



U.S. Department
of Transportation

**Federal Aviation
Administration**

800 Independence Ave., S.W.
Washington, D.C. 20591

May 1, 2012

Exemption No. 10079B
Regulatory Docket No. FAA-2009-0772

Mr. Dana Lakeman
Regulatory Compliance Leader
GE Aviation
General Electric Company
One Neumann Way, MD N-149
Cincinnati, OH 45215

Dear Mr. Lakeman:

This letter is to inform you that we have granted your petition to extend and amend Exemption No. 10079, as amended. It explains the basis for our decision, describes its effect, and lists the revised conditions and limitations.

The Basis for Our Decision

By letter dated March 1, 2012, you petitioned the Federal Aviation Administration (FAA) on behalf of General Electric Company (GE) for an amendment to Exemption No. 10079, as amended. That exemption from §§ 21.151 and 21.153 of Title 14, Code of Federal Regulations (14 CFR) allows amendments to GE's production limitation record (PLR) to permit the manufacture and installation of certain parts which are not part of the type-certificated products listed on GE's PLR. The amendment you request would allow for shipment of the interface components (IC) both as loose items to the engine and, as replacement articles. In addition, the amendment you request would allow GE to make nonconforming material disposition based upon authority given to GE by the type certificate (TC) holder through a licensing agreement and for which GE has documented this authority within its quality procedures.

In your petition, you indicate that there has been no change in the conditions and reasons relative to public interest and safety that were the basis for granting the original exemption.

AIR-12-260-E

Our Decision

The FAA has determined that the justification for the issuance of Exemption No. 10079, as amended, remains valid with respect to this exemption and is in the public interest. Therefore, under the authority provided by 49 U.S.C. §§ 40113 and 44701, which the FAA Administrator has delegated to me, I grant your petition.

The Effect of Our Decision

Our decision extends the termination date of Exemption No. 10079, as amended, to September 30, 2014, unless sooner superseded or rescinded. In addition, the FAA has modified the conditions and limitations as follows:

- Item No. 2, to allow for shipment of the IC both as loose items to the engine and as spare or replacement articles,
- Item No. 4, removed “for installation on an engine being manufactured,” and
- Item No. 13, to allow GE to make nonconforming material disposition based upon authority given to GE by the TC holder through a licensing agreement and for which GE has documented this authority within its quality procedures.

Conditions and Limitations

1. GE may manufacture IC, which includes single articles or kits that are part of a product type certificated under parts 23, 25, 27, and 29, and install those components during production on GE engines under GE’s production certificate PC108. The design data for the IC must be licensed to GE and the IC to be installed must be identified on the GE PLR.
2. The IC added to the GE’s PLR is limited to airframe components specified in condition No. 1. The relief provided by this exemption is limited to the manufacture of IC that is to be installed on GE engines during engine production. IC manufactured by GE under the relief granted in this exemption may be shipped loose with a new engine or as spare or replacement articles.
3. To exercise the privileges of this exemption, GE must apply to the manager of its FAA managing office using FAA Form 8110-12, Application for Type Certificate, Production Certificate, or Supplemental Type Certificate, requesting amendment of GE’s PLR for the manufacture and installation of IC. The data licensed to GE must be a complete data package and include design and installation drawings. That data must be made available to GE and the FAA upon request.
4. The IC listed on GE’s PLR is limited to IC manufactured by GE under GE’s production certificate. The design data must be licensed from the holder of a U.S. TC (including an FAA-validated TC) for the aircraft on which the GE engine is to be installed.

5. The application by GE to its FAA managing office to amend its PLR must contain the following information:
 - a. A comprehensive description of the scope of the proposed manufacturing and installation activity for the IC on each affected engine model under the provisions of this exemption.
 - b. A specific description of the IC to be installed on each affected GE engine model, including the part number. Kits combining IC must define the individual IC included in the kit.
 - c. The licensing agreement between GE and the holder of the TC that specifically identifies the IC to be installed.
 - d. A description of the documentation to be maintained by GE identifying the IC by its associated TC, GE's supplier of the IC (if applicable), and the GE product on which the IC is installed.
6. The holder of type design data identifying the IC installed on the GE product under this exemption retains all the continuing airworthiness responsibilities for the IC. GE is responsible for all issues related to quality, manufacturing, and installation of the IC by GE. The GE quality manual must include a description of how those responsibilities will be separated, identified, and fulfilled by GE and the holder of the TC identifying the IC.
7. When exercising the privileges of this exemption, the IC may only be installed under the provisions of GE's production certificate.
8. GE must have procedures and processes in place to ensure the engine, notwithstanding the installed IC, conforms to its approved type design, the IC conforms to its approved type design data, and the GE product with the installed IC is in a condition for safe operation.
9. Prior to manufacturing and installing IC on an engine under the provisions of this exemption, GE must receive confirmation from its FAA certificate managing office that the FAA Transport Airplane Directorate and the FAA Engine and Propeller Directorate have determined that any component GE intends to manufacture and install under the provisions of this exemption is an IC and that installing the IC during engine manufacture provides a level of safety that is equivalent to that achieved by installation of the IC after engine manufacture.
10. GE must amend its quality manual to indicate that any FAA airworthiness approval documentation issued for an engine containing IC manufactured and installed under the provisions of this exemption must specify that the IC was installed on the product under a licensing agreement.

11. Prior to the issuance of any FAA Form 8130-3 for a GE engine manufactured under the GE quality system and containing IC manufactured and installed under the provisions of this exemption, GE must specify in block 13 of the form that:
 - a. the IC was installed on the engine during manufacture in accordance with Exemption No. 10079, as amended,
 - b. the IC manufactured and installed under the exemption conforms to its type design, and
 - c. the engine, excluding the IC installed, conforms to its type design.
12. The privileges of this exemption may be extended to GE consortium engines when the engines are manufactured under GE's quality system and completed as a product under GE's production certificate. This exemption does not apply when GE is manufacturing components of a consortium product and the engine is completed under a separate production certificate.
13. Before exercising the privileges of this exemption, GE must have procedures for dispositioning discrepancies with the IC. Any authority granted by the TC holder in the licensing agreement, allowing for nonconforming material dispositions to be made by GE, must be documented in GE's quality procedures. (GE has no authority to amend the type design of the IC. All changes to the type design must be made by the design approval holder (i.e., through maintenance review board action)).
14. GE's manuals relevant to the exempted activity, such as maintenance/operation manuals, and parts catalogs, must be revised to reflect the exempted activity.

This letter must be attached to, and is a part of, Exemption No. 10079.

Issued in Washington, DC, on May 1, 2012.

Sincerely,

/s/

Ali Bahrami
Acting Director, Aircraft Certification
Service