), tag identification (machined, pierced/blanked and/or anodized parts), or bag and tag identification (parts too small for application of Lot Number identification). Additionally, Seller shall include on their Certification of Conformance, the raw material ID number(s), from which the articles were produced.

**24. MATERIAL ORIGIN:** Stock material (sheet, plate, bar, etc.) furnished to Newcut, or raw material procured by the Seller for the production/fabrication of articles for sale to Newcut, shall be of DOMESTIC ORIGIN only. Raw materials of foreign origin or articles produced/fabricated from raw materials of foreign origin shall not be acceptable unless specific written approval of acceptability is granted by Newcut, prior to shipment of the material or articles to Newcut.

**25. BUYER SOURCE INSPECTION:** Articles to be produced in fulfillment of this Purchase order require Buyer Source Inspection by Newcut Quality Assurance Representative **PRIOR TO DELIVERY**. In order to schedule source inspection, the supplier shall notify Newcut Purchasing Department at least 48 hours in advance of the article(s) being available for inspection. Source Inspection does not constitute final acceptance by Newcut. Nor does it relieve the Supplier of the responsibility for compliance with other requirements of the Purchase Order. The Supplier shall provide facilities and assistance as may be reasonably required by Newcut personnel in the performance of their inspections.

**26. CHEMICAL TEST REPORTS:** Materials furnished in fulfillment of this Purchase Order, must be accompanied by one (1) legible copy of certified test reports of the Chemical Properties of the material. Producer/Mill test data is preferred. Verified test data from an independent laboratory is acceptable.

**27. FOR USE IN MANNED SPACEFLIGHT:** The materials, manufacturing and workmanship of highest quality standards, are essential to astronaut safety. If you are able to supply the desired items with a quality that is higher than that of the items specified or proposed, you are requested to bring this fact to the immediate attention of the purchaser. This clause shall be inserted in all subcontracts and purchase orders for such items down to the lowest tier.

**28. PHYSICAL TEST REPORTS:** Materials furnished in fulfillment of the Purchase Order must be accompanied by legible copies of certified test reports of the Physical Properties of the material. Producer/Mill test data is preferred. Certified test data from an independent laboratory is acceptable.

**29. LOT IDENTIFICATION:** All articles produced on this purchase order shall be identified with the purchase order number. Identification shall be by electro etch or acid ink stamp. In the





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event more than one heat treat is applied, each heat treat lot shall be identified with a slash or dash number. Subsequent heat treatment shall be handled accordingly.

**30. SERIALIZATION:** Each item furnished on this Purchase Order will be identified with a non-recurring serial number. In cases where the size of the item furnished prohibits identification, the serial number will be marked on an identification tag or label and securely attached to each items.

**31. MATERIAL TRACEABILITY:** Each shipment shall be accompanied by the material certification, which identifies the producer/manufacturer of the material furnished. Certification shall also include the heat code, heat lot number or melt number, which shall be traceable to the raw material manufacturer, per Newcut purchase order number, and shall be signed by your Quality Representative.

**32. CALIBRATION STANDARDS TRACEABILITY:** Supplier shall reference on calibration certification that calibration is against measurement standards traceable to the international or national measurement standards; where no such standard exist, the basis for calibration or verification shall be recorded.

**33. COMMERCIAL OFF THE SHELF EQUIPMENT:** Materials supplied under this Purchase Order are for Commercial Off the Shelf Equipment (COTS). They are not to be used in flight critical applications unless there is a prior approval for ruggedization by Newcut. For COTS and Public Domain items only, methods used to accept an item or service must be a COC, testing at the source, Certificate of Analysis (COA), Certified Material Test Report (CMTR), source verification, receiving inspection, testing by the supplier or a combination of these methods. Additionally, when a COC, COA, or CMTR is used as the method of acceptance, the document must contain a certification statement, but a signature is not required if the documents does not indicate or imply a signature is required.

**34. ELECTRONIC COMPONENTS AGING:** Items furnished on this purchase order will have a date code less than five years old for surface mount components. Surface mount components that are beyond a five-year date code will be subject to solder ability testing per MIL-STD-883, baking 4 hours at 85C prior to soldering and performing Newcut internal screening analysis prior to acceptance. All through hole components will be acceptable beyond a five-year date code.

**35. Deleted**



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### **36. CALIBRATION SERVICES, CERTIFICATES OF CALIBRATION (C of C):**

Calibration Service Providers must have calibration procedures traceable to NIST. The Supplier shall include with each shipment a Certificate of Calibration (C of C) certified by a quality representative of the Supplier. The C of C shall constitute certification by the Supplier that the articles are in full compliance with all Purchase Order requirements. As a minimum, the C of C shall contain the following:

- A) Newcut Purchase Order Number
- B) Type of Instrument, Manufacturer, Model, Serial Number, Newcut Tool Number
- C) Rated Accuracy of Instrument (specific for range (s))
- D) Measurement Range for all measurements instrument is certified to cover.
- E) Service performed, parts used.
- F) Instrument Test Data for all standards calibrated to and Instrument's deviation

**37. PARTS OBSOLESCENCE:** Newcut may desire to place additional orders for items purchased hereunder. SELLER shall provide Newcut with a "Last Time Buy Notice" at least 12 months prior to any action to discontinue any item purchased under this Contract. In the event that a particular sub component becomes obsolete with no advance warning, SELLER shall immediately notify Newcut of this situation.

**38. FIRST ARTICLE INSPECTION PER AS9102:** Seller shall submit a complete F/A Report per AS9102.

**39. 8130-3 TAG:** Seller shall furnish an Airworthiness Tag for each product specified per the purchase order.

**40. QUALITY SYTEM per ISO9001–** The Sellers quality system shall meet the requirements of ISO9001Quality Management System”

**41. QUALITY SYSTEM per AS9100D –** The Sellers quality system shall meet the requirements of AS9100D “Aerospace Standard”.

**42. NADCAP –** The Sellers processes shall be certified by NADCAP.

**43. ITAR –** vendor must be ITAR-registered.

### **44. COUNTERFEIT MATERIALS/ PARTS**

a) The following definitions apply to this clause:

"Counterfeit " means parts or materials that are or contain unlawful or unauthorized reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified part from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used Work represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics.

(b) Vendor shall not deliver Counterfeit parts /materials or Suspect Counterfeit parts/ materials to Newcut.





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(c) Vendor shall only purchase products to be delivered to Newcut directly from the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distributor chain.

(d) Vendor shall maintain counterfeit risk mitigation processes in accordance with industry recognized standards and common practices

(e) Vendor shall immediately notify Newcut with the pertinent facts if vendor becomes aware that it has delivered Counterfeit parts/ materials or Suspect Counterfeit parts/ materials. When requested by Newcut, vendor shall provide OCM/OEM documentation that authenticates traceability of the affected items to the applicable OCM/OEM. Vendor, at its expense, shall provide reasonable cooperation to Newcut in conducting any investigation regarding the delivery of Counterfeit materials/ parts or Suspect Counterfeit materials/ parts.

(f) In the event that materials/ parts delivered under this Contract constitute or include Counterfeit materials/ parts, vendor shall, at its expense, promptly replace such Counterfeit materials/ parts with genuine materials/ parts conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, vendor shall be liable for all costs relating to the removal and replacement of Counterfeit materials/ parts, including without limitation Newcut costs of removing Counterfeit materials/ parts of installing replacement and of any testing necessitated by the reinstallation of materials/ parts after Counterfeit materials/ parts has been exchanged. The remedies contained in this paragraph are in addition to any remedies Newcut may have at law, equity or under other provisions of this Contract.

(g) Vendor shall include paragraphs (a) through (f) and this paragraph (g) of this clause or equivalent provisions in lower tier subcontracts for the delivery of items that will be included in or furnished to Newcut.

### **45. MOOG SQR-1 – Moog Supplier Requirements:**

[http://www.moog.com/content/dam/moog/literature/Corporate/Suppliers/SQR\\_1.pdf](http://www.moog.com/content/dam/moog/literature/Corporate/Suppliers/SQR_1.pdf)

### **46. Awareness-**The Organization shall ensure that persons doing work under the organizations control are aware of:

1. The Quality Policy
2. Relevant Quality Objectives
3. Their contribution to the effectiveness of the quality management system, including the benefits of improved performance
4. The implications of not conforming with the quality management system
5. Relevant quality management system documented information and changes.
6. Their contribution to product or service conformity
7. Their contribution to product safety,
8. The importance of ethical behavior.

**47. Foreign Object Debris (FOD) Prevention and Part Cleanliness:** The Supplier shall conduct production processes appropriate to prevent, detect, and remove all FOD from product(s) during manufacture and provide parts clean and free of all FOD prior to shipment to Newcut. FOD contamination will be cause for rejection of material.



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APPENDIX B

**REQUIRED QUALITY ASSURANCE FLOW DOWN CLAUSES FOR EACH PRODUCT TYPE**

	<b>Process DESCRIPTION</b>	<b>QUALITY ASSURANCE PROCUREMENT CLAUSES</b>
1.	Heat Treating / plating / Painting	1, 2, 5, 8, 9, 12, 16, 17,18, 42, 44,46,47
2.	Raw Material Stock	1, 2, 4, 5, 8, 9, 12, 16, 17,18, 23, 26, 44,46,47
3.	Dimensional Inspection Services	1, 2, 8, 12, 16, 17,18,46,47
4.	Machining / Water Jet / Laser	1, 2, 3, 4, 8, 12, 16, 17,18, 44,46,47

<b>REV</b>	<b>Date</b>	
New	12/26/18	
A	2/6/19	Added 47,47 updated standards and minor corrections.
B	3/28/19	Added requirement 4 to Product 4.
C	9/21/20	Changed Product Description to Process and add Paint to # 1
D	10/22/20	Changed Quality Director to Quality Manager, merged 11 into 13 and 35 into 36
E	7/8/2021	Added information to item 33
F	6/22/203	Updated T&C's to item 11