Notice to Suppliers



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Rolls-Royce Energy Systems (Mt. Vernon) & Power Engineering (Liverpool) : Protection, Packaging & Labelling.

For the attention of the Managing Director,

Dear Sir or Madam,

Scope:

• All suppliers in receipt of a purchase order or schedule agreement from Rolls-Royce Energy Systems Inc, Mount Vernon and Rolls-Royce Power Engineering Liverpool.

Background:

Over the past 12 months the Energy business has experienced an increasing number of deliveries, which include damaged and poorly preserved components, primarily due to inadequate packaging and corrosion prevention measures.

In addition, the increase in quality issues associated with documentation (e.g. Release Notes, Concession / Waivers etc.) has been recorded, where suppliers have either omitted necessary detail or are not meeting the specified SABRe requirements. These conditions result in avoidable rejections experienced that frequently impact on our process and build cycle times.

Action Required:

It is vital that your company reads, understands and implements the requirements of the seven applicable SABRe requirements.

Furthermore, focus on two items of concern surrounding the Concession process:

- 1. A concession is a "One Time Waiver', and can only be used against the specific Quantity declared in the concession application. Further instances of non-conforming product must be re-submitted on a new concession application form.
- 2. A Product **MUST NOT** be shipped to Rolls-Royce, or in the case of Direct Ship, to the Rolls-Royce Customer until all applicable concessions are approved by Rolls-Royce and until all conditions of the concession acceptance (e.g. rework) are completed.

Any questions pertaining to this NTS should be directed to your purchasing contact at Rolls-Royce.

Thank You,

Scott Burnside Manager, Project & Process Quality

Authorised by:

and free

Tracy Darrow Vice President Supply Chain