



Stony Brook University

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE KOREA SMART GRID INSTITUTE
AND THE STATE UNIVERSITY OF NEW YORK, STONY BROOK
ON
COMPREHENSIVE COOPERATION ON SMART GRID TECHNOLOGY
DEVELOPMENT AND DEPLOYMENT**

This Memorandum of Understanding (hereinafter referred to as the "MOU") is made and entered into on this 13th day of August, 2012 by and between:

Korea Smart Grid Institute, a non-profit organization funded fully by Korean government that promotes the Jeju Island Demonstration Project, which will become the world's largest Smart Grid Community, testing the most advanced Smart Grid Technologies. Jeju Island presents a leading opportunity for Research, Development and Deployment (RD&D), and offers a model for the commercialization and export of Smart Grid technologies (hereinafter referred to as the "KSGI").

State University of New York at Stony Brook, a higher educational institute duly organized and existing under the laws of the United States of America, with its principal place of business at Stony Brook, New York 11794, USA (hereinafter referred to as the "SBU").

KSGI and SBU are hereinafter collectively referred to as the "Parties" and individually as the "Party".

WITNESSETH:

WHEREAS, New York State Smart Grid Consortium (hereinafter referred to as the "NYSSGC") and KSGI have signed the Letter of Intent (hereinafter referred to as the "LOI") in Seoul on 1st day of May, 2012.

WHEREAS, KSGI and Korean entities has performed a deep dive analysis with the possibility of participating in a smart grid demonstration project within the state of New York for last three months and have concluded that State University of New York, Stony Brook is identified as a suitable location for overseas Smart Grid RD&D demonstration project (hereinafter referred to as the "Project").

WHEREAS, KSGI has encouraged private Korean entities to support the establishment of the Project within the state of New York and Korean entities have submitted or will submit a letter stating their participation on the Project.

WHEREAS, this MOU sets forth the general intention and principles of the above collaboration between the Parties.

NOW THEREFORE, in consideration of mutual promises and covenants set forth herein, the Parties



hereby agree as follows:

ARTICLE 1. PURPOSE AND NATURE OF THE MEMORANDUM

- 1.1 The purpose of this MOU is to establish a framework for collaboration and cooperation between KSGI and SBU in executing the Project.
- 1.2 Except for Article 4 (Confidentiality) and Article 6 (Miscellaneous), this MOU is legally non-binding in nature and does not constitute or create, and shall not be deemed to constitute any legally binding or enforceable obligations on any Party.

ARTICLE 2. COLLABORATION

- 2.1 To achieve the purpose of this MOU, the Parties shall endeavor to make their respective efforts for their mutual benefit in execution of the Project.
- 2.2 The Parties desire to combine their respective expertise and experience, subject to the terms and conditions of this MOU, to ensure strategic advantages in the interest of the Parties. The sharing of expertise and experience shall not be construed to grant either Party any right or license in the information exchanged.
- 2.3 The project will be divided into three phases, which goals are;
 - Phase 1: Establishing a real-time energy monitoring system within SBU campus by developing and deploying Automated Metering Infrastructure.
 - Phase 2: By analyzing energy usage of SBU campus, define buildings which can reduce energy usage by implementing Smart Grid technology, and install devices & products to achieve energy efficiency.
 - Phase 3: Establish a Smart Campus – a micro grid which will be self-sufficient and participate in the Demand Response program of New York ISO.
- 2.4 The parties shall develop and demonstrate a new model for Smart Campus that will prove the Smart Grid technology can enhance its electricity power system, improve energy efficiency, security and reliability, while enabling customers to reduce CO2 emissions.

ARTICLE 3. NON-EXCLUSIVITY

- 3.1 Nothing herein is intended nor shall be construed as creating a restriction either Party from collaborating with a third party other than the other Party.

ARTICLE 4. CONFIDENTIALITY

- 4.1 By virtue of this MOU, the Parties may have access to information of the other Party that is confidential. Each Party agrees to hold the other Party's confidential information (which such Party has indicated in writing is confidential) in confidence during the term of this MOU.
- 4.2 Each party agrees not to make the other Party's confidential information available to any third

party or to use the other Party's confidential information for any purposes other than for the purposes of this MOU.

These restrictions shall not apply to information which;

- (a) Is in the public domain other than by breach of this MOU
- (b) Was in the possession of the receiving Party before disclosure and was not acquired directly or indirectly from disclosing Party;
- (c) Is lawfully obtained from a third party is free to disclose it; or
- (d) Either Party is obliged by law or authorized government authorities to disclose.

4.3 The standard of care for protecting proprietary information imposed on the Party receiving such information, will be that degree of care the receiving Party uses to prevent disclosure, publication or dissemination of its own proprietary information.

4.4 No announcement, press release, or any other information relating to the MOU shall in any way be made, published or advertised by either Party save with the prior written consent of the other Party. Such consent shall not be unreasonably withheld.

ARTICLE 5. TERM; TERMINATION

5.1 This MOU shall become effective on the date of 1st day of September, 2012.

5.2 Unless earlier terminated pursuant to Article 5.3 below, this MOU shall remain in effective for a period of three (3) years. This MOU may be renewed in writing by both Parties for successive one (1) year periods.

5.3 This MOU shall terminate upon the earliest occurrence of any of the following events:

- (a) The bankruptcy, dissolution, liquidation or receivership (including appointment of a liquidator, receiver, bankruptcy trustee or the like) of a Party or some such substantially similar event occurs to a Party under the laws of the Country where it was formed;
- (b) The Parties mutually agree to terminate the MOU for any reason;
- (c) Either Party decides not to pursue the Project; or
- (d) Execution of a definitive agreement incorporating the principles of this MOU.

ARTICLE 6 MISCELLANEOUS

6.1 Relationship of the Parties. Nothing in this MOU shall be deemed to constitute, create or give effect to or otherwise recognize a joint venture, partnership or formal business entity of any kind, and the rights and obligations of the Parties shall be limited to those expressly set forth herein. Nothing herein contained shall be construed as authorizing either Party to act as an agent or representative of the other Party.

6.2 Modification. No amendment, change, addition or modification of the terms set forth in this MOU shall be effective or binding upon either of the Parties unless reduced to writing and

executed by the respective duly authorized representatives of each Party.

- 6.3 Severability. In the event any term or provision of this MOU shall for any reason be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other term or provision of this MOU and the Parties shall in good faith attempt to agree to another provision that is valid, legal and enforceable and carries out the Parties' intentions to the greatest lawful extent under this MOU instead of the provision held to be invalid, illegal, or unenforceable.
- 6.4 Notices. Any notice required or permitted to be given hereunder shall be in writing and may be given by personal service, registered air mail, or by facsimile if confirmed on the same day in writing by registered airmail, with postage fully prepaid to the following addresses:

If to KSGI:

KSGI
18F Korea Technology Center
701-7 Yeoksam-Dong, Gangnam-Gu
Seoul 135-780, Korea
Attention: International Cooperation Team

If to SBU:

Stony Brook University
328 Administration Building
Stony Brook, NY 11794-1212, USA
Attention: Office of General Counsel

- 6.5 Language. The English version of this MOU shall prevail over any translation thereof (if any) for purposes of interpretation and resolving ambiguities.

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Stony Brook University

IN WITNESS WHEREOF, the authorized representatives of the Parties have caused this MOU to be executed as of the date first above written.

KOREA SMART GRID INSTITUTE

By Chun Jin Park

Name: Chun Jin Park

Title: Chief Executive

STATE UNIVERSITY OF NEW YORK AT STONY BROOK

By Yacov A. Shamash

Name: Yacov A. Shamash

Title: Vice President for Economic Development