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Originator: Richard Hawkins.
Business Unit: Rolls-Royce UK Aerospace.
Tel: +44 (0) - 1332 - (2) 69096
Fax:

Concession Liability for Trent 1000 Development Engine Programmes.

For the attention of the Managing Director,

Dear Sir or Madam,

Scope:

- All suppliers in receipt of purchase orders from Rolls-Royce Business Units covering delivery of Trent 1000 development engine parts for the duration of a development programme.
- Suppliers of supporting development and test hardware covered by purchase orders issued by Rolls-Royce Investments & Services are excluded from this arrangement.
- **The requirements of this NTS supersede those previously detailed within NTS 180 (issued on 6th March 2006) which is now withdrawn from use.**

Applicability:

- Concessions identified as being required on Trent 1000 parts manufactured for new engine development programmes launched by Rolls-Royce.

Definitions:

- **Development Part:** A part supplied for the manufacture / build of a new engine variant, or major new development engine programme.

Note: Any parts supplied for the purpose of validating in-service modifications are not included.

- **Duration of Development Programme:** New development engine programmes vary in duration, however the duration of this policy shall be at the discretion of Rolls-Royce but will typically be limited to the point of entry into service of each engine type.

Concession Liability for Trent 1000 Dev. Engine Programmes.

Background:

Resulting from a number of supplier workshops, Rolls-Royce have now introduced a change to the setting of concession liability for development engine part(s) supply.

The Trent 1000 engine programme has now reached production build phase and as such concession liability setting has reverted back to normal process (i.e from that previously detailed within NTS 180). Where significant design change still exists, due consideration will be applied by Rolls-Royce with respect to concession liability.

Action Required:

To enable the above, all relevant supplier concessions:

- Must be accompanied by an acceptable root cause investigation together with details of associated actions to prevent recurrence on future parts supply, that clearly identifies design change as the root cause (refer to SABRe Non-conformance Control Process for additional detail).
- No retrospective action shall be undertaken to adjust previously cleared concessions.
- This policy shall be applied with immediate effect.
- If necessary, further clarification can be obtained from the Roll-Royce Purchasing Department placing the order(s).
- Please cascade the content of this notification to all relevant personnel within your company - as / where necessary.

Yours faithfully,
for Rolls-Royce plc.

Authorised by:



Richard Hawkins.
Head of Supplier Quality.
Supplier Development.



Lawrence Jenkins.
Global Supplier Development
& Quality Operations Director.