Notice to Suppliers



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Changes to Concession Strategy on Marine Trent (MT) 30 Engines.

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 the manufacture and / or delivery of Marine Trent (MT) 30 engine parts.
- Suppliers of supporting development and test hardware covered by purchase orders issued by Rolls-Royce Investments & Services Purchasing are excluded from this arrangement.

Applicability:

 Concessions identified as being required on MT 30 production parts manufactured against purchase orders received from Rolls-Royce.

Background:

Following a detailed analysis of non-conformance data resulting from external (i.e. supplier initiated) concession applications - spanning the period from beginning of 2005 to date, it has been decided to introduce the undernoted policy changes in an effort to facilitate a more compliant approach on product deliveries to Rolls-Royce, commensurate with reducing the overall concession levels on specific non-conforming attributes.

As a consequence of the above, the undernoted policy revisions have now been introduced and are / were effective from 1^{ST} June 2007:

- No Cat 1 Concessions will be accepted.
- No Repeat Concessions will be accepted for the same feature (i.e. on subsequent batches / follow-on deliveries).
- No Repeat Production Permits will be accepted for alternative materials or specifications.

Note:

Any concessions in the above categories already raised / submitted to Rolls-Royce which are currently w.i.p. and under active review by / within Rolls-Royce will continue to be processed accordingly - however no "fresh applications" will be accepted for review following the publication of this NTS document..

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Action Required:

- This policy shall be applied with immediate effect.
- Please cascade the content of this notification to all relevant personnel within your company as / where necessary.
- If necessary, further clarification can be obtained from the Roll-Royce Purchasing Department placing the order(s).

Yours faithfully, for Rolls-Royce plc.

Authorised by:

Richard Hawkins.
Purchasing Programme Executive
Supplier Development.

Patrick J. Marolda. President Naval Marine.