



GE
Oil & Gas

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Date: 05/18/09

Subject: Terms of Purchase.

We herewith would like to inform you that Nuovo Pignone S.p.A. ("Nuovo Pignone") will standardize their payment terms in accordance with General Electric Company's global payment policy.

As part of this policy, and in order to assist our valued suppliers in these new circumstances, we introduce the TPS Accelerated Payment Program ("Program"). The Program will be operated on Nuovo Pignone's behalf by our affiliate GE Corporate, Trade Payables Services. It will facilitate the early payment of your invoices in exchange for a discount against your current payment term with Nuovo Pignone of 120 days. All purchase orders with the payment term "TPS 120 Days" will be paid through the Program.

Many of our suppliers are already realizing the benefits of the Program. The Program results in significant reductions in your accounts receivable outstanding, and can considerably lower your collection and administrative costs. Additional benefits to you of the program include:

- Improved cash flow
- Reduced days of sales outstanding
- Daily instead of weekly payments
- Early warning for mismatched invoices
- Prioritized invoice processing routines
- Detailed remittance advice
- Dedicated customer service team for payment inquiries

Under the Program, invoices are processed upon receipt at our Accounts Payable center and a discount is deducted from the net amount due excluding VAT. The amount paid to you after deduction of the discount shall constitute full satisfaction of all amounts due to you by Nuovo Pignone for such invoices. The discount is calculated based on the number of days between the actual payment date and the normal payment date by Nuovo Pignone (Monday following the GE due date). The Program replaces any payment term offered by you today to Nuovo Pignone in respect of early payment. Nuovo Pignone will not make any VAT adjustment in respect of a discount taken and we expect you to do the same. Nuovo Pignone will provide a debit note to you in respect of a discount taken. Each party carries its own responsibility to correctly report discounts given and received for accounting and fiscal purposes.

In case you would like to be enrolled in the Program prior to your purchase order acceptance or with an official confirmation by mail to the following addresses:
tps.customerservice@ge.com; patrizia.panese@ge.com;



(Please note that Nuovo Pignone's standard payment terms are 120 days under the Program. We therefore encourage you to accept standard payment terms for all new purchase orders issued to you.)

As you may know, the Program has already been successfully rolled out to over 35,000 GE suppliers, and we are committed to its continued success at GE Oil & Gas. We appreciate your support of our efforts to respond to the changing market conditions. If you have any questions regarding the Program, please contact:

GE Corporate, Trade Payables Services

Bergschot 69, Breda
4817 PA, The Netherlands

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www.getps.com
E tps.customerservice@ge.com

Sincerely,

Nuovo Pignone S.p.A.



NUOVO PIGNONE S.p.A.
DIG / APPR
Ufficio Acquisti

Enclosed:

< Table: "TPS Accelerated Payment Program" >



ACCELERATED PAYMENT PROGRAM

Number of days before normal payment date	Discount Rates	Number of days before normal payment date	Discount Rates	Number of days before normal payment date	Discount Rates	Number of days before normal payment date	Discount Rates
0	0	38	1.27%	76	2.53%	114	3.80%
1	0.03%	39	1.30%	77	2.57%	115	3.83%
2	0.07%	40	1.33%	78	2.60%	116	3.87%
3	0.10%	41	1.37%	79	2.63%	117	3.90%
4	0.13%	42	1.40%	80	2.67%	118	3.93%
5	0.17%	43	1.43%	81	2.70%	119	3.97%
6	0.20%	44	1.47%	82	2.73%	120	4.00%
7	0.23%	45	1.50%	83	2.77%	121	4.03%
8	0.27%	46	1.53%	84	2.80%	122	4.07%
9	0.30%	47	1.57%	85	2.83%	123	4.10%
10	0.33%	48	1.60%	86	2.87%	124	4.13%
11	0.37%	49	1.63%	87	2.90%	125	4.17%
12	0.40%	50	1.67%	88	2.93%	126	4.20%
13	0.43%	51	1.70%	89	2.97%	127	4.23%
14	0.47%	52	1.73%	90	3.00%	128	4.27%
15	0.50%	53	1.77%	91	3.03%		
16	0.53%	54	1.80%	92	3.07%		
17	0.57%	55	1.83%	93	3.10%		
18	0.60%	56	1.87%	94	3.13%		
19	0.63%	57	1.90%	95	3.17%		
20	0.67%	58	1.93%	96	3.20%		
21	0.70%	59	1.97%	97	3.23%		
22	0.73%	60	2.00%	98	3.27%		
23	0.77%	61	2.03%	99	3.30%		
24	0.80%	62	2.07%	100	3.33%		
25	0.83%	63	2.10%	101	3.37%		
26	0.87%	64	2.13%	102	3.40%		
27	0.90%	65	2.17%	103	3.43%		
28	0.93%	66	2.20%	104	3.47%		
29	0.97%	67	2.23%	105	3.50%		
30	1.00%	68	2.27%	106	3.53%		
31	1.03%	69	2.30%	107	3.57%		
32	1.07%	70	2.33%	108	3.60%		
33	1.10%	71	2.37%	109	3.63%		
34	1.13%	72	2.40%	110	3.67%		
35	1.17%	73	2.43%	111	3.70%		
36	1.20%	74	2.47%	112	3.73%		
37	1.23%	75	2.50%	113	3.77%		

