

SECTION 2: SCOPE

<u>DRAWING NUMBER</u>	<u>PRODUCTION QUANTITY</u>
<u>DESCRIPTION</u>	<u>RELEASE PERIOD</u>

FOR PURPOSES OF CUSTOM'S DECLARATION, ALFA ROMEO SHALL USE A REFERENCE UNIT PRICE VALUE OF _____ ON THE SHIPPING DOCUMENTS FOR AO ITEMS 001 AND 002.

GENERAL ELECTRIC AND ALFA ROMEO ENTERED INTO AN AGREEMENT ON JULY 11 1984 TITLED "REVENUE SHARING AGREEMENT FOR T700/CT7 SERIES ENGINE PROGRAMS" WHICH PROVIDED FOR ALFA ROMEO TO PRODUCE CERTAIN COMPONENTS FOR THE T700/CT7 TURBOSHAFT ENGINES.

THIS ADMINISTRATIVE DOCUMENT IS ISSUED SOLELY FOR THE PURPOSE OF PROVIDING AN ADMINISTRATIVE VEHICLE TO IMPLEMENT SOME OF THE PROVISIONS OF THE ABOVE AGREEMENT, SUCH AS:

1. CONFIGURATION CONTROL
2. SOURCE QUALIFICATION REQUIREMENTS
3. PRODUCTION RELEASES AND SCHEDULING
4. RECORDING OF PARTS ARRIVING AT GE
5. QUALITY CONTROL REQUIREMENTS
6. NON CONFORMING MATERIAL CONTROL (MRB)
7. REPAIR/REPLACEMENT LOGISTICS
8. COST PROGRESS PAYMENT

FINAL PAYMENT AND TERMS AND CONDITIONS ARE AS AGREED UPON BETWEEN THE PARTIES IN THE ABOVE REFERENCED AGREEMENT. IN ADDITION CERTAIN PROVISIONS OF THE GE TERMS AND CONDITIONS (AS APPLICABLE) SUPPLEMENTS THE ABOVE AGREEMENT, RECOGNIZING THAT IN THE EVENT OF ANY CONFLICT BETWEEN THESE SUPPLEMENTS, PRESENTED BELOW IN SECTION 5 AND THE ABOVE REFERENCED CO-PRODUCTION AGREEMENT, THE AGREEMENT SHALL GOVERN.

FOR EASE OF REFERENCE THIS DOCUMENT IS DIVIDED IN (6) MAJOR SECTIONS AS FOLLOWS:

SECTION 1: DEFINES ALL THE ITEMS THAT ALFA ROMEO IS REQUIRED TO SHIP TO GE: ITEM 001 IS THE SCHEDULE OF PRODUCTION PARTS FOR RECEIPT ON GE'S DOCK. ITEM 002 SPECIFIES THE QUALIFICATION PARTS AND ITEM 003 AND SUBSEQUENT, ARE THE QUALIFICATION REPORTS, DATA, DOCUMENTS, COUPONS, ETC. THAT ARE REQUIRED FOR CERTIFICATION.

SECTION 2: THIS SECTION IS PRESENTED TO DEFINE THE SCOPE OF THIS ADMINISTRATIVE DOCUMENT INCLUDING IT'S PURPOSE, FUNCTIONS AND LIMITATIONS.

SECTION 3: PERTAINS TO LOGISTICS AND CONTROL SUCH AS COMMUNICATIONS, SHIPPING AND MARKING, DUTY-FREE PROCEDURES, ETC.

SECTION 4: DEFINES THE PROVISIONS FOR PAYMENTS SPECIFICALLY
PROGRESS PAYMENTS AND INVOICING.

SECTION 5: PRESENTS SUPPLEMENTS TO THE TERMS AND CONDITIONS
DEFINED IN THE AGREEMENT.

SECTION 6: DEFINES THE QUALITY PLAN FOR SOURCE QUALIFICATION/
CERTIFICATIONS, AND FOR PRODUCTION PARTS.