

30 May 2011

For the attention of the Quality Manager

Dear Sir / Madam

Re: Rejected parts on Sub-contracted operations

Following the implementation of new business systems at Moog Aircraft Group – Wolverhampton Operations last year, it has become apparent that we are experiencing schedule disruption and cost implications due to parts being rejected at sub-contract operations. This is due to the full order quantity of parts not being covered on release / advice notes and time taken to request / chase cause and corrective action statements from suppliers. Whilst every effort should be made to eliminate non-conformances during the manufacturing process rejects do sometimes occur.

The following guidelines should be adhered to for subsequent deliveries. Failure to do so may result in impact to quality rating: -

- 1) For part produced out of specification at the supplier.
 - Conduct internal root cause / corrective action investigation (RCCA).
 - Inform the Buyer of the deviation by email and include copy of internal RCCA report.
 - The Buyer will advise the supplier of disposition of parts and send copy of any related Tip QA NC where applicable.
 - The supplier will cover the whole order quantity on any release note by including a statement of any parts not conforming to drawing including reference to any USE AS IS dispositioned NC (concession) numbers.
 - Only invoice the quantity of acceptable parts i.e. conforming parts and parts covered by a USE AS IS or REWORK AT MOOG dispositioned NC (concession).
- 2) For defective parts supplied by Moog (damage or rejected at supplier receiving inspection).
 - Inform the buyer as soon as possible stating the quantity and nature of the defect.
 - The Buyer will advise whether the parts should continue to be processed and send an amended purchase order to the supplier if necessary.
- 3) For defective parts supplied by Moog (found during sub-con processing).
 - Inform the buyer as soon as possible stating the quantity and nature of the defect.
 - The supplier will cover the whole order quantity on any release note by including a statement of any parts not conforming to drawing.
 - Invoice for the full quantity processed.

If you have any questions please contact me.

Yours faithfully

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