

Rolls-Royce: Concession Liability for BR 725 Programme

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Business Unit: Purchasing

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For the attention of the Managing Director and Quality Manager.

Dear Sir or Madam,

This notice is to communicate a change in concession liability policy on BR 725 programmes.

Scope / Applicability:

- All suppliers in receipt of purchase orders from Rolls-Royce Business Units covering delivery of BR 725 engine parts for the duration of a development programme
- Concessions identified as being required on BR 725 programmes launched by Rolls-Royce
- Suppliers of supporting development and test hardware covered by purchase orders issued by Rolls-Royce Global Indirect (Investments & Services) Purchasing are excluded from this arrangement.

Introduction:

The BR 725 programmes are now entering the production phase; therefore concessions raised on parts related to these contracts will be set as 'Supplier Liable'.

Development items for current and future engine enhancement packages may be categorised as 'Non-Supplier Liable'. This will be decided by the relevant Rolls-Royce Supplier Development & Technical Manager.

Action Required:

No specific action is required, but the following should be noted:

- 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 Rolls-Royce Purchasing Department placing the order(s)
- Please cascade the content of this notification to all relevant personnel within your company – as/where necessary.

NTS Category Type: Quality

Authorised by:

Robert Starcke

Head of supplier Quality - RRD