

Woodward Governor Company 1000 East Drake Road P.O. Box 1519 Fort Collins, CO 80522-1519 USA Tel: 970-482-5811 Fax: 970-488-3058

October 7, 2003

SUBJECT: Product Support for Atlas & EGCP-3 product lines

The Atlas and EGCP-3 product lines are very important to Woodward's turbine, compressor and power management applications and are expected to be actively sold for many years to come. Many recent Woodward control products have been actively sold for 8-10 years and more. Since the Atlas and EGCP platforms are only 1 year into their product life cycle, we cannot accurately predict when we would begin to discontinue its availability. As long the product is successful in the market place, Woodward will fully support it with active sales.

As with all products, there will come the time when Woodward will need to discontinue production. Recognizing that customers use this control equipment in critical equipment with extended lifetimes, Woodward has implemented post-life support plans to support our customers for the life of the equipment. When the time comes to rationalize the Atlas and EGCP-3 product lines Woodward will follow its standard rationalization plan as we have for other electrical products. The typical notification prior to rationalization is one year. Upon product rationalization the following support plan will be followed:

- Years 0-2 = Unlimited Full Repairs and Spare Units
- Years 2-5 = Full Repairs and Limited Spare Units (may limit quantity of new units supplied)
- Years 5-10 = Repairs (based on available parts)
- Years 10-20 = Replacement/Exchange with Service Stock (no repairs)
  - Replacement product utilizing same algorithms and logic where applicable
  - Availability of design drawings such that customer can produce the part themselves (with signed "Proprietary Drawing and Assumption of Liability and Release Agreement")

Parts obsolescence from electronic manufacturers can present a challenge to post-life support plans. When Woodward learns of component obsolescence, effort is made to ensure we meet the commitment plan. When possible, we make last time buys or sometimes redesign the affected part.

Best Regards,

Rich Kamphaus Turbomachinery Controls Product Line Manager Woodward Industrial Controls