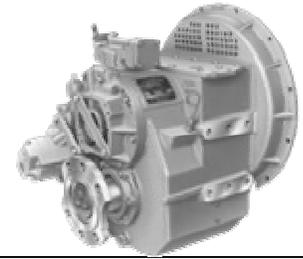




MARINE PRODUCT COMMUNICATION

DATE: JULY 26, 2007



Oil Specification For Marine Transmissions With Hydraulic Clutches

Twin Disc is in the process of re-defining the approvals for synthetic and multi-viscosity oils, which in consequence also means that certain specific approvals given in the past are considered as withdrawn. We are aware that there might be operators who successfully use synthetic oil or multi-viscosity oil based on past approvals. It is not necessary to alert these customers, especially if they have used past recommendations successfully and without any problems. At some point in time we might want to exchange experiences as well as oil analysis and oil change procedures with those operators.

The reason why we are doing this is that there is an abundance of oils out there and most of them are formulated to meet engine requirements for lubrication and cooling. Very few oils are formulated having the requirements for hydraulic clutches in mind. In addition, the oil companies re-formulate their products on a regular basis and an oil that passed our test some time ago might not be approvable anymore after its re-formulation. With our current procedure we are unable to keep up with the pace of the oil companies and we therefore had to decide to go back to the basics with our oil specifications.

In the next few months we will be working on a new procedure and new recommendation for oil approvals but it is unfortunately not foreseeable when we will be able to publish a first version of it. The only valid oil selection criteria is until further notice as follows:

All applications except for Pleasure Craft:

Oils approved for use in Twin Disc marine transmissions with hydraulic clutches must be straight weight mineral oils meeting at minimum one of the following specifications:

- API CF-4/CG-4/SJ
- ACEA categories A3/B4
- Caterpillar TO-2
- Allison C-4

All previously given approvals for multi viscosity, synthetic or blends of mineral and synthetic oils are herewith withdrawn for all new applications. Also withdrawn is the compliance with the Caterpillar TO-4 specification as approval criteria that has been mentioned in some previous communications.

Pleasure Craft applications:

(only valid for private use pleasure craft operating less than 500 hours per year. Pleasure craft in charter service or shared ownership (time share), patrol vessels, tournament sport fish vessels and any other vessel operating more than 500 hours per year or doing any kind of commercial service are not considered in this category.)

Oils approved for use in Twin Disc marine transmissions with hydraulic clutch in private use pleasure craft must be straight weight mineral oils, multi-viscosity oils, synthetic oils or blends of mineral and synthetic oils meeting at minimum one of the following specifications:

- API CF-4/CG-4/SJ
- ACEA categories A3/B4
- Caterpillar TO-2
- Allison C-4

Strict compliance to the published oil change interval - in this case "once a year" - is a requirement.

Please feel free to contact us if you need any further information or if you require special approval for an oil in a new application.