

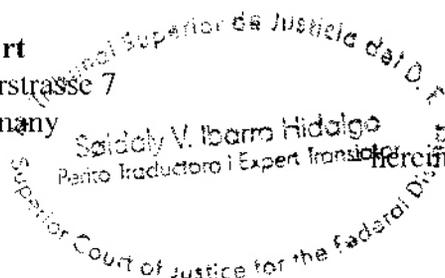
CONSORTIUM AGREEMENT

for a Specific Targeted Research Project under the
Sixth Framework Programme of the European Community (2002-2006)
for the Project called

SEAWATER DESALINATION BY INNOVATIVE SOLAR-POWERED MEMBRANE-DISTILLATION SYSTEM ("MEDESOL")

This consortium agreement (hereinafter the "Consortium Agreement") is made and shall enter into force on the first of June 2007 (hereinafter the "Effective Date") by and among

1. **Centro de Investigaciones Energéticas, Medioambientales y Tecnológicas = Co-ordinator**
Legal address: Avenida Complutense, 22
28040 Madrid, Spain
- hereinafter referred to as "CIEMAT" -
2. **Universidad de La Laguna**
Legal address: Calle Molinos de Agua s/n
38207 La Laguna, Spain
- hereinafter referred to as "ULL" -
3. **Acciona Infraestructuras S.A.**
Legal address: Avenida de Europa 18 – Parque Empresarial La Moraleja
28108 Alcobendas (Madrid), Spain
- hereinafter referred to as "ACCIONA" -
4. **Aguas de las Cuencas Mediterraneas S.A.**
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28037 Madrid, Spain
- hereinafter referred to as "ACUAMED" -
5. **Ao Sol Energias Renovaveis, SA**
Legal address: Edificio Petrogal, Parque Industrial do Porto Alto, Lugar de Sesmaria Limpá,
Porto Alto
2135-402 Samora Correia, Portugal
- hereinafter referred to as "AOSOL" -
6. **Universitat Stuttgart**
Legal address: Keplerstrasse 7
70174 Stuttgart, Germany
- hereinafter referred to as "USTUTT-ITW" -





7. **Tinep S.A. de C.V.**
Legal address: Cerro de las Campanas No. 3 Int. 509, Torre B
54040 San Andrés Atenco – Tlalnepa de Baz. Mexico
- hereinafter referred to as "TINEP"-

 8. **Universidad Nacional Autónoma de México**
Legal address: Torre de Rectoría 6 piso. Ciudad Universitaria
04510, Mexico D.F., Mexico
- hereinafter referred to as "UNAM"-

 9. **Kungliga Tekniska Hogskolan**
Legal address: Valhallavaegen 79
10044 Stockholm, Sweden
- hereinafter referred to as "KTH"-

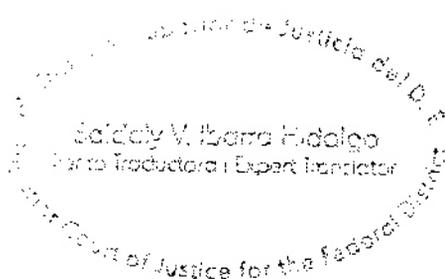
 10. **Scarab Development AB**
Legal address: Nybrogatan 12
11439 Stockholm, Sweden
- hereinafter referred to as "SCARAB"-

 11. **Ibérica de Estudios e Ingeniería S.A.**
Legal address: Avda. de Burgos 25
28036 Madrid, Spain
- hereinafter referred to as "IBERINSA"-
- hereinafter referred to individually as the "Contractor" or collectively as the "Contractor(s)" -

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Annex A List of Affiliates

Annex B Pre-Existing Know-How





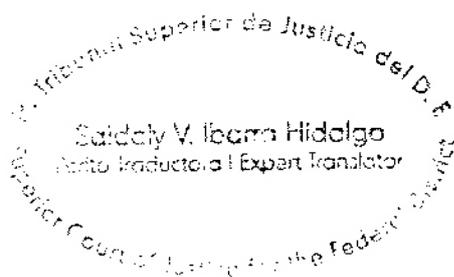
Preamble

WHEREAS, in consideration of the Decision No 1513/2002/EC of the European Parliament and of the Council of 27 June 2002 concerning the Sixth Framework Programme of the European Community for research, technological development and demonstration activities, contributing to the creation of the European Research Area and to innovation (2002 to 2006), OJ EC L 232/1 and of the Regulation of the European Parliament and of the Council concerning the Rules for the participation of undertakings, research centres and universities and for the dissemination of research results for the implementation of the European Community Sixth Framework Programme 2002-2006, the Contractors, having considerable experience in the field of the Project MEDESOL, have submitted a Proposal for the Project MEDESOL to the Commission.

WHEREAS, the Contractors have decided and agreed to execute and perform the Project MEDESOL in accordance with the terms and conditions of the Contract and its Annexes to be awarded by the European Commission under the Sixth Framework Programme.

WHEREAS, the Contractors wish to specify or supplement, between themselves, the provisions of the Contract with respect to the carrying out thereof.

Therefore, the Contractors hereby agree as follows:





ARTICLE 1 DEFINITIONS

1.1 General

The words bearing a capital letter in this Consortium Agreement shall have the same definition and meaning as those contained in the Contract, including its Annex II General Conditions, or shall have the meaning ascribed to them in any article of this Consortium Agreement.

1.2 Additional definitions

1.2.1 "Affiliate"

"Affiliate" shall mean any undertaking listed in Annex A hereto and meeting the following conditions:

- (i) which is directly owned or controlled by or owning or controlling or under the same ownership or control as any of the Contractors; and
- (ii) which is incorporated and resident in and subject to the laws of a Member State of the Community or an Associated State.

Ownership or control exists through the direct or indirect:

- Ownership of more than 50% of the nominal value of the issued equity share capital, or
- Ownership of more than 50% of the shares entitling the holders either to vote for the election of directors or persons performing similar functions or to the right by any other means to elect or appoint directors, or persons performing similar functions, who have a majority vote, or
- Ownership of 50% or more of the shares and the right to control management or operation of the company through contractual provisions.

Ownership or control by public investment corporations, institutional investors or venture-capital companies, funds and Public Bodies shall not, in itself, constitute a relationship as an Affiliate.

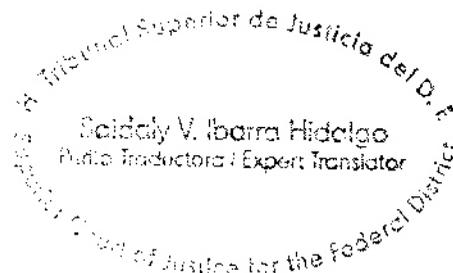
Ownership or supervision by the same Public Body shall not, in itself, constitute a relationship as an Affiliate.

The undertakings listed in Annex A shall be deemed Affiliates only as long as the above defined ownership or control lasts.

It is also agreed by the Contractors that any undertaking shall no more be regarded as an Affiliate where there has been a change in the ownership or control of the Contractor, unless the Contractors mutually agree otherwise.

Each Contractor shall have the right to update the list of its Affiliates in the case of reorganization, provided that all criteria defined in this section are still met.

Any other modification of Annex A shall require the approval of the Contractors in the Steering Committee.





1.2.2 Software terminology

“API” or “Application Programming Interface” shall mean an interface or other means provided for by a Software application, component or library for the purpose of interfacing or interaction of other Software with such application, component or library.

“Software” shall mean software programs, either in “Object Code”, i.e. in machine readable, compiled and/or executable form, or in “Source Code”, i.e. in human readable form.

“Software Documentation” shall mean software information being technical information relating to the design, development, use or maintenance of any version of a software program.

Applicant

“Applicant” shall mean a Contractor prior to the signature of the Contract.

Project Share

“Project Share” shall mean for each Contractor, that Contractor's share of the total cost of the Project as shown in the Contract and the description of work.

Description of Work

“Description of Work” shall mean the description of work included as Annex I to the Contract. In the case the Description of Work had been updated during the course of the Project by the Consortium in consent with the Commission, the last updated version shall be valid.

1.2.3 Pre-existing Know-how

“Pre-existing Know-how” as defined in the Contract shall refer only to the Pre-existing Know-how of the specific research group, research department or research institute of the Contractor which is directly involved in carrying out the Project.

ARTICLE 2 PURPOSE

The purpose of this Consortium Agreement is to:

- specify the organisation of preparation, submission, and negotiation of the Proposal with the Commission;
- specify how the Consortium will implement the Contract;
- define the rights and obligations of the Contractors, including, but not limited to, their liability and indemnification;
- supplement the provisions of the Contract concerning Access Rights;
- set out rights and obligations of the Contractors supplementing, but not conflicting with those of the Contract.

ARTICLE 3 CONTRACT NEGOTIATIONS WITH THE COMMISSION

Without prejudice to the provisions of 4.1 relating to the role of the Coordinator, the following shall apply.



3.1 The Co-ordinator shall be responsible for the conduct of the negotiations of the Proposal with the Commission.

3.2 Each Contractor shall be kept fully and promptly informed by the Co-ordinator of the progress of relevant negotiations.

3.3 Each Contractor shall attend and participate in the Contract negotiations upon request from the Co-ordinator.

3.4 The Co-ordinator shall put at the disposal of the Contractors all significant letters, emails, faxes or documents relating to the negotiations and shall also keep each Contractor informed of everything relevant to its participation until the award of the Contract.

3.5 The Co-ordinator shall not, without the prior written agreement of each relevant Contractor, propose or accept any deviation or variation to the conditions or scope of said Contractor's participation.

3.6 In case the negotiations with the Commission result in conditions in the Contract which substantially deviate from these of the Proposal and/or this Consortium Agreement, the Contractors shall in good faith adapt this Consortium Agreement, including its Annexes, to those of the Contract.

3.7 As per the Commission contractual rules, the Contract will enter into force upon signature by the Co-ordinator and the Commission. The other Contractors undertake to sign their own Form A and return it to the Co-ordinator as quickly as possible, but in any event no later than the time allowed in the Contract.

ARTICLE 4 PROJECT ORGANISATION AND MANAGEMENT STRUCTURE

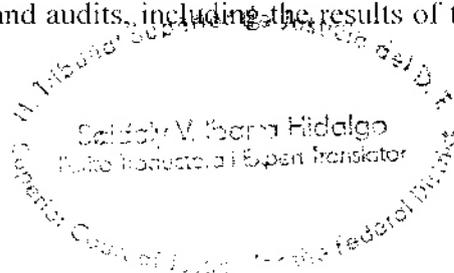
4.1 Co-ordinator

4.1.1 Rights and Obligations

The Co-ordinator shall be the single point of contact between the European Commission and the Consortium.

In this function the Co-ordinator shall:

- (a) sign the Contract with the European Commission after authorisation by the other Contractors representing at least eighty percent (80%) of the Project Shares and after signature of this Consortium Agreement by all Contractors,
- (b) collect the cost and other statements for submission to the European Commission,
- (c) prepare, with the support of the members of the Contractors, especially with the work package leaders, the reports and project documents required by the European Commission, and
- (d) undertake all reasonable endeavours to ensure prompt delivery of all hardware, software and data identified as deliverable items in the Contract or otherwise requested by the European Commission for reviews and audits, including the results of the financial audits prepared by respective auditors.





4.1.2 Responsibilities of the Co-ordinator

Pursuant to the Contract, the Co-ordinator is responsible for the following tasks and functions:

- (a) overall management of the Project,
- (b) chairing the Steering Committee, and
- (c) preparation of the meetings and decisions of the Steering Committee.

4.1.3 No power of representation

Except in its capacity as the representative of the Contractors described in the Contract, Annex II, Article 2.1d), the Co-ordinator shall not be entitled to act or to make legally binding declarations on behalf of any other Contractor.

4.1.4 Submitting Deliverables

If one or more of the Contractors is/are late in submitting of Project deliverables, the Co-ordinator may submit the other Contractors' Project deliverables to the European Commission.

4.1.5 Specific Authorisation of the Co-ordinator

To the extent that serious concerns regarding the financial soundness of one or several Contractors exist, the Co-ordinator shall have the authority to require the appropriate letter of comfort to prove that the corresponding Contractor is able to fulfil their financial obligations with regard to the Contract and this Consortium Agreement. Until such letter is provided the Co-ordinator shall be entitled to withhold the disbursement of the financial contributions of the European Commission to this Contractor.

Furthermore, the Co-ordinator has the right to retain any payment, if a Contractor is late in submitting, or refuses to provide, deliverables as defined in the Contract Annex II, Article 7.

4.2 Steering Committee

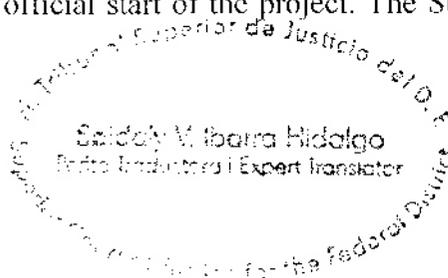
4.2.1 Responsibility

Each Contractor agrees to nominate a representative to the Steering Committee with due authorisation to discuss and negotiate actions proposed by the Co-ordinator. If the Contractor's representative has not the authorization to decide on actions proposed by the Co-ordinator, he shall consult the respective authorities and submit the decision of the Contractor in a written form to the Co-ordinator. The representative of a Contractor may decide on a proxy if required.

The decisions of the Steering Committee are legally binding to all Contractors in the Project-related matters described in Article 4.2.7 (d)-(k).

4.2.2 Kick-off

The first meeting of the Steering Committee will take place at the Kick-off Meeting of the Project or at the latest two (2) months after the official start of the project. The Steering Committee shall be chaired by the Co-ordinator.





4.2.3 Panels

The Steering Committee may set up Panels to advise and support it in the proper management and co-ordination of the Project. These Panels have an advisory role only.

4.2.4 Meetings

The Steering Committee shall meet on the Kick-off Meeting, the Midterm-Assessment Meeting and the Final Meeting. Extraordinary meetings may be called at any other time at the request of the Co-ordinator or by one (1) of the Work Package leaders or Contractors. Meetings shall be convened by the Co-ordinator with at least fifteen (15) calendar days prior notice including an agenda.

4.2.5 Rules of Voting

Ordinary and extraordinary meetings of the Steering Committee shall constitute a quorum if more than fifty (50) percent of the Contractors are present or duly represented by proxy.

One (1) vote per Contractor as represented by its member in the Steering Committee will be allocated.

Decisions of the Steering Committee need, where unanimity is not explicitly required, a majority of votes. When a Contractor is not present and has not provided its vote through suitable representation, the Co-ordinator is hereby mandated to vote on its behalf. In the event of a tied vote the Co-ordinator will use his casting vote.

A Contractor may issue its veto in these cases:

(1) a decision to accept a new Contractor in the Consortium if a substantial threat to its commercial or strategic interests (e.g., in case of a competitor) is likely to exist, which cannot be resolved by any other measure, or

(2) if its Work Package, time for performance, costs or liabilities, or intellectual property rights are impacted or its information is to be published.

Such veto shall be duly justified.

The Steering Committee may take decisions through the Co-ordinator consulting with all members via teleconference and/or via email, phone etc. All votes have to be confirmed via email after consultation via teleconference or phone. These decisions must be ratified by the next ordinary meeting.

4.2.6. Minutes of Meetings

Minutes of the meetings of the Steering Committee shall be submitted to all Contractors without delay. The minutes shall be considered as accepted by the Contractors if, within fifteen (15) calendar days from receipt, no Contractor has objected in a traceable form to the Co-ordinator.

4.2.7 Responsibilities

The Steering Committee shall be responsible for all project-related decisions of major importance, such as:

- (a) supporting the Co-ordinator in fulfilling obligations towards the European Commission,
- (b) undertaking all reasonable endeavours to ensure that all work meets functional requirements.



- (c) providing project management in relation to the activities of the Panels on technical, financial and /or exploitation/ dissemination issues, as applicable,
- (d) decisions on budget-related matters. Duration, content or assignation of work packages.
- (e) the acceptance of new Contractors as well as the exclusion of Contractors (as foreseen hereinafter in Article 9),
- (f) deciding on the alteration of the Consortium Agreement,
- (g) deciding on the premature completion / termination of the Project,
- (h) deciding on the Plan for using and disseminating knowledge,
- (i) to serve notices on a Defaulting Contractor and to assign the Defaulting Contractor's tasks to specific entities,
- (j) agreeing on press releases and joint publications by the Contractors with regard to the Project, and
- (k) agreeing on procedures and policies in accordance with the Contract, Article 34 for Dissemination of Knowledge from the Project which is not to be used by the Contractors.

In the case of Section 4.2.7 (e), (f) (g) and (i), the decision shall be taken unanimously by all of the non-Defaulting Contractors.

Any decision requiring a vote at a Steering Committee meeting must be identified as such on the pre-meeting agenda, unless there is a unanimous agreement to vote on a decision at that meeting and three quarters of the members of the Steering Committee are present or represented.

4.2.8 European Commission Representative

The European Commission (EC) and its advisors may participate as an observer at the meetings of the Steering Committee.

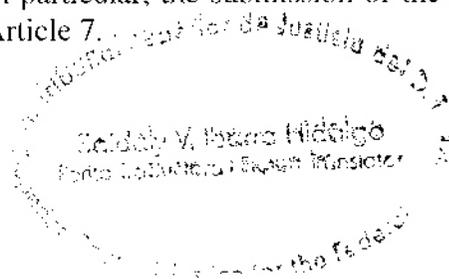
4.3 Work package Leader

The Work package Leaders shall be responsible for the day-to-day management of all tasks within their Work package. This comprises the detailed technical planning and monitoring of technical progress leading to the technical milestones and deliverables specified in the contract including the collecting and controlling of all data necessary for the reporting of the relevant Work package according to Annex II Art.7 of the Contract or the provisions of this agreement. The Work package Leaders organise and chair meetings on Work package level if necessary and invite the co-ordinator.

ARTICLE 5 RESPONSIBILITIES OF EACH CONTRACTOR

5.1 General Responsibilities

Each Contractor hereby undertakes with respect to other Contractors all reasonable endeavours to perform and fulfil, promptly, actively and on time, all of its obligations under the Contract and this Consortium Agreement, including, in particular, the submission of the deliverables pursuant to the Contract Articles 1.3 and Annex II, Article 7.





5.2 Responsibilities towards the Co-ordinator

Each Contractor undertakes reasonable endeavours to supply promptly to the Co-ordinator all such information or documents as the Co-ordinator need to fulfil its obligations pursuant to this Consortium Agreement, the Contract and otherwise upon request of the European Commission.

In particular, deliverables, information, and reports shall be submitted via the Co-ordinator.

For the proper management of the Project and of the Community financial contribution, the Contractors shall supply the Co-ordinator with Progress Reports and Cost statements on an annual basis.

5.3 Obligations of the Contractors towards each other

5.3.1 General obligations

Each Contractor undertakes reasonable endeavours to notify the Co-ordinator promptly of any significant problem and delay likely to affect the success of the Project

Each Contractor shall inform the other Contractors of relevant communications it receives from Third Parties in relation to the Project.

Each Contractor shall use all reasonable endeavours to ensure the accuracy of any information or materials it supplies hereunder or under the Contract and promptly to correct any error therein of which it is notified. The recipient Contractor shall, however, be entirely responsible for the use to which it puts such information and materials.

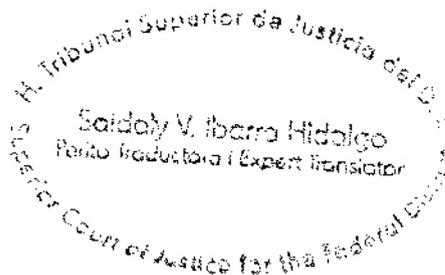
In addition to the obligations specified in the Contract Annex II.36, each Contractor agrees not to use knowingly, as part of a deliverable or in the design of such deliverable or in any information supplied hereunder or under the Contract, any proprietary rights of a Third Party for which such Contractor has not acquired the right to grant licences and/or user rights to the other Contractors in accordance with the Contract and this Consortium Agreement.

5.3.2 Obligation of dismantling of equipment

Each Contractor shall dismantle and take back any equipment which has been installed on the premises of another Contractor to fulfil work in the Project from such premises of another Contractors in a reasonable time frame or on written request of the other Contractor in a maximum time frame of 60 days at it's own costs and responsibilities, unless otherwise agreed upon between the Contractors concerned.

In case the Contractor is not fulfilling its obligation to dismantle and take back the equipment, the other Contractor is authorized hereby, after 15 days prior written notice, to dismantle itself the equipment and to transport it to the owning Contractor at the cost of such Contractor.

If the other Contractor is interested in using the equipment provided by the Contractor further then the to end of the Project or of the Work package the equipment was needed for, both Contractors shall agree in a written form on the terms of use.



ARTICLE 6 COSTS, BUDGET AND PAYMENTS

6.1 Costs

Each Contractor shall bear all its own costs incurred in connection with the preparation and application of this Consortium Agreement and of the Contract and incurred in connection with the implementation of the Project. Cost for management of the Consortium, as defined in Annex II, Part A II.2 (4) to be funded at 100% by the European Commission shall fall into three categories:

- i) costs incurred by the Co-ordinator (for the management of the Consortium);
- ii) costs incurred by the Work package Leaders (supporting the Co-ordinator in the management of the Consortium, or in the Management of the Work packages); and
- iii) costs for the preparation of Audit certificates for all Contractors (where Audit certificate costs are not more than C 2500 per individual Audit certificate).

6.2 Payment

The Co-ordinator shall receive all payments made by the European Commission.

The Contractors agree that the Community's financial contribution to Contractors shall be distributed as follows:

- 80% of any advance payment from the Commission shall be transferred with a minimum of delay, but in any case not later than one (1) month from the Co-ordinators receipt thereof;
- the remaining 20% of any advance payment against receipt by the Co-ordinator of the relevant cost statements and annual project report as well as the contribution of the receiving Contractor to any relevant Project deliverables for the Commission and following the European Commission's approval of such Project deliverables.

In case a Contractor has not provided the Co-ordinator with the above-mentioned documents and/or Project Deliverables or has provided them late or non-compliant, such Contractor shall not receive its concerned contribution allocation, until it remedies such non-delivery, late delivery or non compliant delivery, unless another decision has been taken by the Steering Committee.

It is also agreed that no distribution of any advance payment from the Commission will be made for a subsequent part or "tranche" before the prior ones are fully paid.

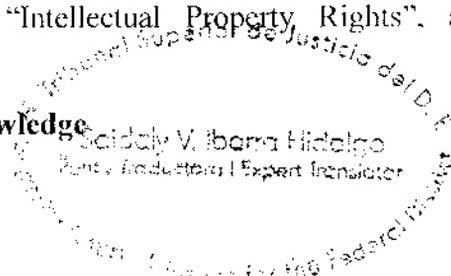
The Co-ordinator will notify each Contractor promptly of any amount transferred to its respective bank account as well as of the date of such transfer. Within such notification the Co-ordinator shall give all relevant references, including the name of the Project.

ARTICLE 7 INTELLECTUAL PROPERTY RIGHTS PROVISIONS

7.1 General

Each Contractor is bound by the terms and conditions of the Commission contractual rules, Annex II General Conditions - Part C entitled "Intellectual Property Rights", as hereby repeated, complemented or amended.

7.2 Ownership and protection of Knowledge





7.2.1 Knowledge shall be the property of the Contractor generating it.

7.2.2 Where several Contractors have jointly carried out work generating the Knowledge and where their respective share of the work cannot be ascertained, they shall have joint ownership of such Knowledge. The Contractors concerned shall agree amongst themselves in more detail on the allocation and terms of exercising ownership of that Knowledge, including terms and conditions for seeking and maintaining protection of the Knowledge on a case-by-case basis and for the right to license such Knowledge to Third Parties in accordance with such agreement, the terms of which shall not be contrary to this Article 7.

7.2.3 In the case where a Contractor ("Originator") would decide in its sole discretion that it does not intend to seek adequate and effective protection of certain of its Knowledge from the Project, the Originator shall then notify, in writing, the other Contractors and the Commission, through the Co-ordinator of such intention.

Any Contractor interested in applying to obtain and maintain such protection shall advise the other Contractors and the Commission through the Co-ordinator and in writing within one (1) month of receipt of such relevant notice.

In case one or several Contractors are interested in so applying, it or they shall strive to set up amongst themselves and with the Originator appropriate agreements in order to do so.

The Contractors shall not enforce the resultant rights acquired pursuant to the assignment against the Contractor which assigned its rights, nor against such Contractor's Affiliates or licensees under the assigned rights.

The foregoing shall be without prejudice to the Access Rights of all Contractors that will remain unaffected.

7.2.4 The main technological objectives of the MEDESOL project are:

- a) Development and testing of a new multi-stage membrane distillation concept for water desalination with solar thermal energy input.
- b) Development and testing of advanced non-fouling surface coating to avoid the scaling deposit formation in seawater heaters working coupled to multi-stage membrane distillation units

Should any of the technological developments resulted of the MEDESOL project execution be used in follow-up commercial projects (i.e. profit-oriented projects), the Contractor involved in such a project and making use of the know-how produced in MEDESOL shall ensure that the contribution of the MEDESOL Contractors is financially recognised.

Such recognition shall take the form of

- charging the client a fee of 10% over the investment cost associated to the item implemented in the project and based on the MEDESOL know-how and
- distributing this fee among the MEDESOL Contractors in a ratio proportional to their contribution to this project.

The fee will not have to be charged if no Contractor were entitled to more than 300 € under the above-mentioned scheme.



At the end of the project, the Steering Committee should define the specific technological developments which would fall under the scope of this Agreement and the final share ratio of the different Contractors (final contribution of each partner to the project).

This scheme would be maintained up to 5 years after the formal project conclusion.

7.3 Publications, Press Releases and Reports to the Commission

7.3.1 Publications

For the avoidance of doubt, it is stated that no Contractor shall have the right to publish or allow the publishing of data, which constitutes another Contractor's Knowledge, Pre-Existing Know-how or confidential information, without the prior written consent of the owning Contractor. Any unauthorised use of such other Contractor's data justifies, save for further remedies, objection to the publication by the Contractor concerned.

A Contractor shall provide the other Contractors and the Commission with at least thirty (30) calendar days prior notice of any planned publication of its Knowledge with a copy of relevant publication data (Abstract).

Unless it has granted prior written publication approval, any Contractor may object to the publication within thirty (30) calendar days from receipt of the data, if it considers and can reasonably show that the protection of its own Knowledge, Pre-existing Know or confidential information could thereby be adversely affected. Objection shall be made to the issuing Contractor with a copy to the Coordinator, which shall inform, accordingly, the Commission.

When a Contractor has made no objections to a planned publication within the time limits set out above, its consent to the publication shall be deemed given.

7.4 Access Rights

7.4.1 General principles

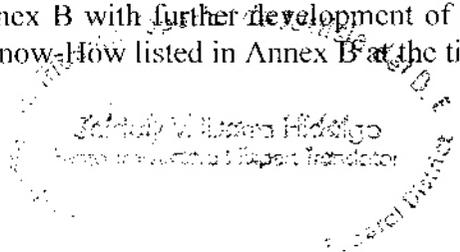
In addition to the obligations pursuant to the Commission contractual rules, Annex II General Conditions - Part C, Article 35, each Contractor shall take appropriate measures to ensure that it can grant Access Rights and fulfil the obligations under the Contract and this Consortium Agreement, notwithstanding any rights of its employees or any person it assigns or engages to perform its own Work Package for the Project.

The Contractors agree that Access Rights are granted on a non-exclusive basis and do not include the right to grant sub-licenses.

7.4.2 Identification of Pre-Existing Know-How

The Contractors have identified and listed in Annex B the Pre-Existing Know-How for which they intend to grant Access Rights for the Project or for which they explicitly exclude such Access Rights.

Each Contractor agrees that all other Pre-Existing Know-How shall be considered as unnecessary for the implementation of the Project by the other Contractors, provided however that the Contractors may update Annex B with further development of the listed Pre-Existing Know-How. However, no Pre-Existing Know-How listed in Annex B at the time of the award of the Contract can





be withdrawn without the written consent of all Contractors. Annex B shall be considered as confidential information and the terms of article 12 shall apply on it.

Knowledge developed by the contractors at the point at which a new contractor is introduced into the consortium will be considered as Pre-Existing Know-How for the new contractor.

7.4.3 Identification of incompatible or restrictive commitments

Any Contractor shall notify the others of any limitation on Access Rights as per the provisions of the Commission contractual rules, Annex II General Conditions - Part C, Article II-36, promptly and in writing before signature of the Contract.

7.4.4 Access Rights needed for carrying out the Project

The Contractors agree that the Access Rights on the Pre-Existing Know-How needed for carrying out the Project shall be granted on a royalty-free basis, unless it is agreed otherwise.

The Contractors agree that the Access Rights on the Knowledge needed for carrying out the Project shall be granted on a royalty-free basis.

Notwithstanding any provisions to the contrary in this Consortium Agreement or the Contract with Annexes, any contractor shall not be under any obligation to grant Access Rights of whatever kind to proprietary information irrespective of whether said information falls within the concept of Pre-Existing Know-how, Knowledge or any other category or definition, which go further than a non-exclusive, royalty free license to use the proprietary information in question for purposes of completing the Project during the agreed term of the Consortium Agreement.

7.4.5 Access Rights needed for Use of a Contractor's own Knowledge

7.4.5.1 Pre-Existing Know-How

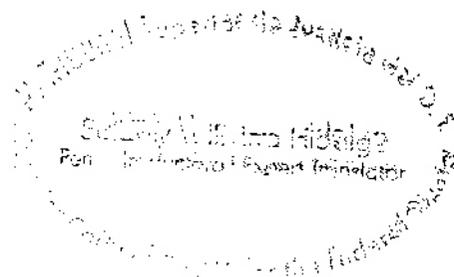
The Contractors agree that the Access Rights to the Pre-Existing Know-How of another Contractor needed for Use of a Contractor's own Knowledge shall be granted on fair and non-discriminatory conditions, unless decided otherwise by and between the concerned Contractors before signature of the Contract.

The access to Pre-existing Know-how is limited to the field of application being identified as pertaining to the objectives, content and goals of the project and necessary for the use of own Knowledge of the recipient Contractor.

7.4.5.2 Knowledge

The Contractors agree that the Access Rights to the Knowledge of another Contractor needed for Use of a Contractor's own Knowledge shall be granted on fair and non-discriminatory conditions, unless otherwise agreed in writing.

The access to Knowledge is limited to the field of application being identified as the objectives and goals of the project. Outside this identified area, access to Knowledge may be granted on market conditions only.



7.4.6 Access-rights for Third Parties

Notwithstanding the other provisions of Section 7.4 of this Consortium Agreement and the provisions as set out in Contract Annex II.35, each Contractor may enter into a technical co-operation or licensing arrangement with a Third Party in respect of its own Knowledge, including, but not limited to, the carrying out of research on behalf of a Third Party, even if there are minor amounts of Pre-existing Know-how and Knowledge owned by another Contractor, or even Pre-Existing Know-How (associated with that other Contractor's Knowledge), unavoidably incorporated into or amalgamated with such own Knowledge. In such circumstances and upon request of the Contractor entering into the co-operation or arrangement, the other Contractor shall grant non-exclusive rights to permit such co-operation or arrangement against terms and conditions to be agreed upon, provided that no Legitimate Interest of the other Contractor opposes the grant of such rights.

7.4.7 Access rights for using Knowledge in subsequent Research Activities

Recognising the Contractors' obligations to act in good faith and in accordance with Article 12, the Contractors agree to grant each other Access rights for using Knowledge in subsequent research activities on a royalty free basis for internal research and for third party research, provided that the third party shall not have any direct access to the Knowledge of the owning Contractor without its prior written consent and provided further that the confidentiality provisions of this Consortium Agreement are fully observed.

7.4.8 Written request for needed Access Rights

Needed Access Rights shall be granted upon request as described below and in accordance with the provisions of the Commission contractual rules, Annex II General Conditions - Part C, Article II-35. Access has to be granted within six (6) months after written request by the potential user to the owning Contractor.

In relation to the granting of Access rights "needed" or "need" shall mean that, without the grant of such Access rights:

- in the case of Access rights granted for the execution of the Project, carrying out the tasks assigned to the recipient Contractor under the Description of Work (as amended from time to time) would be impossible, significantly delayed, or require significant additional financial or human resources.
- in the case of Access rights granted for Use, the Use of a defined and material element of the recipient Contractor's own Knowledge would be technically or legally impossible.

The burden of proof in relation to a claimed need for Access-rights shall be on the receiving Contractor.

Any grant of Access rights not covered by this Section shall be at the absolute discretion of the owning Contractor and subject to such terms and conditions as may be agreed between the owning and receiving Contractors.

Should a Contractor reasonably believe that he needs Access Rights on another Contractor's Pre-Existing Know-How or Knowledge, such Contractor shall then promptly request in writing Access

Rights from said other Contractor, identify the extent of the Access Rights and provide reasonable evidence on its needs.

7.4.9 Affiliates Access Rights

Each Contractor hereby grants Access Rights to all Affiliates of the other Contractors listed in Annex A, as if such Affiliates were parties hereto, provided all such Affiliates grant Access Rights to the other Contractors and their listed Affiliates and fulfil all confidentiality and other obligations of the Contractors under the Contract and under this Consortium Agreement, including but not limited to, confidentiality undertakings as if such Affiliates were parties thereto.

Upon the date of cessation of an Affiliate to meet all criteria defined in Article I of this Consortium Agreement:

- all Access Rights granted to such Affiliate in respect of Knowledge or Pre-existing Know-How shall lapse, provided however that, except as otherwise agreed by the relevant Contractors, any Knowledge which has been incorporated into the products or services of said Affiliate or which has been amalgamated with said Affiliate's own information may continue to be used (exclusively in the manner it was used upon such date) by said Affiliate under a non exclusive license agreement to be negotiated with the relevant Contractor(s), upon such ex Affiliate's written request, provided however that no Legitimate Interests of such Contractor(s) oppose the grant of such licenses.
- all Access Rights granted by such Affiliate hereunder shall continue in full force and effect.

7.4.10 Software

The Contractors agree that Access Rights (under all the rules herein defined) when applying to Software do not comprise access to Source Code but only to Object Code, unless expressly otherwise agreed between the Contractors concerned in a separate agreement.

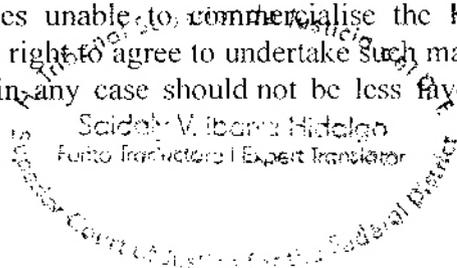
For Software, which is either Pre-Existing Know-How or Knowledge, the Contractors agree that they may have Limited Source Code Access for carrying out their Work Package under the Project, but they shall not have any access to Source Code for Use.

Limited Source Code Access shall mean Source Code access (i.e. access to Source Code (as available from the Contractor granting such access) and also to Software Documentation), provided in any case that an API including Software Documentation for the respective Software is not available; and also that use of the Software in Object Code form alone is not sufficient.

The Contractor granting Limited Source Code Access shall have the right to insist on the conclusion of a specific written license agreement with the receiving Contractor.

7.5 "Have Manufactured" Rights

Each of the Contractors agrees that, before any agreement concerning the licensing or the transfer of Knowledge for manufacturing or otherwise for commercial purposes (have manufactured rights) is reached with a third party by a Contractor, which is neither itself nor by its Affiliates incorporated or established principally to undertake manufacturing activities and/or, due to its size or nature, is itself or by its Affiliates unable to commercialise the Knowledge, the other Contractors shall themselves have a prior right to agree to undertake such manufacturing on fair and reasonable terms and conditions, which in any case should not be less favourable as those proposed by the Third Party."





7.6 Use of Marks

Each Contractor retains all rights, title and interest in any of its trade and business names, domain names, service marks, trade marks, logos or other symbols it uses to identify itself or any of its activities ("Marks") and no Contractor shall acquire under this Consortium Agreement any general license or any other right, express or implied, by law or otherwise, title or interest in or to any such Marks of any other Contractor.

Each Contractor shall obtain the other Contractor's (s') prior written approval of any publication, press releases or public announcement making reference to said other Contractor(s) and specifically to the Marks of said Contractor(s) to be used and to the manner such Marks will be used.

ARTICLE 8 LIABILITIES OF THE CONTRACTORS

8.1 Liability between the Contractors.

8.1.1 Each Contractor shall indemnify each of the other Contractors in respect of acts or omissions of itself and of its employees, agents and subcontractors provided that the Contractors are only mutually liable for damages caused intentionally or through gross negligence. In the case of gross negligence, liability is limited to the Contractor's own project share.

8.1.2 Each Contractor undertakes to perform its Work Package at its own risk and under its own sole liabilities and shall support all consequences in compliance with the provisions hereunder.

8.1.3 Each Contractor shall indemnify and hold harmless the other Contractors from any cost arising from bodily injury or death caused to its employees, employed directly or not, which may occur in the course of the performance of the Work.

8.1.4 With respect to information or materials supplied by one Contractor to another hereunder or under the Contract, the supplying Contractor shall be under no obligation or liability other than as stated in Article 5.3, and no warranty condition or representation of any kind is made, given or to be implied as to the sufficiency, accuracy or fitness for purpose of such information or materials. The recipient Contractor shall therefore, in any event, be entirely responsible for any use whatsoever of such information and materials.

8.2 Exclusion of indirect damages

No Contractor shall be responsible to another for indirect or consequential loss or damages such as, but not limited to, loss of profit, loss of revenue or loss of contracts.

8.3 Liability towards the Commission

Notwithstanding any joint and several liability of the Contractors which may exist towards the Commission each Contractor shall be liable towards the others for any losses or damages suffered by the Commission, as a consequence of any failure to perform the whole or part of its obligations under the Contract or under this Consortium Agreement.

Accordingly, should the Commission, in accordance with the provisions of the Contract, claim any reimbursement, indemnity or payment of damages from one or more Contractors - except for claims relating to the matters mentioned in the Contract, Annex II, Article II, 15 (5) (b), (h) and Article II.16, 1 and 2, which claims shall be solely for the account of the relevant Contractor(s) - the Contractors agree that:



- i. each Contractor whose default has caused, or contributed to such claim shall:
 - either pay directly the Commission to settle such claim; and,
 - in case the claim has been settled by any other Contractor(s), reimburse any amount, indemnity or compensation paid by any other Contractor(s) to the Commission.

The total and cumulative limit of liability of that Contractor towards all the other Contractors collectively, in respect of any and all such claims shall not exceed the amount of that Contractor's Project Share. Any excess shall therefore, within the limits of Annex II Art. 18 Nr.3 of the Contract (exception for public bodies), be apportioned between all the Contractors, including the Defaulting Contractor(s), pro rata to their Project Shares; and

- ii. in the event it is not possible to attribute the default to any Contractor under (i), the amount claimed by the Commission shall, within the limits of Annex II Art. 18 Nr.3 of the Contract (exception for public bodies), be apportioned between all the Contractors pro rata their Project Shares.

Public bodies shall only assume, in accordance with the rules of participation and the EC Contract and with Annex II.18.2 and 3, their own financial obligations and responsibilities towards the Commission.

8.4 Liability towards third parties

Subject always to such other undertakings and warranties as are provided for in this Consortium Agreement and the Contract, each Contractor shall be responsible for and shall save, indemnify, defend and hold harmless each other Contractor from and against any claims made by Third Parties for any losses, injuries (including death), damages, costs (including legal costs), expenses and liabilities arising from or relating to the performance of its work.

The Contractors agree that each Contractor which engages in commercial Use and / or Exploitation of Knowledge resulting from the project and/or Pre-Existing Know-How, whether owned by that Contractor or obtained from another Contractor according to the terms of the Contract and of this Consortium agreement, shall be solely liable for any loss, damage or injury to third parties resulting from such Use or Exploitation.

8.5 Liability for Subcontractors

Each Contractor shall remain fully responsible for the performance of any part of its Work Package and/or for the performance of its obligations under the Contract by any Subcontractor.

Therefore said Contractor shall ensure that (i) such subcontracts fully comply with the requirements of the Consortium Agreement and the Contract, (ii) the other Contractors' Access Rights are fully preserved and (iii) the subcontractor shall have no access to any other Contractor's Knowledge or Pre-Existing Know-How without the latter's prior written consent.

ARTICLE 9 DEFAULTS AND REMEDIES – EXCLUSION OF A CONTRACTOR / RIGHT TO WITHDRAW

9.1 Default and remedies

9.1.1 In the event of a material breach by a Contractor (“the Defaulting Contractor”) of its obligations under this Consortium Agreement or the Contract which is irremediable or which is not remedied within sixty (60) calendar days of a written notice from the Coordinator according to the decision of the Steering Committee, requiring that such breach be remedied, the other Contractors in the Steering Committee may jointly decide to terminate this Consortium Agreement with respect to the Defaulting Contractor following a minimum thirty (30) calendar day prior written notice by the Co-ordinator.

9.1.2 Such termination shall take place with respect to the Defaulting Contractor and the latter shall be deemed to have agreed to the termination of the Contract in respect of its participation therein under the relevant provisions of Annex II General Conditions- Part A, Section 2, of the Contract as the other Contractors and/or the Commission shall decide, provided always that:

- i. any and all Access Rights granted to the Defaulting Contractor and its Affiliates by the other Contractors under this Consortium Agreement as well as under the Contract shall cease immediately; but any and all Access Rights granted by the Defaulting Contractor to the other Contractors and their Affiliates under this Consortium Agreement as well as under the Contract shall remain in full force and effect;
- ii. the Work Package of the Defaulting Contractor shall be assigned to one or several companies and/or entities which are chosen by the other Contractors, which are acceptable to the Commission and agree to be bound by the terms of this Consortium Agreement. The preference shall be granted to one or more of the remaining Contractors;
- iii. the Defaulting Contractor shall:
 - assume all reasonable direct cost increase (if any) resulting from the assignment referred to in ii) above in comparison with the costs of the Work Package of the Defaulting Contractor as specified in the Contract ; and
 - be liable for any so resulting additional direct cost caused to the other Contractors, up to a total amount which, together with any liability to the Commission under Article 8.3 above, shall not exceed the total maximum limit of liability specified in said Article. Accordingly, any excess amount shall be shared between the Contractors (including the Defaulting Contractor) pro rata their respective shares in the Project at the time of exclusion of the Defaulting Contractor.

9.2 Other exclusions of a Contractor / right to withdraw

The provisions of Article 9.1.2 shall also apply in the events that:

- i. any Contractor's participation in the Contract is terminated by the Commission pursuant to the provisions of the Commission contractual rules, Annex II General Conditions Part A, section 2, then, without prejudice to any other rights of the other Contractors;
- ii. any Contractor enters into bankruptcy or liquidation or any other arrangement for the benefit of its creditors, provided that the other Contractors, subject to approval by the Commission, decide a) to terminate the Consortium Agreement with respect to that



Contractor, b) to take over the fulfilment of such Contractor's obligations and c) to receive subsequent payments under the Contract in respect thereof.

- iii. A Contractor is entitled to withdraw from the Project or to otherwise request the termination of its participation in the Contract only after having firstly obtained the prior written consent of the other Contractors in the Steering Committee (such consent not to be unreasonably withheld), and secondly the consent of the Commission.

ARTICLE 10 COMING INTO FORCE – DURATION – EARLIER TERMINATION

10.1 Coming into force

This Consortium Agreement shall come into force on the Effective Date.

10.2 Duration

This Consortium Agreement shall thereafter remain into force:

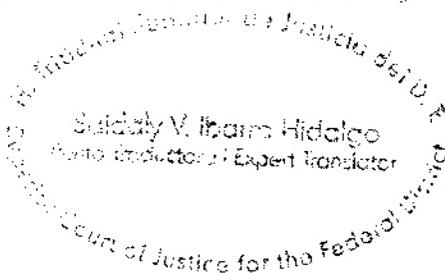
- until the fulfilment or termination of the Contract awarded by the Commission and resulting from the Proposal and complete discharge of all obligations of the Contractors under the Contract and/or under this Consortium Agreement (including the provisions of Art. 7.2.4) as well as any amendment or extension thereof, or
- until this Consortium Agreement is terminated under any cases under 10.3 below,

whichever occurs first.

10.3 Earlier termination

This Consortium Agreement shall automatically terminate without any further demand and without liability of any Contractor to the others upon the first to occur of the following events:

- i. award by the Commission of a contract for the Project to other parties;
- ii. upon an eighteen (18) month period from the date of coming into force hereto, if the Contract has not been awarded to the Contractors before expiration of such period;
- iii. cancellation of the Project by the Commission;
- iv. termination of the entire Contract by the Commission under Annex II.16;
- v. if the Commission indicates in writing that the award of the Contract pursuant to the Proposal is conditional upon the exclusion of one or more of the Contractors, unless the remaining Contractors decide to pursue their co-operation and agree on all consequences thereof, including for taking over the excluded Contractor's (s') Work Package(s);
- vi. should any Contractor enter into bankruptcy or liquidation or any other arrangement for the benefit of its creditors, provided that the other Contractors decide, subject to approval by the Commission, to terminate the Project.





ARTICLE 11 OTHER CONSEQUENCES OF TERM OR TERMINATION

In case of take over of any Contractor's Work Package under Articles 9 or 10, all related rights and obligations under the Contract and this Consortium Agreement shall in good faith be redistributed among the remaining Contractors.

Neither Contractor shall by reason of withdrawal or termination be relieved from:

- i. its responsibilities under this Consortium Agreement or the Contract in respect of that part of that Contractor's Work Package which has been carried out (or which should have been carried out) up to the date of withdrawal or termination; or
- ii. any of its obligations or liabilities arising out of such withdrawal or termination.

The provisions of the Articles of this Consortium Agreement relating to liability, confidentiality, intellectual property rights, access rights and publications shall survive the term or termination of this Consortium Agreement for any reason whatsoever to the extent needed to enable the Contractors to pursue the remedies and benefits provided for in those Articles.

For the avoidance of doubt, termination or withdrawal shall not affect any rights or obligations incurred prior to the date of the termination.

ARTICLE 12 CONFIDENTIALITY

12.1 During the term of the Project and for a period of five (5) years thereafter, the Contractors shall treat as confidential any information which is designated as proprietary by the disclosing Contractor by an appropriate stamp, legend or any other notice in writing, or when disclosed orally, has been identified as confidential at the time of disclosure and has been promptly (thirty (30) days at the latest) confirmed and designated in writing as confidential information by the disclosing Contractor.

Accordingly, each Contractor undertakes (in addition and without prejudice to any commitment under the Contract) that:

- i. the receiving Contractor shall not use any such information for any purpose other than in accordance with the terms of the Contract and this Consortium Agreement, and
- ii. the receiving Contractor shall not disclose any such confidential information to any third party except with the disclosing Contractor's prior written consent, and
- iii. such information shall neither be copied, nor otherwise reproduced nor duplicated in whole or in part where such copying, reproduction or duplication has not been specifically authorized in writing by the disclosing Contractor.

12.2 No obligation shall apply to any such information which:

- i. has come into the public domain prior to, or after the disclosure thereof and in such case through no wrongful act of the receiving Contractor; or
- ii. is already known to the receiving Contractor, as evidenced by written documentation in the files of the receiving Contractor; or



- iii. has been lawfully received from a third Contractor without restrictions or breach of this Consortium Agreement; or
- iv. has been or is published without violation of this Agreement; or
- v. is independently developed in good faith by employees of the receiving Contractor who did not have access to the Confidential Information; or
- vi. is not properly designated or confirmed as confidential.
- vii. is needed to be communicated to comply with applicable laws or regulations; or
- viii. the receiving Contractor is specifically required to disclose pursuant to the law or legal process to which the receiving Contractor is subject, including by way of an order of a court of competent jurisdiction in order to fulfil the court order.

12.3 The Contractors shall impose the same obligations on their employees who obtain Knowledge of confidential information, as far as legally possible even for the time after the end or after the termination of employment.

ARTICLE 13 FORCE MAJEURE

The Contractors agree that the definition and the consequences of Force Majeure shall be as per the Commission contractual rules, Annex II General Conditions, Part A. Section I. Art. II.4.

Each Contractor will notify the other Contractors in writing of any Force Majeure as soon as possible and shall use all reasonable endeavours to reduce the effects of such Force Majeure.

ARTICLE 14 NO PARTNERSHIP OR AGENCY

Nothing in this Consortium Agreement shall be deemed to create a partnership, agency, any formal business organization or legal entity among the Contractors.

ARTICLE 15 NOTICES

Any notice to be given under this Consortium Agreement shall require documents duly signed and personally delivered or delivered by recorded delivery mail. They shall be addressed to the attention of the following recipients of the Contractors or to such other address and recipient as a Contractor may designate in respect of that Contractor by written notice to the other Contractors:

- **CIEMAT** nominates as contact for technical matters (project officer)

Dr. Julián Blanco Gálvez (mail to: julian.blanco@psa.es)

and as contact for administrative matters (management officer)

Dr. Julián Blanco Gálvez (mail to: julian.blanco@psa.es)

- **ULL** nominates as contact for technical matters (project officer)

Dr. Lourdes García (mail to: mlgarcia@ull.es)

and as contact for administrative matters (management officer)



Dr. Lourdes García (mail to: mlgarcia@ull.es)

- **ACCIONA** nominates as contact for technical matters (project officer)
Santiago González García. (mail to: sgogarci@acciona.es).

and as contact for administrative matters (management officer)
Esther Salinas Herrador. (mail to: esalinas@acciona.es).

- **ACUAMED** nominates as contact for technical matters (project officer)
Beatriz Arconada (mail to: barconada@acuamed.com)

and as contact for administrative matters (management officer)
Beatriz Arconada (mail to: barconada@acuamed.com)

- **AOSOL** nominates as contact for technical matters (project officer)
Prof. Manuel Collares-Pereira (mail to: mpicp@aosol.pt)

and as contact for administrative matters (management officer)
Mrs. Carla Graça (mail to: Carla.Graca@aosol.pt)

- **USTUTT-ITW** nominates as contact for technical matters (project officer)
Dr. Mohammad Reza Malayeri (mail to: m.malayeri@itw.uni-stuttgart.de)

and as contact for administrative matters (management officer)
Dipl.-Ing. Thomas Brendel (mail to: brendel@itw.uni-stuttgart.de)

- **TINEP** nominates as contact for technical matters (project officer)
Dr. Moisés Rebollar. (mail to: mrebollar@tinep.com)

and as contact for administrative matters (management officer)
Laura Guagnelli. (mail to: lguagnelli@tinep.com)

- **UNAM** nominates as contact for technical matters (project officer)
Dr. Camilo Arancibia Bulnes (mail to: caab@cic.unam.mx)

and as contact for administrative matters (management officer)
Dr. Camilo Arancibia Bulnes (mail to: caab@cic.unam.mx)

- **KTH** nominates as contact for technical matters (project officer)
Dr. Andrew Martin (mail to: andrew.martin@energy.kth.se)

and as contact for administrative matters (management officer)
Dr. Andrew Martin (mail to: andrew.martin@energy.kth.se)

- **SCARAB** nominates as contact for technical matters (project officer)
Aapo Sääsk (mail to: aapo@scarab.se)



and as contact for administrative matters (management officer)

Aapo Sääsk (mail to: aapo@scarab.se)

- **IBERINSA** nominates as contact for technical matters (project officer)

Mercedes Alba (mail to: malbas@acciona.es)

and as contact for administrative matters (management officer)

Verónica Lipperheide (mail to: vlipperh@acciona.es)

ARTICLE 16 LANGUAGE

This Consortium Agreement is drawn up in English and English shall govern all documents, notices and meetings for its performance, application and/or extension or in any other way relative thereto.

ARTICLE 17 ANNEXES, CONFLICTS AND INCONSISTENCIES

The Annexes to this Consortium Agreement, which are an integral part thereof, are:

Annex A List of Affiliates

Annex B Pre-Existing Know-How

In the event of conflict or inconsistency between any provision contained in the body of this Consortium Agreement and any provision contained in its Annexes, the provisions contained in this Consortium Agreement shall prevail.

In the event of conflict or inconsistency between any provision contained in this Consortium Agreement and the provisions of the Contract, the provisions of the Contract shall prevail.

ARTICLE 18 ASSIGNMENTS, AMENDMENTS

18.1 Any rights or obligations of the Contractors arising from this Consortium Agreement may not be assigned or transferred in all or in part to any third party without the other Contractors' prior written approval. Such consent shall not be unreasonably withheld.

18.2 All amendments and modifications to this Consortium Agreement require written documents duly signed by all Contractors.

ARTICLE 19 SEVERABILITY

Should any provision of this Consortium Agreement prove to be invalid or incapable of fulfilment, or subsequently become invalid or incapable of fulfilment, whether in whole or in part, this shall not affect the validity of the remaining provisions of this Consortium Agreement. In such a case, the Contractors shall agree as soon as possible on a valid and practicable provision which most nearly fulfils the purpose of the invalid or impracticable provision.



ARTICLE 20 RESTRICTIONS

The activities contemplated by this Consortium Agreement are subject to any mandatory rules or regulations that may be applicable in the countries in which the Contractors' activities occur. Nothing in this Consortium Agreement shall be deemed to be an agreement to violate such rules or regulations. To the extent any such rules or regulations forbid or restrict any of the activities contemplated hereunder, the Contractors agree, subject to Article 18, that this Consortium Agreement shall not obligate either Contractor to conduct such activity.

ARTICLE 21 APPLICABLE LAW

This Consortium Agreement shall be construed in accordance with and governed by the law governing the Contract.

ARTICLE 22 DISPUTES

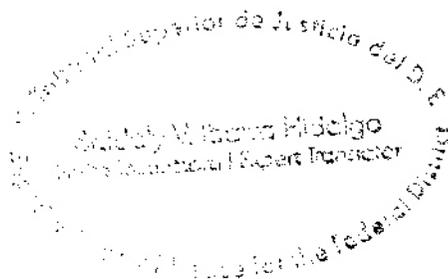
The Contractors agree to use reasonable endeavours to try to amicably settle any dispute arising among them in relation to the implementation of the Contract and/or of this Consortium Agreement and for such purpose to bring the dispute at the appropriate body level.

Failing to reach an amicable settlement, the dispute arising out of or in connection with the present Consortium Agreement shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with the said Rules.

The place of arbitration shall be Brussels.

The language to be used in the arbitral proceedings shall be English.

IN WITNESS WHEREOF, the Contractors have caused this Consortium Agreement to be duly signed, in one (1) original copy, by the undersigned authorised representatives.





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

**CENTRO DE INVESTIGACIONES ENERGÉTICAS, MEDIOAMBIENTALES Y
TECNOLÓGICAS**

By (signature):

Name (block letters):

DR. JUAN ANTONIO RUBIO

Title:

GENERAL DIRECTOR OF CIEMAT

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

UNIVERSIDAD DE LA LAGUNA

By (signature):

Name (block letters): Carmen María Évora García

Title: Vicerrectora de Investigación y Desarrollo

Date:



Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

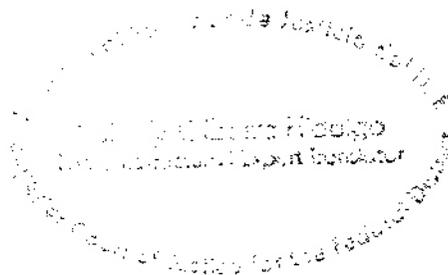
ACCIONA INFRAESTRUCTURAS S.A.

By (signature):

Name (block letters): Juan Manuel Mieres Royo

Title: R&D Department Director

Date:



Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

AGUAS DE LAS CUENCAS MEDITERRANEAS S.A.

By (signature):

Name (block letters): Beatriz Arconada López

Title: Coordinadora Ambiental

Date:



Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

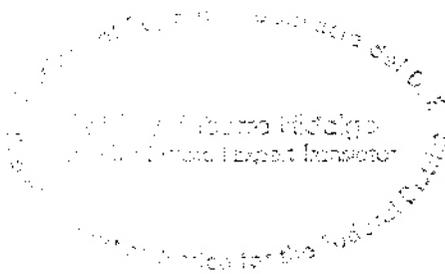
AO SOL ENERGIAS RENOVAVEIS, SA

By (signature):

Name (block letters):

Title:

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

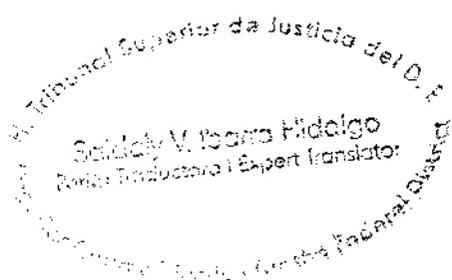
Authorised to sign on behalf of
UNIVERSITAET STUTTGART

By (signature):

Name (block letters): Bettina Buhlmann

Title: Chancellor

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

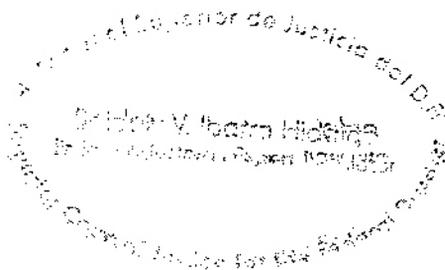
TINEP S.A. DE C.V.

By (signature):

Name (block letters): Blanca Mónica Guagnelli Martínez

Title: Project Director

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

UNIVERSIDAD NACIONAL AUTÓNOMA DE MÉXICO

By (signature):

Name (block letters): Dr. René Drucker Colín

Title: Coordinador de la Investigación Científica de la UNAM

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

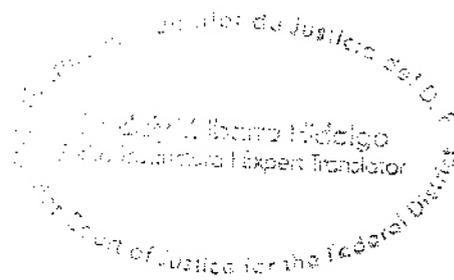
KUNGLIGA TEKNISKA HOEGSKOLAN

By (signature):

Name (block letters): Anders Flodström

Title: President

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

SCARAB DEVELOPMENT AB

By (signature):

Name (block letters): Aapo Säask

Title: CEO

Date:





Signature Page EU 6 FP Consortium Agreement MEDESOL

Authorised to sign on behalf of

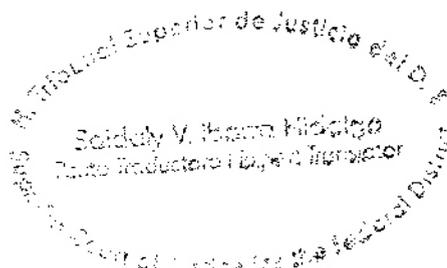
IBÉRICA DE ESTUDIOS E INGENIERÍA S.A.

By (signature):

Name (block letters): JESÚS CONTRERAS OLMEDO

Title: GENERAL MANAGER OF IBERINSA

Date:





ANNEX A LIST OF AFFILIATES

CIEMAT: - none -

ULL: - none -

ACCIONA: - none -

ACUAMED: - none -

AOSOL:

ENERPURA - Energia e Ambiente, SA.
Largo Marquês de Angola, nº 18
1300-389 Lisboa
VAT nº: PT507295820

USTUTT-ITW: - none -

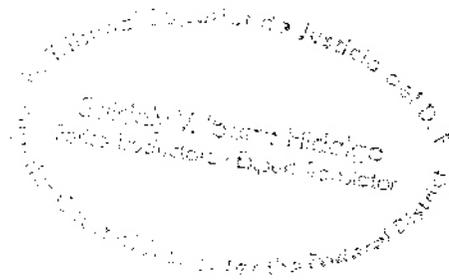
TINEP: - none -

UNAM: - none -

KTH: - none -

SCARAB: - none -

IBERINSA: - none -





ANNEX B: PRE-EXISTING KNOW-HOW

1. CENTRO DE INVESTIGACIONES ENERGÉTICAS, MEDIOAMBIENTALES Y TECNOLÓGICAS

CIEMAT has ample pre-existing knowledge regarding design and testing of solar systems, including desalination, industrial wastewater treatment by Advanced Oxidation Processes and Solar Drinking Water Disinfection.

Nevertheless, the pre-existing knowledge relevant to the MEDESOL project is not protected by patents, but is of public property, as it has been published previously in scientific articles etc.

2. UNIVERSIDAD DE LA LAGUNA

ULL pre-existing know-how includes:

- the expertise in the preliminary design of solar desalination systems based on multi-effect distillation, multistage flash distillation and reverse osmosis.
- the expertise in the simulation of above mentioned desalination technologies.
- methodologies for thermoeconomic analysis.
- methodologies for life cycle assessment.

3. ACCIONA INFRAESTRUCTURAS S.A.

Desalination .- reverse osmosis. Design, construction, operation and maintenance of water desalination plants.

Water treatment and management.

Operation and maintenance of water treatment plants.

Design of water treatment projects.

WWTP - portable systems.

Composite materials - structures and components.

Sensor installation and monitoring networks.

Water quality - analysis and characterization of water.

Solar energy - design, simulation and installation of thermal and photovoltaic modules.

Water harvesting.

4. AGUAS DE LA CUENCAS MEDITERRANEAS S.A.

Available know-how particularly relevant to the MEDESOL project is the following:

- Experienced in projects of Seawater Reverse Osmosis Desalination plants of brackish water and seawater through a great area of Mediterranean provinces.
- Experience in financial studies and in technical development of diverse hydraulic projects.



5. AO SOL ENERGIAS RENOVAVEIS, LDA.

AOSOL previous existing knowledge includes extensive about CPC type solar collectors, stationary or quasistationary, for low and intermediate temperature applications, subject to patents (Portuguese patent N° 101 504 (22 de April de 1994). European Patent N° 0678 714 (18 de Abril de 1995). and PCT Patent N° P1/02/0004). with and without TIM (transparent insulation materials), designed for fin like absorbers of various shapes and sizes.

6. UNIVERSITAET STUTTGART

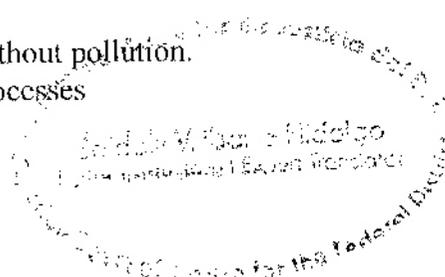
Prof. Müller-Steinhagen has been involved in research and development on heat exchanger fouling mitigation for about 25 years. In recent years, much of this work has been dedicated to the investigation of surface-deposit interaction and the development of low-fouling heat transfer surfaces. For these investigations, the heat transfer fouling research group of the Institute of Thermodynamics and Thermal Engineering (USTUT-ITW) has available a wide range of experimental and analytical equipment, including several heat transfer fouling test rigs, optical and atomic force microscopes, and a custom-made CVD/magnetron sputtering device which is used for targeted modification of heat transfer surfaces. Available know-how and test equipment particularly relevant to the MEDESOL project include:

- 1) Selection of knowledge-based high performance materials based on either ion-implantation, magnetron sputtering or autocatalytic Ni-P-PTFE techniques, pre-coating procedure, coating, post-coating surface measurements and characterization of the low-fouling coated surfaces, including surface energy, surface charge, composition and topography.
- 2) Heat transfer fouling test rigs for tubular and plate heat exchanger geometries which can be operated under forced convective for low and high fluid velocities.
- 3) Measurement and characterization of foulant and deposit, including surface energy, rheology, composition and post deposition molecular analysis.

7. TINEP S.A. DE C.V.

TINEP, is a company of technological development in PROCESSES AND DESIGN OF EQUIPMENTS, which takes the scientific method as a base of performance, focusing firstly in establishing clearly the objectives, to get the strategy of analysis of the available information. The principal lines of work are:

1. Systems of pre-treatment for any kind of plants of treatments of Waters.
2. Plants for potability of water.
3. Treatments for residual waters.
 - i. Recovery of residual waters for its reuse in boilers, towers of cooling and process in general.
 - ii. Treatment for recharges.
4. Gas cleanliness.
 - i. To be able to use alternate fuels without pollution.
 - ii. For increase capacity of current processes
 - iii. Improvement of combustion.





Experience from TINEP more distinguished for services similar to those who will be realized in MEDESOL

- TINEP has the knowledge of the water users' market.
- Knowledge about pre-treatment, and physicochemical or biological treatment of the water from NOT TYPICAL sources, before that is fed to membranes, diminishes or eliminating any problem by fouling.
- Potabilization of Sulphurous waters. Desgasification, softening, filtration and demineralization of Sulphurous waters, with more than 800 mg/l of sulfates, 50 mg/l HS-, and 2000 mg/l of Total Hardness as CaCO₃, with presence of more than 35 mg/l of Silicon, in a flow of 300 lps.
- Water treatment of the Petroleum Industry. Desgasificación, oils elimination, separation of phosphates, separation of silicates (more than 300 mg/l), for water recovery and to incorporate it as desmineralized water for boilers.
- Separation of barium and sulphates, before membranes nourishment of inverse osmosis. 2.2 mg/l Barium, Turbidez <1.0, Sulfates 500 mg/l. To allow Na's separation with 2200 mg/l to fulfill with minor EVENNESS 5.0

General Treatments.

- a) GASES. elimination of pollutants from combustion or processes, nowadays besides SO₂, NO_x and particles, is employed actively as control of CO₂ with very good advances.
- b) WATERS Atypical waters potabilization and recovery of saltpeter waters, seawater, and residual industrial and municipal waters.
- c) SOLIDS. Recovery and stabilization of sludge. Treatments of mud from perforation of petroleum and residual waters, heat recovery of alternate sources without pollution.

SOME OF THE PROCESSES DESIGNED AND DEVELOPED BY TINEP.

- a. Primary treatments. Special attention in removing, bacteria, algae, and solids like sands, stones, metals or plastic, using mechanisms that are highly efficient and eliminate the need to use primary sedimentation.
- b. Processes of pre-oxidation, to eliminate any gas present in the water like sulphurs and H₂S, and, in the case of water softening to provoke the precipitate of carbonates, sulfates and/or silicates.
- c. Systems of elimination of salts and ions in waters with high conductivity like seawater, principally sulfates, silicates and carbonates to prepare the inlay in membrane processes.
- d. Systems of precipitation of barium and strontium in waters with high conductivity.
- e. Systems of coagulation, flotation and/or sedimentation of organic matter in waters of high conductivity.
- f. System of gas separation before the membranes process.
- g. Systems of pre-treatment and membrane treatment.
- h. Process of gas cleanliness and pollutants separation, eliminating H₂S, SO_x, CO₂, NH₄⁺/NH₃ and particles.
- i. Process of separation and classification of solids for density and for size.
- j. Cleanliness of solids bio and not biodegradable, of solid biodegradable for its better optimization of results and reduction of spaces and costs.

SOME OF THE EQUIPMENTS DESIGNED AND MADE BY TINEP

- a. PRIMARY SYSTEMS. Clean the water inlet and eliminate the use of sedimentation primary.
- b. WASHERS OF SULFIDRIC ACID (H₂S).
- c. PHYSICOCHEMISTRY REACTORS FOR PRETREATMENT.
- d. SUPERMIXING EQUIPMENTS. promoters of reactions of very high efficiency with minimal speculation. They work in two or three phases, which take advantage and promote the physical and physicochemistry action, increasing the friction energy and promote the formation of new bonds and microbubbles with which is possible to get a better mass transference in phases liquid - gas, liquid - solid, solid gas, or the three phases, with very high efficiency.
- e. PHYSICOCHEMISTRY REACTORS FOR CONDITIONING AND GAS CLEANLINESS.
- f. COOLING TOWERS FOR FLUID WITH SUSPENSION SOLIDS.
- g. MULTICELLULAR VERTICAL FILTERS.
- h. MULTICELLULAR VERTICAL ADSORCIÓN TOWERS.
- i. MICROFILTERS SYSTEMS.
- j. NANOFILTRATION SYSTEMS.
- k. SYSTEMS OF DISINFECTION BY U.V. RADIATION
- l. SYSTEMS OF DISINFECTION BY OZONIZACIÓN and U.V. RADIATION.
- m. CONDITIONING AND STABILIZATION (DISINFECTION) SYSTEMS OF BY-PRODUCTS OF WATER TREATMENT PLANTS.
- n. THICKENER OF SLUDGE.

The majority of the equipments made by TINEP are protected by trade secret, for being convenient to the company this way, but for the characteristics that presents, the supermixing is patented with application in Mexico, USA, EC, Japan and Sudamerica. As the same way, others of the arrangements used by TINEP have patent applied for.

8. UNIVERSIDAD NACIONAL AUTÓNOMA DE MÉXICO

UNIVERSIDAD NACIONAL AUTÓNOMA DE MÉXICO has ample pre-existing knowledge regarding design and testing of solar systems. Nevertheless, the pre-existing knowledge relevant to the MEDESOL project is not protected by patents, but is of public property, as it has been published previously in scientific articles etc.

9. KUNGLICA TEKNISKA HOEGSKOLAN

The research group in Energy Department, has been working on Membrane Distillation technology and some of its applications, particularly on water treatment for boilers, district heating networks, and flue gas condensate; ultra-pure water production in the semiconductor industry; and solar desalination. Research topics include system performance assessments, laboratory investigations, and pilot plant testing. Relevant know-how and test equipment, available for MEDESOL project include:

- 1) MD unit operation conditions, variable design optimization and long term performance including fouling and scaling mechanisms.
- 2) Test rig comprising MD unit assembled in a production layout. (with cooperation with SCARAB)

KTH *Pre-existing Know-how* to be explicitly excluded from the *Project* in accordance with Article II.35.1(d) of the *Contract*:-

- Pre-Existing Know-How developed by scientists not participating in the *Project*;
- Pre-Existing Know-How developed by scientists participating in the *Project* which is outside the scope of the Programme for jointly executed research activities of the *Project*;
- all know-how in patents and current patent applications;
- know-how which is related to the licenses given by KTH to our industrial collaborators and licensees;
- know-how that is covered under specific research agreements and confidentiality agreements and therefore subject to third party rights.

all other *Pre-existing Know-how* derived outside the *Project*, to which KTH, due to third party rights, is not able to grant *Access Rights*.

Further, as the case maybe - Information regarding incompatible or restrictive commitments according to Article II.36 of the *Contract*

10. SCARAB DEVELOPMENT AB

Scarab has pre-existing knowledge regarding design, manufacture and testing of membrane distillation modules, equipment and systems in different applications including among others desalination, industrial wastewater treatment, manufacture of ultra-pure water, treatment of radioactive water, household water equipment, solar distillation, irrigation, co-generation, arsenic remediation and ethanol production.

Some of these applications are protected by patents owned by license or group companies that are not affiliates in the legal sense. Scarab has also applied for five new patents in 2007 which may have relevance to the MEDESOL project. The application numbers are 0700054-0, 0700055-7, 0700056-5, 0700057-3 and 0700058-1.

A large part of Scarabs pre-existing know-how has been published in reports by KTH and on the Scarab Internet site. However, the main body of pre-existing know-how is non-protected and non-published.

Scarabs managing director, Aapo Sääsk, has been engaged in research and development regarding desalination, water purification, renewable energy and other sustainability issues since 1973 and in membrane distillation since 1979 and the company was awarded the first patent for AGMD in 1981.

Pre-existing know-how to be explicitly excluded from the *Project* in accordance with Article II.35.1(d) of the *Contract* is all know-how which is outside the scope of the MEDESOL project, all know-how in patents and current patent applications, all know-how which is related to the licenses



given by Scarab to parties outside the MEDESOL project, all know-how that is covered under specific confidentiality agreements and therefore subject to third party rights, and especially all know-how about membrane distillation membranes and modules that are part of ongoing development projects with third parties.

Notwithstanding any provisions to the contrary in this Consortium Agreement or the Contract with Annexes, Scarab, or any of its Affiliates, if any should be formed, shall not be under any obligation to grant Access Rights of whatever kind to proprietary information irrespective of whether said information falls within the concept of pre-existing know-how, knowledge or any other category or definition, which go further than a non-exclusive, royalty free license to use the proprietary information in question for purposes of completing the MEDESOL project during the agreed term of the Consortium Agreement.

All Scarab's pre-existing know-how as defined above and including any know-how acquired or developed in parallel with the MEDESOL program, shall be exempt from the project and the access rights stated therein.

11. IBÉRICA DE ESTUDIOS E INGENIERÍA S.A.

Iberinsa has ample knowledge of the design and engineering of water treatment and supply and renewable energy. Iberinsa does not have any specific pre-existing knowledge relevant concerning membrane distillation.

