

**Saint-Petersburg Cleantech Cluster for Urban Environment
INTERNATIONAL CONSORTIUM AGREEMENT**

Saint Petersburg

October 2, 2014

This Agreement is made and entered into by and between

Saint Petersburg State Budgetary Institution "Energy Saving Center", represented by First Deputy Director Yelena Nikolayevna Sinkevich acting by virtue of power of attorney No. 17 granted on March 31, 2014;

Noncommercial Partnership "The St. Petersburg House Property Owners Association", represented by Chair of the Board Nikolay Vladimirovich Pitirimov acting on the basis of the Charter;

Self-Regulatory Organization Nonprofit Partnership of Housing Complex Enterprises MezhhRegionRazvitiye, represented by General Director Vladislav Vasilyevich Voronkov acting on the basis of the Charter;

Limited Liability Company First Saint-Petersburg Energy Service Company, represented by General Director Ragnar Ottosen acting on the basis of the Articles of Association;

Limited Liability Company (OOO) INNOKOR, represented by General Director Igor Olegovich Korolyov acting on the basis of the Articles of Association;

Limited Liability Company "CCP" – Saint Petersburg Consulting Company, represented by General Director Olga Vladimirovna Samovarova acting on the basis of the Articles of Association;

Association Green Net Finland, represented by Project Manager Evilina Lutfi acting by virtue of an unnumbered power of attorney granted on October 01, 2014;

Fatman Oy, represented by Fatman Oy Representative in the Russian Federation, Managing Director of Infranet Partners Rus Dmitry Yevgenyevich Milushkin acting by virtue of an unnumbered power of attorney granted on October 01, 2014;

SYKLI Environmental School of Finland, represented by Managing Director Eeva Hämeenöja acting on the basis of the Charter;
hereinafter collectively referred to as the "Members".

1. SCOPE OF AGREEMENT

1.1. The Members have agreed to create a consortium «Санкт-Петербургский кластер чистых технологий для городской среды», name of the consortium in English: Saint-Petersburg Cleantech Cluster for Urban Environment, hereinafter referred to as the "Cluster", and shall act together in order to achieve shared goals of the consortium members by forming efficient mechanisms of interaction of business and state authorities, educational and scientific institutions, including on the basis of principles of international and cross-border cooperation and private and state partnership.

1.2. The mission of the Cluster is to make Saint Petersburg an environmentally friendly city safe for living, unite clean technologies in all economy sectors of the city and supply chains of its activity.

1.3. The main activity of the Cluster is to organize and implement efficient and mutually beneficial joint programs and projects (cluster projects) based on uniting information, financial, technological and other resources of the Members, as well as obtainment of external financing, in the following subject areas:

- Saving of Energy Resources,
- Energy Efficiency,
- Smart City / Smart Grid,
- Green Building / Ecohouse,
- Waste Management,
- City Transport,
- IT for Cleantech,
- Clean Industrial Processes in urban environment,
- Biofuel,
- Solar & Wind Energy.



1.4. Joint activity of the Cluster Members is designed to handle the following basic problems:

1.4.1. Assistance in the development of the clean technologies market in Saint Petersburg;

1.4.2. Assistance in the development of production, organizational and financial cooperation of Members within the scope of the Cluster;

1.4.3. Formation of an innovation cluster chain;

1.4.4. Organization of participation of the Cluster Members in large projects in the areas of their activity;

1.4.5. Promotion of information about technologies and services of the Cluster Members in the Saint Petersburg market;

1.4.6. Organization and strengthening of relations between the Cluster Members and representatives of the industry, clean technology business, state and municipal authorities;

1.4.7. Introduction of technological innovations in the Cluster enterprises by ensuring effective cooperation of the Members;

1.4.8. Performance of research and development work (R&D) designed to resolve current and future problems faced by the Cluster;

1.4.9. Ensuring the training, retraining, advanced training of specialists:

- monitoring the Cluster Members' need of staff;

- formation of a target order for staff training for the Cluster;

- staff training;

- use of the material and technical basis of the Members to train and retrain staff, engagement of top specialists of the Members to implement the training process;

- cooperation with interested Russian and foreign partners for the purpose of efficient staff training and retraining;

- creation of an information portal ensuring access to academic resources, electronic catalogs, databases, support of training, scientific and innovation activities of the Cluster.

1.5. Main directions for the development of the Cluster:

- development and submission of proposals for the strategy of formation and implementation of the economic policy of Saint Petersburg on the basis of the concept of steady development and formation of a unified technological platform of the Baltic Region;

- development and implementation of cluster projects and complex solutions on introduction and development of clean technologies in the urban environment of Saint Petersburg;

- formation of an opinion of the business and professional community on ecologization and improvement of energy efficiency of the urban environment of Saint Petersburg;

- joining as member the Global Cleantech Cluster Association (GCCA) uniting national and regional Cleantech Clusters;

- selection of participants (up to 10 companies in 10 categories) to participate in the annual GCCA Top-10 award;

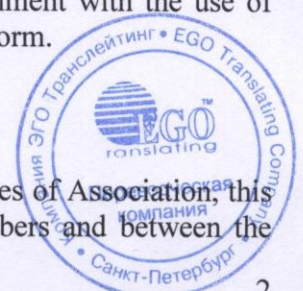
- preparation of plans of justification of investments in the urban environment with the use of clean technologies on a uniform scientific and technical and technological platform.

2. GENERAL PROVISIONS

2.1. The Cluster is not legal entity.

2.2. The Cluster Members shall act on the basis of their Charters and Articles of Association, this Agreement and other agreements made both between separate Cluster Members and between the

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Cluster or separate Cluster Members and third parties engaged to implement projects, programs, courses, events within the scope of the joint activity arising from this Agreement.

2.3. This Agreement does not impose any property or financial obligations on the Cluster Members and does not restrict their independence and autonomy in the course of their statutory activities.

2.4. Every Cluster Member may review all the information and documents relating to the performance of joint activities and administration of common affairs of the Members in accordance with the current legislation.

2.5. Other organizations may join the Cluster in accordance with the procedure determined by this Agreement.

2.6. This Agreement determines general terms and principal directions of cooperation of the Members and serves as a basis for the development and implementation of a Cluster Development Strategy, Cluster activity program, regulatory and constitutional documents for subsequent creation of a legal entity, Nonprofit Partnership Saint-Petersburg Cleantech Cluster for Urban Environment corresponding to the goals of the Cluster.

3. RIGHTS AND RESPONSIBILITIES OF CLUSTER MEMBERS

3.1. A Cluster Member bears no legal, property or other liability for the results of activity of the Cluster.

3.2. The Cluster is not liable for obligations of a Member.

3.3. The Cluster Members shall have the right to:

- elect and be elected to the governing bodies of the Cluster;
- have access to information materials, documents of the Cluster;
- participate in competitions, programs, projects within the structure of the Cluster on a bilateral or plurilateral basis with other Members;
- participate in all organizational events of the Cluster;
- receive information about the Cluster's activity available to the Cluster.

3.4. The Cluster Members shall:

- secure interests of the Cluster in relations with third parties;
- promote comprehensive development of the Cluster's activity;
- maintain confidentiality of commercial information determined by the respective documents of the Cluster;
- notify the Cluster Members of information important for the work of the Cluster and materials relating to the Cluster's activity.

4. SOURCES OF FINANCING

4.1. The sources of financing the Cluster's activity programs include:

4.1.1. Own and obtained funds of the Cluster Members;

4.1.2. Funds of the Cluster accumulated for envisaged goals, depending on their purpose, and kept by one of the Cluster Members, the cluster project leader, or by the Cluster development organization;

4.1.3. State programs;

4.1.4. Russian and international development funds and institutions.

5. MANAGEMENT PROCEDURE

5.1. The General Meeting of Members is the supreme governing body of the Cluster; it includes the directors of all the Cluster Member organizations or representatives appointed by them and acting



by virtue of powers of attorney prepared in accordance with the procedure provided for by the current legislation.

5.2. The Board of Directors of the Cluster elected by the General Meeting of Members is a permanent collegial governing body and acts during a period between General Meetings of Members of the Cluster.

5.3. The Board of Directors of the Cluster shall:

- consider matters of organization of joint activities of the Members within the scope of this Regulation;
- approve short-term, medium-term and long-term plans of activity of the Cluster;
- hear projects of joint programs, developments, researches, other events the Members are interested in, recommend that the Members implement them on the basis of agreements to be separately made;
- make a resolution on admission of new Members to the Cluster and withdrawal from the Cluster;
- make resolutions on other matters of the Cluster's business activity within its competence.

5.4. The Board of Directors of the Cluster shall be headed by the Chair to be elected from among the members of the Board of Directors of the Cluster by a simple majority of votes of the members of the Board of Directors of the Cluster.

5.5. The Chair of the Board of Directors of the Cluster shall:

- represent the interests of the Cluster in relations with state authorities, individuals and legal entities on the basis of a resolution of the Board of Directors of the Cluster;
- convene the Board of Directors of the Cluster and chair its meetings;
- sign minutes of meetings of the Board of Directors of the Cluster as well as letters, statements, other documents of the Cluster executed in accordance with resolutions of the Board of Directors of the Cluster.

5.6. The Board of Directors of the Cluster is legitimate if more than half of the Cluster Members or their authorized representatives are present at the meeting. In the event the Chair is absent from a meeting of the Board of Directors of the Cluster, his powers shall be exercised by a Deputy Chair to be elected from among the members of the Board of Directors of the Cluster by a simple majority of votes of the members of the Board of Directors of the Cluster. Whenever necessary and by order of the Chair of the Board of Directors of the Cluster the Deputy Chair shall perform responsibilities of the Chair between the meetings of the Board of Directors of the Cluster.

5.7. When making a resolution, all the members of the Board of Directors of the Cluster shall have an equal number of votes.

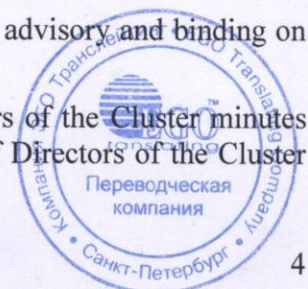
5.8. Resolutions of the Board of Directors of the Cluster shall be made by a simple majority of votes, unless otherwise established by resolution of the Board of Directors of the Cluster.

5.9. The Board of Directors of the Cluster shall be convened by the Chair of the Board of Directors of the Cluster or on the initiative of the Cluster Project Leader if and when necessary, but at least twice a year. When sending a notification of a meeting to the Members (by email, phone message, fax, by other means confirming the receipt), items on the agenda to be discussed, the date, time and place of the meeting must be indicated.

5.10. Resolutions of the Board of Directors of the Cluster may be both advisory and binding on all the Cluster Members.

5.11. According to the results of the meeting of the Board of Directors of the Cluster minutes shall be prepared; the minutes shall be signed by the Chair of the Board of Directors of the Cluster and the Executive Director.

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5.12. The Executive Director is an executive body of the Cluster.

5.13. The Executive Director is a member of the Board of Directors of the Cluster.

5.14. The Executive Director shall:

- organize current activities of the Cluster;
- coordinate the activity of the Cluster Members;
- manage the activity of working groups;
- prepare meetings of the Board of Directors of the Cluster;
- participate in the determination of top-priority areas of activity and procedure of financing of Cluster's programs and projects;
- facilitate the obtainment of funds to be used to implement Cluster's programs.

5.15. In order to implement large and significant projects, the Board of Directors of the Cluster shall determine a Cluster Project Leader among its Members, which in accordance with the consortium agreement shall participate on behalf of the Cluster in negotiations, tenders and competitions and after the same are won, make an independent contractor agreement with the investor or customer, subsequently allocating work between the Cluster Members on the basis of subcontractor and supply agreements.

5.16. The Cluster Project Leader shall be elected for every cluster project by the Board of Directors of the Cluster.

5.17. In order to solve problems of the Cluster working groups may be created to implement projects and solve particular problems. Working groups may include both Cluster Members and external representatives of state authorities, business associations and other specialists. The activity of working groups shall be generally coordinated by the Executive Director.

5.18. A candidate for Executive Director shall be nominated by the Chair of the Board of Directors and approved by a simple majority of votes of the members of the Board of Directors of the Cluster.

5.19. The Supervisory Board of the Cluster and the Cluster Development Organization are advisory bodies.

5.20. The Supervisory Board is an elective body of the Cluster.

5.20.1. The Supervisory Board shall supervise the Cluster's activity, the making of resolutions by the bodies of the Cluster, as well as the observance by the Consortium of legislation of the Russian Federation, in order to ensure better publicity and transparency of the activity.

5.20.2. The Supervisory Board shall act as a permanent body of the Cluster according to the principles of voluntariness, openness, objectivity, publicity, independence in making resolutions on matters within its competence.

5.20.3. The Supervisory Board is created in order to enhance work, increase the efficiency and improve the activity of the Cluster, as well as to provide assistance in resolution of current problems of Cluster development, for the purpose of interaction of the Cluster with state authorities, mass media, for-profit organizations, other non-profit and public organizations and other interested parties.

5.20.4. The Supervisory Board shall act on a pro-bono basis free of charge.

5.20.5. The Supervisory Board is exclusively competent to:

- determine the development and business strategy of the Cluster;
 - develop recommendations to the governing bodies of the Cluster on the main areas and forms of the Cluster's activity, offer research and methodological support in this respect;
3. By order of the Meeting of Members of the Cluster, the Board of the Cluster examine draft documents prepared by the above bodies, form proposals for and make comments on the above documents as well as amend and approve them;

– elect Chair of the Supervisory Board and Deputy Chair of the Supervisory Board as well as terminate their powers;

– offer assistance in the economic activity of the Cluster, obtain funds of sponsors, philanthropists and other persons, including in the form of donations;

– offer assistance to the Cluster Members and governing bodies of the Cluster in interaction with legislative and executive authorities at all levels, courts of the Russian Federation and international, public, scientific, educational, production organizations, unions, associations.

5.20.6. Structure and procedure of formation of the Supervisory Board:

– representatives of state authorities interested in the activity of the Cluster;

– representatives of unions, associations and other non-profit organizations uniting enterprises associated and connected with the Cluster;

– representatives of the Cluster Members with the respective influence, business reputation and prominence;

– other interested persons who made or are ready to make a contribution to the development of clean technologies in the urban environment of Saint Petersburg.

5.20.7. The structure of the Supervisory Board shall be approved by resolution of the annual General Meeting of Members of the Cluster.

5.20.8. Participation in the Supervisory Board is voluntary.

5.20.9. A Member of the Supervisory Board may at any time withdraw from the Supervisory Board notifying the General Meeting of Members of the Cluster thereof by sending a written membership cancellation letter.

5.20.10. The Chair of the Supervisory Board shall:

– be elected from among the members of the Supervisory Board and may be reelected for subsequent terms; his powers may be terminated ahead of schedule;

– have the right to have deputies to be elected from among the members of the Supervisory Board by resolution of the Supervisory Board to be made by a qualified majority of two-thirds votes of the total number of members of the Supervisory Board;

– organize the convocation and holding of meetings of the Supervisory Board, preparation of materials for meetings of the Supervisory Board, chair the meetings, organize the taking of minutes;

– represent the interests of the Cluster in matters, which in accordance with this Regulation, resolutions of the Meeting of Members of the Cluster are within the competence of the Supervisory Board;

– perform other functions relating to the coordination of the Cluster's activity with Russian, foreign and international organizations.

5.20.11. Resolutions on all matters within the competence of the Supervisory Board shall be made by a qualified majority of two-thirds of votes of the total number of members of the Supervisory Board.

5.20.12. Meetings of the Supervisory Board shall be held if and when necessary, but at least once in six months.

5.20.13. Organizational support of work of the Supervisory Board shall be provided by the responsible Secretary of the Supervisory Board holding no full-time office in the Consortium and engaged to work for the Supervisory Board on the basis of an agreement.

5.20.14. A meeting of the Supervisory Board is legitimate (has a quorum) if more than half of the members of the Supervisory Board are present at the meeting.

5.20.15. Meetings of the Supervisory Board are private, unless otherwise determined by the Supervisory Board before the start or during the meeting.

5.20.16. Resolutions shall be made at the meeting of the Supervisory Board by a simple majority of votes of members of the Supervisory Board present at the meeting.

5.20.17. In the event of a tie when making resolutions by the Supervisory Board the vote of the Chair of the Supervisory Board shall be casting.

5.21. The Cluster Development Organization shall be approved at the General Meeting of Members.

5.22. The Development Organization shall tackle tasks of the Cluster concerning the organizational development of the Cluster, provision of ongoing advisory, organizational and technical and legal support.

5.23. The tasks of the Development Organization include:

- Development of local regulatory acts of the Cluster;
- Development of cluster projects, programs, business plans;
- Holding of strategic and modeling sessions, seminars, conferences;
- Formation of expert opinions, monitoring and benchmarking.

6. CLUSTER MEMBERSHIP AND PROCEDURE OF WITHDRAWAL FROM CLUSTER

6.1. The Cluster may be joined by other organizations on the basis of a written application sent to the Board of Directors of the Cluster, on condition of the consent of all the Cluster Members expressed at the meeting of the Board of Directors of the Cluster and documented with minutes of the meeting of the Board of Directors of the Cluster.

6.2. The Cluster may be joined by:

- organizations performing activities in the field of clean technologies;
- project organizations;
- suppliers of equipment, materials, etc.

6.3. Member organizations shall join the Cluster by signing a Partnership Agreement.

6.4. During an ordinary meeting the Board of Directors of the Cluster shall make a resolution on admittance of a new Member to the Cluster, which the new Member shall be notified of by sending an extract from the resolution of the Board signed by the Chair of the Board of Directors.

6.5. A Member may withdraw from the Clause by sending the respective notification in the form of a membership cancellation letter addressed to the Chair of the Board of Directors of the Cluster. The withdrawal of a Member from the Cluster shall be confirmed with an open letter of the Chair of the Board of Directors of the Cluster and notification to all the Cluster Members.

7. CONFIDENTIALITY

7.1. If necessary, transferring documents the Cluster Members shall notify each other thereof.

7.2. Upon receipt of the respective written notification the Members shall ensure confidentiality of information transferred to them by other Members or partners of the Cluster.

7.3. The Cluster does not warrant and does not explicitly or implicitly indicate that any material or documents supplied or made available to the Members, or any project adopted by the Cluster, including, without limitation, any implied warranties or possibility of sale, or correspondence to a particular goal, do not affect rights of third parties, including intellectual property, copyrights, know-hows and trade secrets.

8. CLUSTER MEMBERSHIP, REORGANIZATION AND LIQUIDATION

8.1. This Agreement may be joined by other organizations on the basis of a written application sent to the Board of Directors of the Cluster, on condition of the consent of all the Cluster Members expressed at the meeting of the Board of Directors of the Cluster and documented with minutes of the meeting of the Board of Directors of the Cluster.

8.2. New member organizations shall join this Agreement on the basis of a resolution of the Board by signature of additional agreements hereto by all the existing Cluster Members and the organizations joining the Agreement.

8.3. The Cluster shall be liquidated after the formation of the legal entity non-profit partnership «Санкт-Петербургский Кластер Чистых технологий для городской среды», name of the consortium in English: Saint-Petersburg Cleantech Cluster for Urban Environment, and/or by resolution of the Board of Directors of the Cluster.

9. DURATION OF CONSORTIUM AGREEMENT

9.1. This Agreement enters into force upon signature by all the Members named in this Agreement and remains in force until a resolution on liquidation of the Consortium is made in accordance with the procedure determined by this Agreement and the current legislation.

10. FINAL PROVISIONS

10.1. This Agreement does not cancel and does not impose any restrictions on any other contracts and agreements existing between the Parties, and shall not prevent them from making separate contracts and agreements within the scope of joint activities.

10.2. This Agreement may be amended and supplemented by agreement of the Parties by signature of additional agreements constituting an integral part of this Agreement.

10.3. All matters not provided for by this Agreement shall be handled in accordance with the current legislation.

11. MISCELLANEOUS

11.1. The Agreement may be amended or supplemented. All amendments and additions to this Agreement shall be agreed upon by the Parties in writing.

11.2. The Agreement is executed in nonuplicate (9), one for each Member.

11.3. All the schedules to this Agreement shall constitute an integral part hereof upon signature by the Parties.

12. SIGNATURES AND BANK DETAILS OF PARTIES

Enterprise	Manager	Signature
Saint Petersburg State Budgetary Institution "Energy Saving Center"	First Deputy Director Yelena Nikolayevna Sinkevich	
Noncommercial Partnership Petersburg House Association	"The St. Owners Chair of the Partnership Board Nikolay Vladimirovich Pitirimov	

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SYKLI Environmental School of Finland	Managing Director Eeva Hämeenoja	

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