

March 13, 2014

SUBJECT: Product Support for Servo Position Controller (SPC)

The Servo Position Control product line is a very important product line to Woodward and continues to sell in high volumes to major steam turbine OEMs. Due to the success of this product line, and customer product improvement requests we are planning on continuing to support and improve this product line for many years to come. Based on current market and product growth, it is envisioned that this product line will continue to be in full production for the next 7 plus years.

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

Years 0-2 after production = Full Repairs, Unlimited Spare units

Years 2-5 after production = Full Repairs, Limited Spare units

Years 5-10 after production = Repairs based on parts availability

Years 10-20 after production = Replacement/Exchange with Service Stock (no repairs)

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 our product support plan. When possible, Woodward makes last time component buys or sometimes redesigns the affected product to ensure our customer commitments.

Regards,



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