

CONSORTIUM AGREEMENT

to create "The International Institute for Urban
Development"



Kracow
The Republic of Poland

«21» MAY 2012г.

Federal official scientific institution: The Institute of Nuclear Safety, Russian Academy of Sciences, hereinafter referred to as "IBRAE RAS", represented by Director L.A.Bolshov, acting under the Charter.

Russian Academy of Architecture and Building Sciences, hereinafter referred to as "RAASN", represented by President A.P.Kudryavtsev, acting under the Charter.

Moscow International Higher Business School, hereinafter referred to as "MIRBIS", represented by Rector S.L.Savin, acting under the Charter.

Moscow Institute of Municipal Economy and Construction, hereinafter referred to as "MIKHIS", represented by Rector P.A.Zhbanov, acting under the Charter.

National Academy of training of the investment at the Graduate School of Economics, hereinafter referred to as "GASIS HSE", represented by President E.L.Nikolaeva acting on the basis of the Charter.

Baltic Federal University of Immanuel Kant, hereinafter referred to as "BFU", represented by Rector A.P.Klemeshev, acting under the Charter.

Interregional Academy of investment areas, hereinafter referred to as "MAIS", represented by Rector T.A.Ivchik acting on the basis of the Charter.

European Property Institute hereinafter referred to as "EPI" represented by President of the board Jacek Kolibski acting on the basis of the Charter

Jagiellonian University in Kracow hereinafter referred to as "UJ" represented by Rector Karol Musioł acting on the basis of the Charter

AGH University of Science and Technology referred to as «AGH» represented by Rector Antoni Tajduś acting on the basis of the Charter

Bialystok University of Technology referred to as «PB» represented by Rector Tadeusz Citko acting on the basis of the Charter

Polish Foundation for Management Promotion hereinafter referred to as "PFMP" represented by President of the board Jacek Wojciechowicz acting on the basis of the Charter

University Vistula University of Economics and Computer Science in Warsaw hereinafter referred to as "VISTULA" represented by Dean Prof. Paweł Gięgorzka

hereinafter referred to as "Partners", concluded the following Agreement:

I. SUBJECT OF THE AGREEMENT

1.1. Recognizing the importance of international cooperation in the area of harmonious development of cities, preservation of their cultural heritage, contributing to the processes of democratization, strengthening of ties between the people of cities and regions, as well as the implementation of investment projects in their territories supported by the legislative and executive authorities, the Partners have agreed to establish the Consortium, "The International Institute Urban Development" (hereinafter - MIRG) with the aim of achieving common goals and objectives in the field of innovation through the integration of scientific, educational and innovative capacity of organizations - members of the Consortium.

1.2. The Consortium is not a legal entity.

1.3. The Partners operate on the basis of the existing legislation, of their residence, the below Agreement, their statutes and local rules applied by them in the process of research, educational, administrative, commercial and other activities.

1.4. This Agreement does not impose on the Partners any property and financial obligations, and does not impose any restrictions on their independence and autonomy in performance of their statutory activities.

1.5. The Consortium is open to other organizations in the manner specified by paragraph 5.1 of this Agreement.

II. GOALS OF THE INTERNATIONAL INSTITUTE FOR URBAN DEVELOPMENT

2.1. The Partners define the main goals of the MIRG, as:

2.1.1. Assistance to sustainable urban development aimed at improving the quality of life;

2.1.2. Ensuring the safety of life and conditions for the preservation of public health;

2.1.3. The development of engineering and transport infrastructure and systems of urban communications;

2.1.4. Research, training and professional development of specialists in the field of urban management, particularly in the management of infrastructure and real estate;

2.1.5. Formation of housing policy, harmonization of social policy with the development of market economy in the housing sector;

2.1.6. Development of a balanced system of housing finance and urban development

2.1.7. Ensuring energy efficiency of urban infrastructure in relation to the environment protection;

2.1.8. Improvement of educational standards in the field of urban management and objects of social and commercial real estate. Assisting in training of students at the universities and other educational institutions in Partner countries;

2.1.9. Providing of consulting services to local government institutions and companies on the implementation of investment projects aimed at modernization and development of urban infrastructure;

2.1.10. Creating favorable conditions for financing research and educational programs, projects and activities to ensure the harmonious development of cities.

2.2. The above objectives under the section 2.1 will be implemented within specific research, educational, financial and investment projects and programs, including:

2.2.1. Creation of training centers;

2.2.2. Creation of a common space of research and expertise as the result of the use of new forms of cooperation between the Partners, in particular through the creation of open innovation and research networks;

2.2.3. Pooling of resources, coordination and complementing of Partner's efforts in the process of joint research, selection, preparation

of expert opinions and working out and developing of innovative ideas and solutions;

2.2.4. Promotion and popularization of the best achievements of the Partners through publications and journalistic activities;

2.2.5. Organization of conferences, courses, educational seminars, distance learning, round table discussions with experts, and other forms of training.

2.3. For each project or program, the General Assembly of MIRG upon the proposal of the Board MIRG, approves the Leading Organization. The project's financing is provided through the Leading Organization.

2.4. Further distribution of functions between the Partners, the forms of participation and interest in project's financing and programs will be subjected to separate agreements concluded between the Leading Organization with those of Partners who will participate in the project or program.

III. MEMBERSHIP FEES AND SOURCES OF FUNDING

3.1. Contributions of Partners in joint activities under this Agreement can be:

3.1.1. Material and technical resources of Partners, including computer equipment and funds of the library facilities, information systems and networks, vehicles, and other items of movable and immovable property;

3.1.2. Research and educational technology, educational materials, the results of intellectual activity, used in the research and the educational process, and the exclusive rights to them;

3.1.3. Professional knowledge and skills of scientists, teachers and other employees of organizations - Partners involved in the implementation of programs, projects, activities in the framework of their joint activities;

3.1.4. Goodwill and business relationships, experience of Partners in education, research and innovation activities.

3.2. The specific contributions of Partners in joint activities and its evaluation, the forms of Partner's participation in joint ventures, as well as their participation in the profit and loss statements, and other relationships of Partners are to be regulated by separate agreements as part of the implementation of this Agreement, and to become its integral part thereof.

3.3. Sources of funding for the MIRG could include:

3.3.1. Tangible assets of Partners

3.3.2. Grants from international organizations and foundations;

3.3.3. Voluntary contributions

3.3.4. Funds received for education, under the conditions specified by Partners;

3.3.5. Budgetary Grants of the host country where Partners are located;

3.3.6. Other sources in accordance with the laws of the countries of Partner's location.

IV. ORGANIZATION OF THE CONSORTIUM ACTIVITY

4.1. The management of the Partners joint activities is executed by the General Assembly of MIRG, The Board of Management of MIRG, the President of MIRG, and International Supervisory Board of MIRG.

4.2. The supreme body of Consortium is the General Assembly of MIRG. The General Assembly operates on the basis of the Charter approved by the Partner with each Partner having 1 vote

4.3. General Assembly:

4.3.1. Examines organization of joint activities of the Partners under this Agreement;

4.3.2. Approves short, medium and long term plans of MIRG;

4.3.3. Considers projects of joint programs, development, research and other activities of the interest to MIRG, recommends them to the Partners for realization, examines the implementation;

4.3.4. Approves the accession of new Partners to the Agreement;

4.3.5. Selects the Board of MIRG;

4.3.6. Approves the Leading Organization in accordance with paragraph 2.3

4.4. The General Assembly selects the Board of MIRG responsible for operational decision-making, coordination of Partner's activities, monitoring of the implementation decisions of the General Assembly of MIRG, representing the interests of MIRG before any Third Parties,. The Board operates on the basis of the Charter approved by General Assembly.

4.5. The General Assembly also elects the President of MIRG, who becomes a Chairman of the Board of MIRG at the same time. The President of MIRG acts on the basis of the Carter approved by the General Assembly of MIRG.

4.6. To develop a strategy of MIRG the General Assembly elects the International Supervisory Board of MIRG, that consists of: prominent social leaders who influence the policy of sustainable urban development; members of national parliaments of EU and the CIS countries; members of the European Parliament; representatives of international organizations, financial institutions and funds; leading scientists and experts; heads of local and regional authorities.

V. MEMBERSHIP IN MIRG, RIGHTS AND DUTIES OF THE PARTNERS

5.1. This Consortium is opened for accession by other organizations that are residents of EU countries and the CIS, and share the goals, objectives and principles of MIRG.

5.2. The accession of new partners to this Agreement is based both on a written application addressed to the President of MIRG, and on the basis of a positive decision of the General Assembly of MIRG. The procedure is accomplished by the signing of additional amendments to this Agreement by all Partners including the new, joining Partners.

5.3. The Partners have equal rights to participate in the development and implementation of joint projects and programs of the Consortium, as well as in the activities of its governing bodies

5.4. Under this Agreement each partner has the right to accuire all information and documentation related to the implementation of joint activities and the conducting of the joint affairs of the Partners

5.5. Any Partner has the right to withdraw from the Consortium by giving written notice to the President of MIRG not less than 6 months before the date of leaving the Consortium. The President of MIRG should inform all partners of this fact within ten days of receipt of the written notice. In case of retirement from the Consortium, the retiring Partner agrees to comply fully with its previous commitments in MIRG.

5.6. In case of important reasons, each party has the right to withdraw from the Consortium without the period provided in paragraph 5.5 of this Agreement, on condition that their previous commitments in MIRG will be complied with.

5.7. The Partners agree to:

5.7.1. Promote the ideas of international cooperation in the field of sustainable urban development;

5.7.2. Propose and participate in projects and programs at regional, national and international levels to achieve the objectives of MIRG;

5.7.3. Exchange the information about measures taken to implement the this Agreement;

5.7.4. Assist with the mission and goals of MIRG in Europe, particularly in the Russian Federation and the Republic of Poland;

5.7.5. Encourage and develop an exchange of scientific and practical experience between the Republic of Poland and the Russian Federation in the framework of program of MIRG actions;

5.7.6. Ensure the confidentiality of information about the activities of MIRG the disclosure of which could adversely impact the implementation of projects and programs of MIRG. All documents developed by a Partner / Partners fin relation to joint programs and projects that are provided to the Third Parties should have a reference to the Consortium;

5.7.7. Advertise MIRG activity and activity of its Partners;

5.7.8. Inform each other about the possibility of establishing joint ventures new projects initiatives within the framework of MIRG;

5.7.9. Avoinding any actions that might adversely impact tthe principles of cooperation set forth in this Agreement, or hinder the achievement of the goals of MIRG.

5.8. A partner who is not performing or improperly performing the obligations under this Agreement, shall be solely responsible for inflicted damage to another partner or any Third Parties. In tsuch a case, the principles of joint and several liabilities do not apply.

5.9. The Consortium is to be liquidated by a decision of the General Assembly of MIRG.

VI. FINAL CONDITIONS

6.1. Any disputes that may arise in connection with MIRG activity should be resolved amicably through negotiations in a spirit of mutual understanding and respect of legitimate interests of the Partners.

6.2. To resolve any disputes in the absence of agreement, The General Assembly of MIRG upon the proposal of the Board of MIRG shall appoint The MIRG Arbitrary Commission, which will consist of five arbitrators, one of them will always being the President of MIRG.

6.3. This Agreement shall enter into force after the date of signing and shall be concluded for a non specified period as long as there is a decision to liquidate the Consortium of MIRG, made in the manner specified by paragraph 5.9. of this Agreement.

6.4. This Agreement may be amended and supplemented by mutual agreement of the Parties through the signing of additional agreements, which are an integral part of this Agreement.

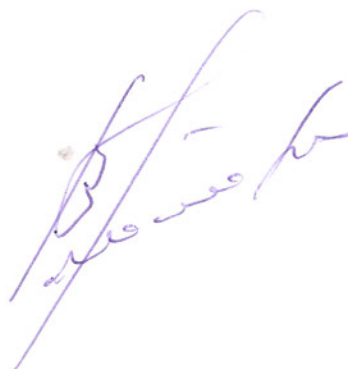
6.5. This Agreement does not suspend other contracts and agreements between the Partners, and does not limit their ability to conclude separate contracts and agreements between them within the framework of joint activities.

6.6. The Parties recognise that in the event of divergent interpretation of the provisions of the contract, they shall follow Polish and Russian language versions thereof, in keeping with the spirit of understanding

6.7. The Agreement is made in 13 identical copies in Russian, Polish and English, in 1 copy in three language versions for each Party.

SIGNATURES:

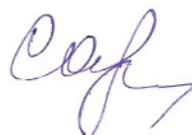
Federal official scientific
institution: The Institute
of Nuclear Safety,
Russian Academy of Sciences

A handwritten signature in blue ink, consisting of several fluid, overlapping strokes, positioned to the right of the text of the Russian Academy of Sciences.

Russian Academy
of Architecture and
Building Sciences

A handwritten signature in black ink, appearing to be 'M. Shcherbakov', written in a cursive style.

Moscow International
Higher Business School

A handwritten signature in purple ink, appearing to be 'Caf', written in a cursive style.

Moscow Institute of
Municipal Economy and Construction

A handwritten signature in blue ink, appearing to be 'Ivanov', written in a cursive style.

National Academy of training
of the investment at the Graduate
School of Economics

Baltic Federal University
of Immanuel Kant

A handwritten signature in purple ink, appearing to be 'Ivanov', written in a cursive style.

Interregional Academy
of investment areas

A handwritten signature in blue ink, appearing to be 'Mab -'.

European Property Institute

A handwritten signature in blue ink, appearing to be 'Kob'.

Jagiellonian University
in Krakow

AGH University of Science
and Technology

Bialystok University
of Technology

Polish Foundation for
Management Promotion



University Vistula University
of Economics and Computer
Science in Warsaw

