

**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

0706

OMB No 1545-0052

**2006**

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2006, or tax year beginning **JUL 1, 2006**, and ending **JUN 30, 2007**

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of foundation: **NUCLEAR THREAT INITIATIVE, INC.**

Number and street (or P.O. box number if mail is not delivered to street address): **1747 PENNSYLVANIA AVENUE, NW**

Room/suite: **7**

City or town, state, and ZIP code: **WASHINGTON, DC 20006**

A Employer identification number: **58-2289435**

B Telephone number: **(202) 296-4810**

C If exemption application is pending, check here

D 1. Foreign organizations, check here   
2. Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

H Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16): **\$ 14,371,798.**

J Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received	11,575,132.			
2	Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
3	Interest on savings and temporary cash investments	551,523.	551,523.	551,523.	STATEMENT 2
4	Dividends and interest from securities				
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	<3,553.>			STATEMENT 1
b	Gross sales price for all assets on line 6a	202.			
7	Capital gain net income (from Part IV, line 2)		0.		
8	Net short-term capital gain			0.	
9	Income modifications				
10a	Gross sales less returns and allowances				
b	Less Cost of goods sold				
c	Gross profit or (loss)				
11	Other income	5,926.	5,926.	5,926.	STATEMENT 3
12	Total. Add lines 1 through 11	12,129,028.	557,449.	557,449.	
13	Compensation of officers, directors, trustees, etc.	1,552,417.	0.	0.	1,533,632.
14	Other employee salaries and wages	2,022,353.	0.	0.	2,022,353.
15	Pension plans, employee benefits	855,866.	0.	0.	838,547.
16a	Legal fees STMT 4	81,507.	0.	0.	85,993.
b	Accounting fees STMT 5	41,435.	0.	0.	41,435.
c	Other professional fees STMT 6	272,760.	0.	0.	279,375.
17	Interest				
18	Taxes STMT 7	526.	0.	0.	526.
19	Depreciation and depletion STMT 11	99,593.	0.	0.	
20	Occupancy	685,365.	0.	0.	704,511.
21	Travel, conferences, and meetings	944,221.	0.	0.	979,014.
22	Printing and publications	142,403.	0.	0.	139,588.
23	Other expenses STMT 8	2,981,449.	5,926.	5,926.	2,907,319.
24	Total operating and administrative expenses. Add lines 13 through 23	9,679,895.	5,926.	5,926.	9,532,293.
25	Contributions, gifts, grants paid	5,288,064.			5,102,284.
26	Total expenses and disbursements. Add lines 24 and 25	14,967,959.	5,926.	5,926.	14,634,577.
27	Subtract line 26 from line 12	<2,838,931.>			
a	Excess of revenue over expenses and disbursements				
b	Net investment income (if negative, enter -0-)		551,523.		
c	Adjusted net income (if negative, enter -0-)			551,523.	

LHA For Privacy Act and Paperwork Reduction Act Notice, see the instructions.

Form 990-PF (2006)

627

3

SCANNED APR 10 2008

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1	Cash - non-interest-bearing		1,730,159.	1,650,218.	1,650,218.	
	2	Savings and temporary cash investments		11,803,738.	5,837,822.	5,837,822.	
	3	Accounts receivable	59,390.				
		Less: allowance for doubtful accounts	56,564.	4,026.	2,826.	2,826.	
	4	Pledges receivable					
		Less: allowance for doubtful accounts					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons					
	7	Other notes and loans receivable					
		Less: allowance for doubtful accounts					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges		174,778.	215,517.	215,517.	
	10a	Investments - U S and state government obligations					
	b	Investments - corporate stock	STMT 9	2,517,026.	6,487,400.	6,487,400.	
	c	Investments - corporate bonds					
11	Investments - land, buildings, and equipment: basis	812,791.					
	Less: accumulated depreciation	STMT 14 634,776.	103,735.	178,015.	178,015.		
12	Investments - mortgage loans						
13	Investments - other						
14	Land, buildings, and equipment basis						
	Less: accumulated depreciation						
15	Other assets (describe)						
16	<b>Total assets (to be completed by all filers)</b>		16,333,462.	14,371,798.	14,371,798.		
Liabilities	17	Accounts payable and accrued expenses		198,842.	291,275.		
	18	Grants payable		1,214,634.	1,400,414.		
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable					
	22	Other liabilities (describe) DEFERRED RENT		15,867.	145,331.		
23	<b>Total liabilities (add lines 17 through 22)</b>		1,429,343.	1,837,020.			
Net Assets or Fund Balances	24	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.	<input checked="" type="checkbox"/>				
	24	Unrestricted		14,904,119.	12,534,778.		
	25	Temporarily restricted					
	26	Permanently restricted					
	27	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31.	<input type="checkbox"/>				
	27	Capital stock, trust principal, or current funds					
	28	Paid-in or capital surplus, or land, bldg, and equipment fund					
	29	Retained earnings, accumulated income, endowment, or other funds					
30	<b>Total net assets or fund balances</b>		14,904,119.	12,534,778.			
31	<b>Total liabilities and net assets/fund balances</b>		16,333,462.	14,371,798.			

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	14,904,119.
2	Enter amount from Part I, line 27a	2	<2,838,931.>
3	Other increases not included in line 2 (itemize) UNREALIZED GAIN ON INVESTMENTS	3	469,590.
4	Add lines 1, 2, and 3	4	12,534,778.
5	Decreases not included in line 2 (itemize)	5	0.
6	<b>Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30</b>	6	<b>12,534,778.</b>

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr)
<b>1a SALE OF COMPUTERS</b>		P	VARIOUS	VARIOUS
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a 202.	39,254.	43,009.	<3,553.>	
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col. (h))	
(i) FMV as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a			<3,553.>	
b				
c				
d				
e				
2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	<3,553.>	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) If (loss), enter -0- in Part I, line 8		3	0.	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part

1 Enter the appropriate amount in each column for each year, see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col. (c))
2005	20,706,924.	5,450,333.	3.799203
2004	25,672,160.	13,047,293.	1.967623
2003	15,981,703.	15,936,071.	1.002863
2002	27,036,811.	<5,577,492.>	.000000
2001	23,085,512.	3,743,110.	6.167468
2 Total of line 1, column (d)			2 12.937157
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 2.587431
4 Enter the net value of noncharitable-use assets for 2006 from Part X, line 5			4 5,701,131.
5 Multiply line 4 by line 3			5 14,751,283.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 5,515.
7 Add lines 5 and 6			7 14,756,798.
8 Enter qualifying distributions from Part XII, line 4			8 17,376,153.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows for excise tax calculations. Includes fields for exempt foundations, tax under section 511, total credits, and tax due. Total tax due is 5,515.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, unrelated business income, and substantial contributors. Includes handwritten notes like 'SEE FORM 812' and 'SEE STATEMENT 10'.

Part VII-A Statements Regarding Activities Continued

11a At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)?
11b If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a?
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract?
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application?
14 The books are in care of JOAN ROHLFING Telephone no 202-296-4810
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)?
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2006?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2006, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2006?
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2006 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2006?

**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required *Continued*

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?  Yes  No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?  Yes  No

(3) Provide a grant to an individual for travel, study, or other similar purposes?  Yes  No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?  Yes  No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?  Yes  No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?  Yes  No  
 Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? *SEE STATEMENT 24*  Yes  No  
 If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No  
 If you answered "Yes" to 6b, also file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?  Yes  No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction?  Yes  No  
 N/A

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

**1** List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 15				
	0.00	1,552,417.	216856.	0.
R.E. TURNER 214 HAMRICK LAMONT, FL 32336	CO-CHAIRMAN			
	5.00	0.	0.	0.

**2** Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 16				
	0.00	759,274.	137380.	

Total number of other employees paid over \$50,000 10

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors Continued

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

Table with 3 columns: (a) Name and address of each person paid more than \$50,000; (b) Type of service; (c) Compensation. Row 1: SEE STATEMENT 17, 285,654.

Total number of others receiving over \$50,000 for professional services 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

Table with 2 columns: Activity description; Expenses. Rows include COMMUNICATIONS & EDUCATION PROGRAMS (2,875,416), RUSSIAN/NEW INDEPENDENT STATE (NIS) PROGRAMS (2,066,918), BIOLOGICAL PROGRAMS (1,549,380), INTERNATIONAL & UNITED STATES PROGRAMS (877,680).

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Table with 2 columns: Investment description; Amount. Row 1: N/A. Row 2: (blank). Row 3: All other program-related investments See instructions.

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	3,590,906.
b	Average of monthly cash balances	1b	11,641,468.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	15,232,374.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	15,232,374.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions) <i>see stmt 18</i>	4	9,531,243.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,701,131.
6	Minimum investment return. Enter 5% of line 5	6	285,057.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	
2a	Tax on investment income for 2006 from Part VI, line 5	2a	
2b	Income tax for 2006. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

**Part XII Qualifying Distributions** (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	14,634,577.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	177,627.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule) <i>SEE STATEMENT 19</i>	3b	2,563,949.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	17,376,153.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	5,515.
6	Adjusted qualifying distributions. Subtract line 5 from line 4.	6	17,370,638.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.



**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2005	(c) 2005	(d) 2006
1 Distributable amount for 2006 from Part XI, line 7				0.
2 Undistributed Income, if any, as of the end of 2005				
a Enter amount for 2005 only			0.	
b Total for prior years		0.		
3 Excess distributions carryover, if any, to 2006:				
a From 2001				
b From 2002				
c From 2003				
d From 2004				
e From 2005				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2006 from Part XII, line 4 ▶ \$ N/A				
a Applied to 2005, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2006 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2006 (if an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b Taxable amount - see instructions		0.		
e Undistributed income for 2005. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2006 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2007				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2001 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2007. Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9				
a Excess from 2002				
b Excess from 2003				
c Excess from 2004				
d Excess from 2005				
e Excess from 2006				

**Part XIV Private Operating Foundations** (see instructions and Part VII-A, question 9)

**1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2006, enter the date of the ruling ▶ 09/28/01  
**b** Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year				(e) Total
	(a) 2006	(b) 2005	Prior 3 years		
	(c) 2004	(d) 2003			
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	285,057.	272,517.	539,319.	568,917.	1,665,810.
<b>b</b> 85% of line 2a	242,298.	231,639.	458,421.	483,579.	1,415,939.
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed	17376153.	20712903.	25672168.	15981703.	79742927.
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities	0.	0.	0.	0.	0.
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	17376153.	20712903.	25672168.	15981703.	79742927.
<b>3</b> Complete 3a, b, or c for the alternative test relied upon.					
<b>a</b> "Assets" alternative test - enter					
<b>(1)</b> Value of all assets					0.
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					0.
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	190,038.	181,678.	434,910.	531,203.	1,337,829.
<b>c</b> "Support" alternative test - enter					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					0.
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					0.
<b>(3)</b> Largest amount of support from an exempt organization					0.
<b>(4)</b> Gross investment income					0.

**Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see page 28 of the instructions.)**

**1 Information Regarding Foundation Managers:**  
**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)

**R. E. TURNER**  
**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

**NONE**

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**  
 Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a** The name, address, and telephone number of the person to whom applications should be addressed.

---

- b** The form in which applications should be submitted and information and materials they should include

---

- c** Any submission deadlines:

---

- d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

**Part XV** Supplementary Information (continued)

**3** Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a <i>Paid during the year</i></p> <p>SEE STATEMENT 20</p>				5102284.
<b>Total</b>				▶ 3a 5102284.
<p>b <i>Approved for future payment</i></p> <p>SEE STATEMENT 20</p>				1400414.
<b>Total</b>				▶ 3b 1400414.





**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No 1545-0047

**2006**

Name of organization

NUCLEAR THREAT INITIATIVE, INC.

Employer identification number

58-2289435

Organization type (check one)

Filers of:

Section:

Form 990 or 990-EZ

 501(c)( ) (enter number) organization 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation 527 political organization

Form 990-PF

 501(c)(3) exempt private foundation 4947(a)(1) nonexempt charitable trust treated as a private foundation 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)**General Rule-**

- 
- For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules-**

- 
- For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

- 
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use
- exclusively*
- for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

- 
- For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use
- exclusively*
- for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an
- exclusively*
- religious, charitable, etc., purpose. Do not complete any of the Parts unless the
- General Rule**
- applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ \_\_\_\_\_

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they must check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).LHA For Paperwork Reduction Act Notice, see the Instructions  
for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2006)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	SCHWAB FUND FOR CHARITABLE GIVING 101 MONTGOMERY ST SAN FRANCISCO, CA 94104	\$ 11,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	BUFFETT FOUNDATION 222 KIEWIT PLAZA OMAHA, NE 68131	\$ 3,500,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	BUFFETT FOUNDATION 222 KIEWIT PLAZA OMAHA, NE 68131	\$ 3,500,784.	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	TOLEDO COMMUNITY FOUNDATION INC 608 MADISON AVE #1540 TOLEDO, OH 43604	\$ 150,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	CARNEGIE CORPORATION OF NEW YORK 437 MADISON AVE NEW YORK, NY 10022	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	JEWISH COMMUNITY FEDERATION 1750 EUCLID AVE CLEVELAND, OH 44115	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	FIDELITY CHARITABLE GIFT FUND PO BOX 55158 BOSTON, MA 02205	\$ 6,350.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	J.F. MADDOX FOUNDATION PO BOX 2588 HOBBS, NM 88241	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	WILLIAM HOWARD FLOWER JR FOUNDATION PO BOX 6100 THOMASVILLE, GA 31758	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	CHUNG KIN KWOK EDUCATIONAL FOUNDATION SUITE 1213 PRINCE'S BUILDING, 10 CHATER ROAD CENTRAL, HONG KONG	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	SAGA FOUNDATION 985 LAKEVIEW WAY REDWOOD CITY, CA 94062	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12	LEROY & LINDSAY EAKIN III 5060 MILWOOD LANE, NW WASHINGTON, DC 20016	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13	THE SCHAFFNER FAMILY FOUNDATION 252 SEVENTH AVE, APT 17M NEW YORK, NY 10001	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14	RUSSELL & ANNE FULLER 2499 BUTTERNUT DRIVE HILLSBOROUGH, CA 94010	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15	LEIDY FOUNDATION PO BOX 1709 HAILEY, ID 8333	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16	JEFFREY MARQUIS 3274 PONY RIDGE WAY OAKTON, VA 22124	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17	SATTER FAMILY FOUNDATION 500 N MICHIGAN AVE CHICAGO, IL 60611	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18	CHRISTINA & DAVID EPSTEIN 6 ROBIN ROAD EDISON, NJ 08820	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	INSTITUTE OF NUCLEAR MATERIALS MANAGEMENT  111 DEER LAKE ROAD, SUITE 100  DEERFIELD, IL 60015	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20	UK FOREIGN COMMONWEALTH OFFICE  KING CHARLES ST  LONDON, UK SW1A-2AH	\$ 117,496.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21	TURNER CHARITABLE REMAINDER UNITRUST #3  214 HAMRICK  LAMONT, FL 32336	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22	EDLOW INTERNATIONAL  1666 CONNECTICUT AVE, NW SUITE 201  WASHINGTON, DC 20009	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23	THE NIEMIC FAMILY FUND  1 EAST END AVENUE  NEW YORK, NY 10021	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24	THE WHITEHEAD FOUNDATION  65 EAST 55TH ST  NEW YORK, NY 10022	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25	ARMSTRONG FAMILY FOUNDATION 2201 E CAMELBACK RD. SUITE 202 PHOENIX, AZ 85016	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
26	HECHT AND COMPANY PC 111 WEST 40TH ST NEW YORK, NY 10018	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
27	DONNA & MARVIN SCHWARTZ FOUNDATION 605 THIRD AVE NEW YORK, NY 10158	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
28	BLOOMBERG LP 731 LEXINGTON AVE NEW YORK, NY 10022	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
29	PAUL WEISS RIFKAND WHARTON GARRISON CHARITABLE FUND 12856 AVENUE OF THE AMERICAS NEW YORK, NY 10019	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
30	JEWISH COMMUNAL FUND 575 MADISON AVE SUITE 703 NEW YORK, NY 10022	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization <b>NUCLEAR THREAT INITIATIVE, INC.</b>	Employer identification number <b>58-2289435</b>
--	---

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
31	JOHN H. MAKIN 25 BRIDLE TRAIL DARIEN, CT 06820-2101	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
32	JAMES MINTZ GROUP 32 AVENUE OF THE AMERICAS, 21ST FL NEW YORK, NY 10013	\$ 12,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
33	WEST MONROE PARTNERS 175 WEST JACKSON BLVD CHICAGO, IL 60604	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
34	BRUCE KOVNER 500 PARK AVENUE NEW YORK, NY 10022	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
35	BERENSON & CO LLC 135 W 50TH ST #21 NEW YORK, NY 10021	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
36	ROY W. LENNOX CAXTON ASSOC; 500 PARK AVENUE NEW YORK, NY 10129	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization <b>NUCLEAR THREAT INITIATIVE, INC.</b>	Employer identification number <b>58-2289435</b>
--	---

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
37	WIGMORE FOUNDATION 100 WALL ST, 11TH FL NEW YORK, NY 10005	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
38	TOM F. MARSH 300 CRESCENT COURT, SUITE 900 DALLAS, TX 75201	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
39	KEKST & COMPANY 437 MADISON AVE NEW YORK, NY 10022	\$ 12,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
40	BLAKE CASSELS & GRAYDON 126 EAST 56TH ST, SUITE 801, TOWER 56 NEW YORK, NY 10022	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
41	PETER L. BRIGER, JR 101 CENTRAL PARK WEST NEW YORK, NY 10023	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
42	CRAVATH SWAINE & MOORE LLP WORLDWIDE PLAZA, 825 EIGHTH AVE NEW YORK, NY 10019	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
43	ROBERT W. BAIRD & CO INCORPORATED 777 EAST WISCONSIN AVE; PO BOX 672 WILWAUKEE, WI 53201	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
44	GOLDMAN SACHS & CO 85 BROAD ST NEW YORK, NY 10004	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
45	BARBARA & MICHAEL CALABRESE 1136 5TH AVENUE APT 8C NEW YORK, NY 10128	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
46	SIMPSON THACHER & BARTLETT LLP 425 LEXINGTON AVE NEW YORK, NY 10017	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
47	CHRISTIAN LEGACY FOUNDATION 1408 NORTH WESTSHORE BLVD STE 504; PO BOX 22744 TAMPA, FL 33622	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
48	ATLAS ADVISORS, LLC 140E 45TH ST, 23RD FL NEW YORK, NY 10017	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
49	JOHN SILBERMAN & ASSOCIATES PC 145 E 57TH ST NEW YORK, NY 10022	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
50	SKADDEN ARPS SLATE MEAGHER & FLOM LLP FOUR TIMES SQUARE NEW YORK, NY 10036	\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
51	KPMG 757 THIRD AVE NEW YORK, NY 10017	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
52	GENUITY CAPITAL MARKETS 717 FIFTH AVE SUITE 1403 NEW YORK, NY 10022	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
53	PRICEWATERHOUSECOOPERS LLP 300 MADISON AVE NEW YORK, NY 10017	\$ 12,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
54	ALIX PARTNERS, LP 2000 TOWNCENTER SUITE 2400 SOUTHFIELD, MI 48075	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
55	DEUTSCHE BANK 60 WALL STREET NEW YORK, NY 10005	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
56	UBS INVESTMENT BANK 299 PARK AVE #4 NEW YORK, NY 10022	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
57	CITIBANK 3800 CITIBANK CENTER DRIVE G 3-4 TAMPA, FL 33610	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
58	CREATIVITY FOUNDATION 5600 WISCONSIN AVE CHEVY CHASE, MD 20815	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
59	STATENS KARNKRAFTINSPEKTION SE-106 5B STOCKHOLM, SWEDEN	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
60	THE RUSSELL FAMILY FOUNDATION PO BOX 2567 GIG HARBOR, WA 98335	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Name of organization

Employer identification number

NUCLEAR THREAT INITIATIVE, INC.

58-2289435

**Part I Contributors** (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
61	JP MORGAN CHASE & CO 1 CHASE MANHATTAN PLAZA, FLOOR 6 NEW YORK, NY 10005	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization <b>NUCLEAR THREAT INITIATIVE, INC.</b>	Employer identification number <b>58-2289435</b>
--	---

**Part II Noncash Property** (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
3	BERKSHIRE HATHAWAY STOCK _____ _____ _____	\$ 3,500,784.	VARIOUS
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____
	_____ _____ _____	\$ _____	_____

FORM 990-PF GAIN OR (LOSS) FROM SALE OF ASSETS STATEMENT 1

(A) DESCRIPTION OF PROPERTY	MANNER ACQUIRED	DATE ACQUIRED	DATE SOLD
SALE OF COMPUTERS	PURCHASED	VARIOUS	VARIOUS
(B) GROSS SALES PRICE	(C) COST OR OTHER BASIS	(D) EXPENSE OF SALE	(E) DEPREC.
202.	43,009.	0.	(F) GAIN OR LOSS 39,254.
			<3,553.>
CAPITAL GAINS DIVIDENDS FROM PART IV			0.
TOTAL TO FORM 990-PF, PART I, LINE 6A			<3,553.>

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 2

SOURCE	AMOUNT
INTEREST INCOME	551,523.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	551,523.

FORM 990-PF OTHER INCOME STATEMENT 3

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
GROSS SUBLEASE REV - STMT 11	5,926.	5,926.	5,926.
TOTAL TO FORM 990-PF, PART I, LINE 11	5,926.	5,926.	5,926.

FORM 990-PF LEGAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES - SEE STMT 12	81,507.	0.	0.	85,993.
TO FM 990-PF, PG 1, LN 16A	81,507.	0.	0.	85,993.

FORM 990-PF ACCOUNTING FEES STATEMENT 5

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES - SEE STMT 12	41,435.	0.	0.	41,435.
TO FORM 990-PF, PG 1, LN 16B	41,435.	0.	0.	41,435.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 6

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
OTHER PROF FEES - SEE STMT 12	272,760.	0.	0.	279,375.
TO FORM 990-PF, PG 1, LN 16C	272,760.	0.	0.	279,375.

FORM 990-PF TAXES STATEMENT 7

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
PROPERTY TAXES - SEE STMT 11	526.	0.	0.	526.
TO FORM 990-PF, PG 1, LN 18	526.	0.	0.	526.

FORM 990-PF OTHER EXPENSES STATEMENT 8

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
SEE STATEMENT 11	2,981,449.	5,926.	5,926.	2,907,319.
TO FORM 990-PF, PG 1, LN 23	2,981,449.	5,926.	5,926.	2,907,319.

FORM 990-PF CORPORATE STOCK STATEMENT 9

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
INVESTMENTS - SEE STATEMENT 13	6,487,400.	6,487,400.
TOTAL TO FORM 990-PF, PART II, LINE 10B	6,487,400.	6,487,400.

FORM 990-PF LIST OF STATES RECEIVING COPY OF RETURN STATEMENT 10

STATES

AL, AK, AR, CA, CO, CT, DE, DC, FL, GA, IL, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, NH, NJ, NM, NY  
 NC, ND, OH, OK, OR, PA, RI, SC, TN, TX, UT, VA, WA, WV, WI, AZ

Nuclear Threat Initiative, Inc.

EIN: 52-2289435

Form 990 PF (2007)

Part I

Lines 11, 18, 19 and 23

Statement 11

	(a) Revenue and expenses per books	(b) Net Investment Income	(c) Adjusted net Income	(d) Disbursements for Charitable purposes
<b>Line 11 - Other Income</b>				
Film Rights	-			
Gross Sublease Revenue	5,926	5,926	5,926	NA
	<u>5,926</u>	<u>5,926</u>	<u>5,926</u>	<u>NA</u>
<b>Line 18 - Taxes</b>				
Property Tax on leased equipment	526	-	-	526
	<u>526</u>	<u>-</u>	<u>-</u>	<u>526</u>
<b>Line 19 - Depreciation &amp; Depletion</b>				
Depreciation of Office Furniture & Equipment	69,661	-	-	NA
Amortization of Developed Software	404	-	-	NA
Amortization of Leasehold Improvements	29,527	-	-	NA
	<u>99,593</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Line 23 - Other Expenses</b>				
Rent expense - related to sublease revenue	5,926	5,926	5,926	5,926
Supplies	62,721	-	-	62,818
Telecommunications	276,114	-	-	280,704
Biological Program Services	62,104	-	-	56,871
Daily Website Content - Global Newswire	950,250	-	-	950,250
Russia/ NIS Program Services	490,837	-	-	411,067
Education/Communication Program Services	705,024	-	-	706,329
International Program Services	41,616	-	-	41,616
Strategic Program Development Services	153,481	-	-	163,591
Postage & Shipping	68,067	-	-	67,239
Equipment rental & maintenance	31,583	-	-	36,689
Insurance	72,915	-	-	65,284
Advertising	2,092	-	-	2,092
Bad Debt	-	-	-	-
Miscellaneous expenses	58,718	-	-	56,840
	<u>2,981,449</u>	<u>5,926</u>	<u>5,926</u>	<u>2,907,317</u>

## Nuclear Threat Initiative, Inc.

Statement 12

EIN: 52-2289435

Form 990 PF (2007)

## Part I

Lines 16 a, b, c

## Accounting Fees, Legal Fees and Other Professional Fees

	(a) Revenue and expenses per books	(b) Net Investment Income	(c) Adjusted net Income	(d) Disbursements for Charitable purposes
<b>Legal Fees</b>				
Program Implementation	50,896	-	-	59,983
Fundraising	10,405	-	-	9,979
Organization & Governance Activities	20,205	-	-	16,031
<b>Total Legal Fees</b>	<b>81,507</b>	<b>-</b>	<b>-</b>	<b>85,993</b>
<b>Accounting Fees</b>				
Payroll Services	16,635	-	-	16,635
Annual Audit	24,800	-	-	24,800
<b>Total Accounting Fees</b>	<b>41,435</b>	<b>-</b>	<b>-</b>	<b>41,435</b>
<b>Other Professional Fees</b>				
401 (k) Plan recordkeeping	2,775	-	-	2,775
FSA recordkeeping	460	-	-	460
Computer Consulting	67,517	-	-	67,134
Employment Agency/ Recruitment Fees	42,133	-	-	42,133
Export Control Services	14,033	-	-	15,633
Fundraising	69,845	-	-	75,242
Personnel Radiation Safety & Monitoring Program	275	-	-	275
Employee Relations	3,143	-	-	3,143
Office cleaning and internal moves	3,516	-	-	3,516
Temporary Help	12,645	-	-	12,645
Translation/Interpreters services	19,954	-	-	19,954
Website Development	36,465	-	-	36,465
<b>Total Other Professional Fees</b>	<b>272,760</b>	<b>-</b>	<b>-</b>	<b>279,375</b>

**Nuclear Threat Initiative, Inc.**  
**EIN: 52-2289435**  
**Form 990 PF (2007)**  
**Part II**  
**Line 10b Investments - Corporate Stock**

**Statement 13**

Berkshire Hathaway Class A	\$ 2,846,350
Berkshire Hathaway Class B	<u>\$ 3,641,050</u>
Total Basis	<u><u>\$ 6,487,400</u></u>



Nuclear Threat Initiative, Inc.

Statement 14

EIN: 52-2289435

Form 990 PF (2007)

Part II

Line 11 - Land, Buildings and Equipment

Office Furniture and Equipment	\$ 563,085
Leased Equipment	19,784
Leasehold Improvements	<u>229,922</u>
Total Basis	<u>812,791</u>
Accumulated Depreciation, Office Furniture and Equipment	(503,949)
Accumulated Depreciation, Leased Equipment	(9,480)
Accumulated Amortization, Leasehold Improvements	<u>(121,347)</u>
Total Accumulated Depreciation and Amortization	<u>(634,776)</u>
Total Fixed Asset Net Book Value	<u><u>\$ 178,014</u></u>

Nuclear Threat Initiative, Inc.  
 EIN 52-2289435  
 Form 990 PF (2007)  
 Part VIII  
 Line 1

Statement 15

**OFFICERS AND DIRECTORS**

All officers and directors can be contacted at 1747 Pennsylvania Avenue, NW, 7th Floor, Washington, D C 20006

**NTI Officers:**

Name & Address	Position	Estimated Hours Per Week Devoted to Position	July 1, 2006 - June 30, 2007 Compensation	Contributions to employee benefit plans and deferred compensation	Expense Account, other allowances
Honorable Sam Nunn Atlanta, GA	Co-Chairman & Chief Executive Officer	35	\$ 300,000	\$ 24,250	None
Mr Charles B Curtis Washington, DC	President & Chief Operating Officer	45	275,531	35,588	None
Mr J Rutherford Seydel, II Atlanta, GA	Secretary	2-5	None	None	None
Ms Joan B Rohlfing Washington, DC	Senior Vice President for Programs and Operations	45	207,925	35,892	None
Dr Mark Smolinski Washington, DC	Vice President for Biological Programs	45	73,125 *	11,388	None
Ms Brooke Anderson Washington, DC	Vice President for Communications	45	199,200	26,601	None
Ms Laura Holgate Washington, DC	Vice President for Russia/ New Independent States Programs	45	196,512	32,752	None
Mr Kraig Butrum Washington, DC	Vice President for Development	45	186,000	31,410	None
Ms Melissa Sarver Washington, DC	Treasurer	45	114,124	18,975	None
<b>Total Officers</b>			<b>\$ 1,552,417</b>	<b>\$ 216,856</b>	<b>\$ -</b>

\* July 1, 2006 through November 15, 2006

**NTI Directors:**

Mr R.E (Ted) Turner	Class I Director & Board Co-Chairman	5	None	None	None
Honorable Sam Nunn	Class I Director & Board Co-Chairman	35	See Above	See Above	See Above
Mr Charles B Curtis	Class I Director	45	See Above	See Above	See Above
Senator Pete V Domenici	Class I Director	2-5	None	None	None
Ms Susan Eisenhower	Class I Director	2-5	None	None	None
Ambassador Rolf Ekeus	Class I Director	2-5	None	None	None
Gen Eugene E Habiger (USAF Ret)	Class I Director	2-5	None	None	None
Dr Andrei A Kokoshin	Class I Director	2-5	None	None	None
Mr Pierre Lellouche	Class I Director	2-5	None	None	None
Senator Richard G Lugar	Class I Director	2-5	None	None	None
Dr Jessica Tuchman Mathews	Class I Director	2-5	None	None	None
Judge Hisashi Owada	Class I Director	2-5	None	None	None
Dr William J Perry	Class I Director	2-5	None	None	None
Dr Nafis Sadik	Class I Director	2-5	None	None	None
Professor Amartya K. Sen	Class I Director	2-5	None	None	None
Commissioner Vladimir Lukin	Class I Director	2-5	None	None	None
HRH Prince El Hassan bin Talal	Class I Director	2-5	None	None	None

Nuclear Threat Initiative, Inc.  
 EIN: 52-2289435  
 Form 990 PF (2007)  
 Part VIII  
 Line 2

Statement 16

**Five Highest Paid Employees (other than those included on line 1)**

All employees can be contacted at 1747 Pennsylvania Avenue, NW, 7th Floor, Washington, D C 20006

<u>Name &amp; Address</u>	<u>Position</u>	<u>Estimated Hours Per Week Devoted to Position</u>	<u>July 1, 2006 - June 30, 2007 Compensation</u>	<u>Contributions to employee benefit plans and deferred compensation</u>	<u>Expense Account, other allowances</u>
Robert E Berls, Jr Washington, DC	Senior Advisor for Russia/ New Independent States Programs	45	176,606	26,452	None
Lisa Cutler Washington, DC	Director of Programs and Outreach	45	151,410	28,759	None
Terry Taylor Washington, DC	Senior Advisor & Director, Biological Programs	45	148,750	32,107	None
Diane Hauslein Washington, DC	Director of Administration	45	146,900	24,819	None
Cathy Gwin Washington, DC	Director of Communications Programs	36	<u>135,608</u>	<u>25,243</u>	<u>None</u>
<b>Total Employees</b>			<u>\$ 759,274</u>	<u>\$ 137,380</u>	<u>\$ -</u>

Total number of other employees paid over \$50,000

10

**Five Highest Paid Independent Contractors for Professional Services**

<u>(a) Name and Address</u>	<u>(b) Type of Service</u>	<u>(c) Compensation</u>
1) Davis, Pickren & Seydel LLP 285 Peachtree Ctr. Ave., NE Atlanta GA 30303	Legal	85,674
2) Steven P. Andreasen	Program Support	85,500
3) John Diamond	Program Support	60,000
4) Elizabeth Daley	Development	<u>54,480</u>
		<u><u>285,654</u></u>
<b>Total number of other independent contractors paid over \$50,000.....0</b>		

**Nuclear Threat Initiative, Inc.**

**Statement 18**

**EIN: 52-2289435**

**Form 990 PF (2007)**

**Part X**

**Minimum Investment Return, Line 4**

The Nuclear Threat Initiative Has included \$9,531,243 as cash deemed to be held for charitable activities. This amount represents more than the normal 1.5% of cash deemed held for charitable activities, due to the fact that the organization has approved \$9,531,243 to be paid in fiscal year 2008 for charitable activities. See Statement 19.

Nuclear Threat Initiative, Inc.

EIN: 52-2289435

Form 990 PF (2007)

Part XII

Line 3b

Statement 19

Amounts set aside for Treatment as Qualifying Distributions - (cash distribution test)

Awards approved for payment in future years

2008	9,531,243	
2009	0	
	<u>9,531,243</u>	See Stmt 23 for details
Less: Discount (per FASB 116)	<u>0</u>	
Awards approved for payment in future years	\$ 9,531,243	
Reversal of prior year amount	<u>(6,967,294)</u>	
Net awards approved for payment in future years	\$ <u><u>2,563,949</u></u>	

## Nuclear Threat Initiative, Inc.

EIN: 52-2289435

Form 990 PF (2007)

## Part XV

Lines 3(a) and 3 (b)

Statement 20

1 of 4

Recipient Name	Recipient Address	Foundation status of recipient	Purpose of grant or contribution	Paid in 2007	Approved for Payment After 6/30/2007	
The American Association for the Advancement of Science	1200 New York Avenue, NW	Washington, D C 20005	Private Foundation	To support biomedical/public health experts to work on national security issues in U S government through one-year fellowship programs	61,314	194,620
Search for Common Ground	1601 Connecticut Avenue, NW Ste 200	Washington, D C 2009-1035	Public	To improve regional capacity for infectious disease surveillance in the Middle East by developing a food-borne and water-borne disease surveillance system uniting Israel, the Palestine Authority, Jordan, and Egypt.	50,313	-
Search for Common Ground	1601 Connecticut Avenue, NW Ste 200	Washington, D C 2009-1035	Public	Providing Interim Secretariat function to project improving regional capacity for infectious disease surveillance in the Middle East by developing a food-borne and water-borne disease surveillance system uniting Israel, the Palestine Authority, Jordan, and Egypt.	192,050	-
International Society for Infectious Diseases	181 Longwood Avenue	Boston, MA 02115-5804	Public	The International Society for Infectious Diseases, together with colleagues in Uzbekistan, Kyrgyz Republic, and the Ukraine, has created a Russian language-based electronic network that rapidly disseminates reports and educational information about outbreaks of infectious diseases through ProMED-mail. This project expands the scope of the current program to include more physicians, scientists, and public health officials in additional Newly Independent States—in part through collaboration with additional infectious disease professional organizations in these regions	213,650	-
University of Washington - International Institute for Strategic Studies	1100 NE 45th Street, Suite 300	Seattle, WA 98105	Public	To support an online symposium on bioterrorism preparedness for interested Asia Pacific Economic Cooperation (APEC) member countries	49,771	-
Newly Formed Corporation of Former Employees of State Research Center for Applied Microbiology (SRCAM), Obolensk, Moscow Region	2, Kurchatov Square	Moscow, 123182 Russia	Non- US Organization	To support the establishment of a laboratory for the production of enzymes used in the diagnosis of endemic infectious disease threats. The laboratory will employ former bioweapons scientists who are in imminent risk of unemployment owing to proposed closure of the State Research Center for Applied Microbiology (SRCAM) at Obolensk, Moscow Region	185,000	185,000
Mekong Basin Disease Surveillance Network	Tiwanond Road	Nonthaburi, 11000 Thailand	Non- US Organization	To support six MBDS countries with tools to identify and address challenges at the national and regional levels related to planning, surveillance, and response to public health emergencies. Pandemic Influenza will be used as an illustrative example	182,978	-
The Academy of Scientific Research and Technology	101 Kasr El Ainy Street	Cairo, Egypt	Non- US Organization	To support a workshop in Egypt that will raise awareness of the threat of bioterrorism and the need for safe and secure handling of dangerous biological materials in bioscience facilities	57,660	11,532
State Research Center of Virology and Biotechnology (VECTOR)	SRC VB Vecot	Koltsova, 630559 Russia	Non- US Organization	To determine the feasibility of commercially manufacturing Hepatitis A, Hepatitis B, and Hepatitis A/B vaccines at a new vaccine production facility at VECTOR in Novosibirsk, Russia, involving Russian professionals previously engaged in biological weapons work. The project includes the preparation of a preliminary business plan designed to attract commercial investors for building a new vaccine production facility at VECTOR	(227)	0
State Research Center of Virology and Biotechnology (VECTOR)	SRC VB Vecot	Koltsova, 630559 Russia	Non- US Organization	To create a regional reference clinical immunological laboratory for diagnosis of Viral Hepatitis leveraging the restructuring of FSU Biodefense Institute	175,000	175,000
<b>Total Biological Program</b>					<b>1,167,509</b>	<b>566,152</b>
The Monterey Institute for International Studies, Center for Nonproliferation Studies	425 Van Buren Street	Monterey, CA 93940	Public	To develop and maintain for the NTI website a comprehensive research library with information, analysis and educational materials about the threats from nuclear, biological and chemical weapons. The library builds on the most comprehensive open-source nonproliferation databases in the world and brings together a range of expert opinion and analysis on these issues	325,000	325,000

Nuclear Threat Initiative, Inc.

EIN: 52-2289435

Form 990 PF (2007)

Part XV

Lines 3(a) and 3 (b)

Recipient Name	Recipient Address	Foundation status of recipient	Purpose of grant or contribution	Paid in 2007	Approved for Payment After 6/30/2007	
Harvard University, JFK School of Government	1350 Massachusetts Avenue	Cambridge, MA 02138-3800	Public	To track the progress and budgets of U S - Russian cooperative nuclear security programs with an annual report and website and make recommendations for accelerating the pace and effectiveness of this threat reduction work	287,464	147,062
Fourth Freedom Forum	1875 Connecticut Avenue, NW	Washington, DC 20009	Private	To support the Fourth Freedom Forum and the Inter-religious Network in holding more than 100 <i>Last Best Chance</i> screenings and nuclear dangers discussion groups in two states, Nebraska and Pennsylvania. The goal of the project is to deepen understanding of nuclear issues, test the feasibility of creating a localized network of activists committed to civic involvement to reduce nuclear dangers and expand the reach of NTI's Safer World Action Network	25,000	
The Monterey Institute for International Studies, Center for Nonproliferation Studies	425 Van Buren Street	Monterey, CA 93940	Public	To provide research and analytic support to NTI and/or complete studies on emerging proliferation issues or topics	20,000	
<b>Total Communication &amp; Education Program</b>				<u>657,464</u>	<u>472,062</u>	



## Nuclear Threat Initiative, Inc

EIN: 52-2289435

Form 990 PF (2007)

Part XV

Lines 3(a) and 3 (b)

Statement 20

3 of 4

Recipient Name	Recipient Address	Foundation status of recipient	Purpose of grant or contribution	Paid in 2007	Approved for Payment After 6/30/2007
New Delhi Policy Group	246 Vasant Enclave, New Delhi	New Delhi, 110057 India	Non- US Organization		75,200
			To promote responsible government policies and practices related to the safety and security of nuclear weapons and materials in India, by developing educational materials for policy makers and by facilitating meetings between nuclear experts in India and other nations	-	
Council on Foreign Relations	58 East 68th Street	New York, NY 10021	Public	(1,644)	-
			To develop an analytical paper on the technical and political impediments to ending the use of HEU in civil commerce		
Institute of Peace and Conflict Studies	C 1/4 Vasant Vihar	New Delhi, 110057 India	Non- US Organization	92,000	92,000
			To continue a WMD module on the Institute of Peace and Conflict Studies website, that draws from South Asian, Chinese and Central Asian sources and provides comprehensive news analysis and reference materials relating to nuclear, chemical and biological weapons and to support research, workshops and publications on nonproliferation, and nuclear, biological and chemical threats		
Henry L. Stimson Center	11 Dupont Circle, NW 9th Floor	Washington, D C 20036	Public	50,000	-
			To convene a series of workshops in India and Pakistan that explore how the United States, India and Pakistan might strengthen their adherence to global nonproliferation norms and practices, and build an international consensus around a new understanding of India and Pakistan's relationship to the international nonproliferation system		
International Atomic Energy Agency	Wagramer Strasse 5	A-1400 Vienna, Austria	Public	100,000	
			To support IAEA's Nuclear Security Fund in the development of Global Nuclear Security Guidelines and		
International Atomic Energy Agency	Wagramer Strasse 5	A-1400 Vienna, Austria	Public	17,867	
			To convene a consultancy meeting attended by international experts to develop proposals for Research Reactor Coalitions and Regional Centers of Excellence		
International Atomic Energy Agency	Wagramer Strasse 5	A-1400 Vienna, Austria	Public	195,000	195,000
			To support IAEA project "Developing Research Reactor Coalitions and Regional Centres of Excellence" striving to develop a much broader "incentive package" to help convince facilities to convert to LEU while also making it possible for some facilities after shutdown to have available capabilities in other countries which its researchers can utilize		
University of California, Berkeley - Goldman Public Policy	171 University Hall	Berkeley, CA 94720	Public	(1,150)	-
			This grant was made to develop a paper addressing the impact of multi-lateral forensics on nuclear terrorism William Dunlop of the Lawrence Livermore National Laboratory (LLNL) and Harold Smith are going to address this question from a political, rather than a technical, point of view		
Center for Strategic & International Studies Inc	1800 K Street, NW	Washington, DC 20006	Public	70,000	-
			To support a follow-on study in conjunction with the Carnegie Endowment for International Peace entitled "Building Momentum for Cooperative Threat Reduction in North Korea"		
<b>Total Regional Program</b>				<u>522,073</u>	<u>362,200</u>

## Nuclear Threat Initiative, Inc.

EIN: 52-2289435

Form 990 PF (2007)

Part XV

Lines 3(a) and 3 (b)

Statement 20

4 of 4

Recipient Name	Recipient Address	Foundation status of recipient	Purpose of grant or contribution	Paid in 2007	Approved for Payment After 6/30/2007	
Center for Strategic & International Studies Inc	1800 K Street, NW	Washington, DC 20006	Public	To support a study of the implications and potential benefits of a completed United States - Russia Civilian Nuclear Cooperation Agreement.	20,000	
National Academy of Sciences	2101 Constitution Avenue, NW	Washington D C 20418	Public	To initiate and expand a joint initiative between the U S National Academy of Sciences and the Russian Academy of Sciences, with special focus on new efforts to collaborate on science and technology solutions to prevention, response and mitigation of catastrophic terrorism	(126)	-
Center for Strategic & International Studies Inc	1800 K Street, NW	Washington, DC 20006	Public	To develop a constituency among and beyond the Group of Eight (G8) leading industrial nations for threat reduction programs with Russia, focusing on their respective national security communities, through partnerships with 21 security organizations from 16 nations. This project promotes the effective and timely implementation of the G8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, agreed to in June 2002, along with pledges totaling \$20 billion to support nonproliferation projects, initially in Russia, over the next decade.	450,000	-
International Atomic Energy Agency	Wagramer Strasse 5	A-1400 Vienna, Austria	Public	To contribute to the removal of poorly secured highly enriched uranium from the Vinca Institute of Nuclear Sciences by supporting the decommissioning of its research reactor and management of remaining spent nuclear fuel.	500,000	-
International Atomic Energy Agency	Wagramer Strasse 5	A-1400 Vienna, Austria	Public	To contribute to the removal of poorly secured highly enriched uranium from the Vinca Institute of Nuclear Sciences by supporting the decommissioning of its research reactor and management of remaining spent nuclear fuel.	542,777	-
International Atomic Energy Agency	Wagramer Strasse 5	A-1400 Vienna, Austria	Public	To fund the construction and installation of an entrance portal to the IAEA offices in Vienna International to showcase the 2005 Nobel Peace Prize.	36,000	-
PIR Center - Center for Policy Studies (Russia)	Trekhpudny Per , 11/13, Bldg 1, office 25	Moscow, 123001, Russia	Non- US Organization	Fund a series of research studies devoted to multilateral approaches to the nuclear fuel cycle.	49,857	
Foundation for Development of Conversion	Russia, 607190 Nizhny Novgorod Region	Sarov, Mira Prospect 46	Public	To fund the program "Creation of an Energy Efficiency Center on the Open Technopark Site" in the city of Sarov. This program will create new civilian jobs for personnel no longer employed in nuclear defense positions in support of the nonproliferation process and stability in nuclear cities.	1,000,000	
Sarov Labs	Varlamovskoye shosse 23/16	Sarov, Nizhegorodskaya Russia 607 190	Non- US Organization	To assist Sarov Labs in becoming a self-sustaining, commercial contract research organization that employs former weapons scientists by contributing to the cost of project management and marketing support.	156,730	
Total Russia/ New Independent States Program					2,755,238	0
<b>TOTAL</b>					<b>\$ 5,102,284</b>	<b>\$ 1,400,414</b>
Less Discount to present value per FASB 116					-	0
Part II Line 18 column (b)					<b>\$ 5,102,284</b>	<b>\$ 1,400,414</b>

## NUCLEAR THREAT INITIATIVE, INC.

## STATEMENT OF FUNCTIONAL EXPENSES

for the year ended June 30, 2007

(with summarized information for the year ended June 30, 2006)

	Russia	Biological	Comm&Ed.	Regional	US	Program	Management and Governance	Fundraising	2007 Total Expenses	Cost Pools	2006 Total Expenses
Grants, contributions and gifts	\$ 2,562,508	\$ 1,214,305	\$ 650,000	\$ 809,073	\$ -	5,288,064	-	-	5,288,064	-	\$ 3,647,541
Contracts	490,837	10,000	1,252,584	27,153	-	1,780,575	-	-	1,780,575	-	2,202,909
Professional Services	68,710	84,587	455,153	21,206	118,772	770,928	178,345	105,966	1,055,239	96,088	10% 2,202,909
Employee costs	888,305	1,047,944	700,553	314,717	152,710	3,104,228	977,022	349,386	4,430,636	-	4,050,399
Advertising	-	-	2,092	-	-	2,092	-	-	2,092	-	10,893
Occupancy	245,704	121,064	80,932	36,358	17,642	501,700	131,748	51,917	685,365	518,055	57% 623,021
Printing and publications	6,411	2,434	94,081	673	207	103,806	29,825	8,772	142,403	6,076	1% 190,475
Supplies	15,576	11,412	10,415	3,848	1,640	42,890	17,992	6,177	67,059	48,148	5% 66,819
Conferences and meetings	26,264	29,206	4,276	5,566	-	65,312	44,037	6,651	116,000	-	0% 131,515
Travel	215,980	176,567	30,770	140,106	1	563,424	193,857	70,940	828,221	16	913,349
Telecommunications	31,505	15,652	167,995	10,183	1,601	226,936	24,575	24,603	276,114	47,025	5% 277,984
Furniture, equipment rental and maintenance	6,441	6,813	4,555	2,046	993	20,848	7,814	2,921	31,583	29,154	3% 26,773
Postage and shipping	5,645	2,855	37,753	2,718	181	49,152	8,343	10,572	68,067	5,321	1% 123,810
Depreciation and amortization	15,071	23,274	15,559	6,990	3,392	64,286	25,327	9,980	99,593	99,593	11% 134,522
Insurance	10,916	16,271	14,217	5,629	2,165	49,198	16,953	6,764	72,915	63,585	7% 75,231
Bad debt	-	-	-	-	-	-	-	-	-	-	56,564
Miscellaneous	39,553	1,301	4,481	1,098	85	46,518	11,790	937	59,245	2,495	0% 70,234
<b>Total expenses</b>	<b>\$ 4,629,426</b>	<b>\$ 2,763,685</b>	<b>\$ 3,525,416</b>	<b>\$ 1,387,364</b>	<b>\$ 299,389</b>	<b>12,679,957</b>	<b>1,667,628</b>	<b>655,586</b>	<b>15,003,171</b>	<b>\$ 915,557</b>	<b>100% \$ 12,602,039</b>

Grants, Contributions and Gifts	2,562,508	1,214,305	650,000	809,073		5,288,064
	2,066,918	1,549,380	2,875,416	578,291	299,389	7,391,894
	#2	#3	#1	↓		
				877,680		
				#4		

## Adjustments from Audited Statement of Functional Expense

Add Sub-lease expense to miscellaneous Cost Pool	5,926
Less In-kind contracted services M & G (Avalon)	(36,800)
Less In-kind supplies cost pool (Coke)	(4,339)

Expenses per form 990PF

14,967,959

**NUCLEAR THREAT INITIATIVE**

**EMPLOYER IDENTIFICATION NO. 52-2289435**

**Projects Approved or Ongoing in Fiscal Year 2007**

**Russia/New Independent States Projects**

**Accelerating Russian HEU Blend-down, Phase II**

To build on a previous project to analyze options for accelerating the elimination through blend-down of excess Russian highly enriched uranium. This allows for additional analysis to optimize the options, promote the accelerated blend-down concept in the United States, Russia and Europe, as well as prepare additional data necessary for Russian government decision making.

*Facilities and Institutes of Russian Ministry of Atomic Energy  
Moscow, Russia and others*

**Strengthening IAEA Programs to Secure Vulnerable Nuclear Material**

To support the expansion of IAEA programs to secure vulnerable nuclear materials worldwide and to support the IAEA's ability to leverage additional financial contributions for this program.

*International Atomic Energy Agency  
Vienna, Austria*

**Removing HEU from Serbia**

To contribute to the removal of poorly secured HEU from the Vinca Institute of Nuclear Sciences by supporting the decommissioning of its research reactor and management of remaining spent nuclear fuel.

*International Atomic Energy Agency  
Vienna, Austria*

**Supporting Conversion for Alatau Nuclear Research Reactor**

To provide the equipment and incentives for the research reactor at the Institute of Nuclear Physics at Alatau to be converted to use low-enriched uranium fuel by providing a new reactor control and protection system that will improve reactor safety and a beryllium reflector to enhance reactor performance.

*Institute for Nuclear Physics  
Alatau, Kazakhstan*

**Planning to Secure and Remove HEU from Soviet-Supplied Research Reactors to Improve Safety and Reduce Proliferation Risks**

To evaluate security, safety, regulatory, transportation and cost issues associated with removing fresh and spent HEU fuel from 24 poorly secured research reactors in 17 countries and to develop a comprehensive plan to achieve it.

*International Atomic Energy Agency  
Vienna, Austria*

**Development of Conversion Companies**

To contribute \$1 million to the Fund for Development of Conversion Companies, an existing Russian revolving loan fund, established to create permanent, commercially viable civilian businesses in the closed nuclear city of Sarov and provide sustainable employment for former weapons personnel.

*Fund for Development of Conversion Companies  
Sarov, Russia*

**Building Capacity at SarovLabs**

To assist SarovLabs in becoming a self sustaining, commercial contract research organization that employs former weapons scientists by providing project management and marketing support.

*SarovLabs  
Sarov, Russia*

**Strategic Planning for Snezhinsk**

To engage local and institute leaders from the closed nuclear city of Snezhinsk in strategic planning to support two key missions of the city over the next five years: downsizing the nuclear weapons facility and staff and securing the remaining nuclear materials at the site.

*The Eisenhower Institute  
Washington, DC, USA*

**Development of Open Technopark**

To support project and infrastructure development in the new Open Technopark, located just outside the closed nuclear city of Sarov and in an area that provides free access to non-Russian companies and investors but still within an easy commute for former weapons scientists and engineers from Sarov. This project will contribute to the creation of new jobs not related to nuclear weapons and accelerate the transition to a smaller, more stable and more secure Russian nuclear weapons complex.

*Center for Technologies Transfer "Sistema-Sarov"  
Sarov, Russia*

**Global Best Practices for Nuclear Materials Management**

To continue a discussion among nuclear materials security professionals on how to promulgate “Best Practices” globally through the creation of a new institution that would lead to the implementation of more effective nuclear materials security programs at nuclear facilities worldwide so the materials are less vulnerable to terrorist diversion.

*Institute of Nuclear Materials Management  
Northbrook, IL, USA*

**Strengthening the Global Partnership**

To develop a constituency among and beyond the Group of Eight (G8) leading industrial nations for nuclear, biological and chemical threat reduction programs through partnerships with 21 security organizations from 16 nations. This project promotes the effective and timely implementation of the G8 Global Partnership Against the Spread of Weapons and Materials of Mass Destruction’s commitment to devote \$20 billion to support nonproliferation projects, initially in Russia, over the next decade.

*Center for Strategic and International Studies  
Washington, DC, USA*

**India, Pakistan and the Global Nonproliferation System**

To convene a series of workshops in India and Pakistan that explore how the United States, India and Pakistan might strengthen their adherence to global nonproliferation norms and practices and build an international consensus around a new understanding of India’s and Pakistan’s relationships to the international nonproliferation system.

*The Henry L. Stimson Center  
Washington, DC, USA*

**U.S.-Russian Nonproliferation Working Group**

To establish U.S.-Russian working relationships to reinvigorate the U.S. - Russian consensus on nonproliferation objectives and approaches and to create and identify shared interests and cooperative strategies for preventing the spread of nuclear, biological and chemical weapons.

*Belfer Center for Science and International Affairs  
John F. Kennedy School of Government  
Harvard University  
Cambridge, MA, USA*

**Supporting Russian Chemical Weapons Destruction**

To provide \$1 million, matched by a minimum of \$2 million from other sources, for high-priority infrastructure development for the Shchuch’ye Chemical Weapons Destruction Facility.

*Global Partnership Program  
Canada Department of Foreign Affairs and International Trade  
Ottawa, Canada*

**Strategic Master Plan for Russian Research Reactors**

To build on a previous successful project to define, at an aggregate level, the challenges associated with the continued use of highly enriched uranium (HEU) fuel at research reactors and related facilities in Russia. This project will create a strategic master plan on the basis of a facility-by-facility survey to consider security requirements, HEU removal, spent fuel management, and reactor conversion opportunities for civilian research reactors in Russia. The resulting recommendations will provide necessary input to a comprehensive approach to phasing out HEU use in Russian civilian research facilities.

*Foundation for Atomic Energy in the 21st Century  
Moscow, Russia*

**Concept Development Grant for Low Enriched Uranium (LEU) Fuel Reserve to be Owned and Managed by the International Atomic Energy Agency**

To promote the creation of a low enriched uranium (LEU) fuel reserve, owned and managed by the International Atomic Energy Agency (IAEA), to limit the spread of fuel cycle technology. Should NTI win the necessary support for this concept, up to \$50 million will be put toward the initial establishment of such a reserve, to include the first three years of storage costs, the IAEA's management and oversight costs, and the purchase of the initial LEU deposit. An LEU fuel reserve that is buffered from politically motivated disruptions of nuclear fuel supply will add a unique tool to current national and international efforts to significantly reduce the need for new enrichment facilities.

*NTI and others  
Washington, DC, USA*

**Regional Projects****Promoting Responsible Nuclear Stewardship in India**

To promote responsible government policies and practices related to the safety and security of nuclear weapons and materials in India by developing educational materials for policymakers and facilitating meetings among nuclear experts in India and other nations.

*Delhi Policy Group  
New Delhi, India*

**Deemphasizing the Role of Nuclear Weapons**

To produce a report with practical proposals for removing U.S. and Russian nuclear weapons from Cold War nuclear postures and a follow-on report that explores options for the creation of a new multilateral arms control regime.

*School for International Security and World Politics  
at the Institute of U.S.A. and Canada Studies  
Moscow, Russia*

**South Asian Security and WMD Website Module**

To continue a weapons of mass destruction module on the Institute of Peace and Conflict Studies website that draws from South Asian, Chinese and Central Asian sources and provides comprehensive news analysis and reference materials relating to nuclear, chemical and biological weapons and to support research, workshops and publications on nonproliferation and nuclear, biological and chemical threats.

*Institute of Peace and Conflict Studies  
New Delhi, India*

**Cooperative Threat Reduction in East Asia**

This project aims to build political support for cooperative threat reduction on the Korean peninsula, promote contacts between national technical communities likely to be involved in such programs, provide support for developing specific CTR activities, and use regional expertise to adapt existing CTR approaches to the Korean peninsula.

*Center for Strategic and International Studies  
Washington, DC, USA*

**Developing Nuclear Security Guidelines**

The IAEA has been working since 9/11 to strengthen its capacity to support better security of nuclear materials around the globe. This project enables the IAEA to draft, publish and disseminate for the first time in its history, nuclear security guidelines or “standards” for all countries to use as a basis for securing their nuclear materials. Creation of these guidelines/standards will fill a critical gap in the IAEA’s framework for strengthening global nuclear materials security.

*International Atomic Energy Agency  
Vienna, Austria*

**Developing Research Reactor Coalitions and Regional Centers of Excellence**

To develop research reactor coalitions and regional centers of excellence in order to help secure under-utilized research reactors, and incentivize reactor operators to convert from highly enriched uranium (HEU) fuel to low enriched uranium (LEU) fuel.

*International Atomic Energy Agency  
Vienna, Austria*

**The World Institute for Nuclear Security: Developing a Concept for a New Entity to Collect and Promulgate Best Practices for Nuclear Material Security**

To gather international input and develop a concept to create a new international organization that would improve nuclear material security worldwide through the collection and dissemination of best practices in physical protection and nuclear material control and accountancy.

*Nuclear Threat Initiative  
Washington, DC*



**Carnegie International Nonproliferation Conference**

To support the 2007 Carnegie International Nonproliferation Conference which took place on Monday, June 25 – Tuesday 26, 2007 at the Ronald Reagan International Trade Center in Washington, D.C.

*Carnegie Endowment for International Peace  
Washington, DC*

**Bio Security Projects**

**Educating and Training the International Life Sciences Community on Dual-Use Dangers**

To assess the best methods for educating and training life scientists about the risks of dual-use technologies and research and to cultivate a project for curriculum development in this area.

*NTI*

*Washington, DC, USA*

**International Council for the Life Sciences**

To support the creation and sustainability of a bioindustry standards organization, the International Council for the Life Sciences, to develop normative standards to reduce potential proliferation of dangerous pathogens and the misuse of technical information.

*International Council for the Life Sciences*

*Washington, DC, USA*

**AAAS-NTI Fellowship in Global Security**

To strengthen scientific expertise in national security policymaking and encourage scientists to pursue careers in this arena, by supporting biomedical/public health experts to work on national security issues in the U.S. government through a one-year fellowship.

*American Association for the Advancement of Science*

**Washington, DC, USAFSU Hepatitis Vaccine Manufacturing Feasibility Study**

To test the possible commercial manufacture of vaccines at a proposed new production facility involving professionals previously engaged in biological weapons work.

*State Research Center of Virology and Biotechnology (VECTOR)*

*and the High Technology Foundation/Gorbachev Project*

*Novosibirsk, Russia*

**FSU Hepatitis Vaccine Manufacturing Feasibility Study**

To test the possible commercial manufacture of vaccines at a proposed new production facility involving professionals previously engaged in biological weapons work.

*State Research Center of Virology and Biotechnology (VECTOR)*

*and the High Technology Foundation/Gorbachev Project*

*Novosibirsk, Russia*

**Brucellosis Vaccine Research**

To develop a new vaccine, employing former Soviet bioweapons scientists, to contribute to the management of this disease that threatens domestic and wild animal populations around the world.

*All-Russian Research Veterinary Institute*

*Kazan, Russia;*

*International Science and Technology Center*

*Moscow, Russia (in conjunction with  
the U.S. Department of State)*

**Strengthening National Health Preparedness**

To assess preparedness for biological and chemical attacks in several nations by establishing and testing a set of international guidelines for preparedness, comparing them against existing public health capabilities that states have in place and making recommendations for improving those capabilities.

*World Health Organization*

*Geneva, Switzerland*

**Employing Former Bioweapons Scientists in Russia to Manufacture Diagnostic Enzymes for Endemic Infectious Disease Threats**

To support the establishment of a laboratory for the production of enzymes used in the diagnosis of endemic infectious disease threats. The laboratory will employ former bioweapons scientists who are at imminent risk of unemployment owing to proposed closure of the newly formed State Research Center for Applied Microbiology (SRCAM) at Obolensk, Moscow Region.

*SRCAM*

*Obolensk, Moscow Region, Russia*

**Creation and Development of a Manufacturing Technology for, and Introduction to Health Care Practice of, Up-to-Date Methods for Detection, Diagnosis and Control of Dangerous Infections**

To develop rapid diagnostic tests for select biological agents of most significance to Russia, to introduce them to health-care practices and to organize manufacturing of such tests. Once developed, these tests could help fill a critical global need for better diagnostic tests for the detection of infectious diseases.

*Moscow State Central Research Institute for Epidemiology of the Health*

*Ministry of Russia*

*Moscow, Russia*

**International Organizations Bioterrorism Tabletop Exercise**

To convene and host a tabletop exercise in 2006 for senior leaders from international organizations. During the exercise, critical issues related to cooperation and coordination in the event of an act of bioterrorism will be discussed with a goal of facilitating enhanced interagency and intersectoral coordination and collaboration.

*Applied Marine Technology, Inc.*

*Virginia Beach, VA, USA*

**Rapid Outbreak Response Revolving Fund**

To create within the World Health Organization an account dedicated to supporting rapid emergency response to infectious disease outbreaks.

*World Health Organization  
Geneva, Switzerland*

**Middle East Consortium on Infectious Disease Surveillance**

To improve regional capacity for infectious disease surveillance in the Middle East by developing a food-borne and water-borne disease surveillance system uniting Israel, the Palestine Authority, Jordan and Egypt and by designing an infectious disease epidemiology course to build regional rapid response capabilities in the event of disease outbreaks.

*Search for Common Ground  
Washington, DC, USA and others*

**Model Disease Surveillance System in Iran**

To support the policy collaborations between American specialists at the Policy and Global Affairs Division of the National Research Council (NRC), acting on behalf of the National Academy of Sciences, and Iranian specialists at the Iranian Academy of Sciences, in their work to develop a model program of disease surveillance in Iran.

*National Academy of Sciences  
Washington, DC, USA*

**Biological Weapons Threat Reduction Expanding Outbreak Reporting and Education in the New Independent States**

To reduce the threat of biological weapons and other emerging infectious diseases in the new independent states, the International Society for Infectious Diseases will expand the scope of a Russian language-based electronic network (PROMED) that rapidly disseminates information about outbreaks of infectious diseases, including potential biological weapons attacks, to include more physicians, scientists and public health officials throughout the new independent states.

*International Society for Infectious Diseases  
Brookline, MA, USA*

**Creating a Regional Disease Surveillance System in South Asia**

This project builds on NTI's experience developing a regional disease surveillance network in the Middle East with Jordan, Israel, Egypt and the Palestinian Authority, to create a regional disease surveillance network that would initially bring together India, Pakistan and Bangladesh.

*NTI  
Washington, DC, USA*

**Building Capacity for Regional Bioterrorism Preparedness in Asia**

To support an online symposium on bioterrorism preparedness for interested Asia Pacific Economic Cooperation (APEC) member countries.

*International Institute for Strategic Studies, University of Washington  
Seattle, WA, USA*

**Pandemic Influenza Simulation Exercises in Southeast Asia**

The goal of this project is to strengthen national and sub-regional disease surveillance capacity in the Mekong Basin area (Thailand, Vietnam, Cambodia, Laos, Myanmar, and China- Yunnan province), and develop a system that operates across borders, responds quickly to regional disease threats, and works to create equity in the national capacities to detect and respond to local outbreaks, and, hence, prevent regional or even global emergencies.

*NTI and others  
Washington, DC, USA*

**Joint Training on Laboratory Biosecurity and Biosafety in Egypt**

This project supports a workshop that will raise awareness of the threat of bioterrorism and the need for safe and secure handling of dangerous biological materials in bioscience facilities. NTI's ultimate plan is to build relationships through this process and to identify an appropriate Egyptian laboratory needing biosecurity upgrades.

*Egyptian Partner  
Egypt*

**Pandemic Preparedness in Southeast Asia**

To strengthen national and sub-regional disease surveillance capacity in the Mekong Basin area (Thailand, Vietnam, Cambodia, Laos, Myanmar, and China- Yunnan province), and develop a system that operates across borders, responds quickly to regional disease threats, and works to create equity in the national capacities to detect and respond to local outbreaks, and, hence, prevent regional or even global emergencies.

*RAND Corporation,  
Arlington, VA, USA*

**Global Health and Security Outreach**

To develop and implement outreach activities to advance the agenda and activities of NTI's Global Health and Security Initiative.

*NTI  
Washington, DC, USA*

**Communication and Education Projects**

**Global Security Newswire**

To support a one-stop global newsstand—available exclusively on the NTI website—with original reporting and a comprehensive snapshot of the day's global news on nuclear, biological and chemical weapons, terrorism and missile issues.

*National Journal Group, Inc.*

*Washington, DC, USA*

**Online Research Center and Library**

To build, expand and update a comprehensive online research library with information, analysis and educational materials about the threats from nuclear, biological and chemical weapons. The library builds on the most comprehensive open-source nonproliferation databases in the world and brings together a range of expert opinion and analysis on these issues.

*Monterey Institute of International Studies*

*Center for Nonproliferation Studies*

*Monterey, CA, USA*

**Tracking Global Efforts to Improve Nuclear Security**

To track the progress and budgets of global nuclear security programs with an annual report and website and make recommendations for accelerating the pace and effectiveness of this threat reduction work.

*Project on Managing the Atom,*

*Belfer Center for Science and International Affairs*

*John F. Kennedy School of Government*

*Harvard University*

*Cambridge, MA, USA*

**Public Opinion Project**

To conduct public opinion research on the threats from weapons of mass destruction.

*NTI*

*Washington, DC, USA*

***Last Best Chance—Public Education on Nuclear Threats***

To produce and distribute a fact-based fictional film that illustrates the threat of nuclear terrorism. The film highlights the threats and what should be done to address them, and reminds viewers of the real human, political and economic costs of a nuclear terrorism incident.

*NTI (in conjunction with the Carnegie Corporation of New York and*

*The John D. and Catherine T. MacArthur Foundation)*

*Washington, DC, USA*

**Safer World Action Network**

To engage and expand the network of individuals interested in efforts to reduce the threats from nuclear, biological and chemical weapons and materials with the goal of inspiring individuals to become personally involved in efforts to expand and accelerate the pace of work to reduce these threats.

*NTI*

*Washington, DC, USA*

**Research and Analysis**

To conduct research and analysis to support NTI projects and activities.

*Monterey Institute of International Studies*

*Center for Nonproliferation Studies*

*Monterey, CA, USA*

**Religious Community Outreach Pilot Project**

To support the Fourth Freedom Forum and the Inter-religious Network in holding more than 100 *Last Best Chance* screenings and nuclear dangers discussion groups in two states, Nebraska and Pennsylvania. The goal of the project is to deepen understanding of nuclear issues, test the feasibility of creating a localized network of activists committed to civic involvement to reduce nuclear dangers and expand the reach of NTI's Safer World Action Network.

*Fourth Freedom Forum*

*Goshen, Indiana, and Washington, DC, USA*

**Public Education Project: Turning the "D" into an "A"**

The 9/11 Commission recommended a maximum effort by the US government to prevent terrorists from acquiring weapons of mass destruction. In its final report released in December 2005, the Commission gave the government a "D" for its effort to date. Two nonpartisan, nonprofit organizations, the Nuclear Threat Initiative and Families of September 11, are working to raise public awareness about the urgent need to lock down nuclear weapons materials and to urge the government to do more to turn that "D" into and "A". Campaign activities include screenings and discussions about the film *Last Best Chance*, public service announcements and educational materials distributed to universities around the country that can be used to teach about nuclear threats.

*NTI*

*Washington, DC, USA*

	2007	2007	2007	2008	Total
	Award	Cash	Cash	Cash	Remaining Award
	Amount	Requirements	Payments	Requirements	Commitments
					6/30/07
<b>Global Health and Security Initiative</b>					
Educating and Training the International Life Sciences Community on Dual Use Dangers	50,000	50,000	31,476	18,524	18,524
Creating a Regional Disease Surveillance System in South Asia	275,000	250,297	4,161	98,004	246,136
Pandemic Influenza Simulation Exercises in Southeast Asia	610,000	610,000	238,394	142,230	371,605
Improving Biogical Threat Detection and Surveillance in Russia	75,000	75,000	6,007	68,993	68,993
Middle East Consortium on Infectious Disease Surveillance (UK)			145,079		
Middle East Consortium on Infectious Disease Surveillance (WB)			42,275		
Middle East Consortium on Infectious Disease Surveillance (Gates)	300,000	299,931	123,760	34,563	176,171
<b>Total GHSI Contracts</b>	<b>1,310,000</b>	<b>1,285,228</b>	<b>591,152</b>	<b>362,315</b>	<b>881,430</b>
AAAS	1,131,538	255,934	61,314	-	194,620
Vector	350,000	350,000	175,000	-	175,000
International Society for Infectious Diseases	320,475	213,650	213,650	-	-
Newly Formed Corporation of Former Employees of State Research Center for Applied Microbiology (SRCAM), Obolensk, Moscow Region	400,000	370,000	185,000	-	185,000
International Council of the Life Sciences	397,150	397,150	226,115.79	(16,454)	187,488
University of Washington - Intl Institute for Strategic Studies	49,771	49,771	49,771	-	-
High Technology Foundation/Gorbachov Project			(228)		
Joint Training on Laboratory Biosecurity and Biosafety in Egypt	70,000	69,192	57,660	11,532	11,532
<b>Total GHSI Grants</b>	<b>1,481,538</b>	<b>1,705,697</b>	<b>968,283</b>	<b>(4,922)</b>	<b>737,186</b>
<b>Total for GHSI Program</b>	<b>2,791,538</b>	<b>2,990,925</b>	<b>1,559,435</b>	<b>357,393</b>	<b>1,618,616</b>
<b>Communications Program</b>					
Website (Starpoint) Summary 2001/2002/2003	960,000	94,323	27,140	2,692	67,183
Public Opinion Project (Reduced Grant -\$339,500)	339,500	72,000	43,500	10,500	28,500
Last Best Chance	1,625,000	50,878.64	43,564	5,004	7,314
NTI's Safer World Action Network	500,000	438,906	137,952	164,505	300,954
Global Health and Security Initiative Outreach	75,000	75,000	1,225	29,512	73,775
National Journal Group 2006-2007	845,000	140,834	140,833	-	-
Public Education Project Turning the "D" into an "A"	631,816	603,316	357,524	139,594	245,792
National Journal Group FY2008-FY2009	918,000	-	-	-	918,000
National Journal Group 2007-2008	883,000	883,000	809,417	0	73,583
<b>Total for Communication Contracts</b>	<b>6,777,316</b>	<b>2,358,257</b>	<b>1,561,155</b>	<b>351,808</b>	<b>1,715,102</b>
MIIS (Research & Analytical Support) 2006-2007	80,000	20,000	20,000	-	-
Fourth Freedom Forum	50,000	25,000	25,000	-	-
MIIS (WMD Research Ctr & Lib) FY2008-FY2009	650,509	-	-	-	650,509
Harvard	650,000	287,464	287,464	-	147,060
MIIS (WMD Research Ctr & Lib) 2007-2008	650,000	650,000	325,000	162,500	325,000
<b>Total for Communication Grants</b>	<b>2,080,509</b>	<b>982,464</b>	<b>657,464</b>	<b>162,500</b>	<b>1,122,569</b>
<b>Total for Communications Program</b>	<b>8,857,825</b>	<b>3,340,721</b>	<b>2,218,619</b>	<b>514,308</b>	<b>2,837,671</b>

	2007	2007	2007	2008	Total
	Award	Cash	Cash	Cash	Remaining Award
	Amount	Requirements	Payments	Requirements	Commitments
					6/30/07
<b>International Program</b>					
The Delhi Policy Group	230,000	75,200	-	75,200	75,200
WINS	500,000	500,000	73,697	10,959	415,344
(LEU) fuel reserve to be owned and managed by the IAEA	108,000	24,295	50,045	-	-
Cooperative Threat Reduction in East Asia - CSIS	85,000	85,000	70,502	14,498	14,498
International Atomic Energy Agency (IAEA)	25,000	25,000	17,867	-	-
University of California, Berkley - Goldman Public Policy	9,996	-	(1,150)	-	-
International Atomic Energy Agency (IAEA)	36,000	36,000	36,000	-	-
Henry Stimson Center	50,000	50,000	50,000	-	-
International Atomic Energy Agency (IAEA)	390,000	195,000	195,000	-	195,000
Institutute of Peace and Conflict Studies	184,000	92,000	92,000	-	92,000
Council on Foreiegn Relations			(1,644)		-
Carnegie Endowment for International Peace	50,000	-	-	-	50,000
International Atomic Energy Agency (IAEA)	100,000	100,000	100,000	-	-
<b>Total for International Grants</b>	<b>1,767,996</b>	<b>1,182,495</b>	<b>682,316</b>	<b>100,658</b>	<b>752,344</b>
<b>Total for International Program</b>	<b>1,767,996</b>	<b>1,182,495</b>	<b>682,316</b>	<b>100,658</b>	<b>752,344</b>
<b>Russia/NIS Program</b>					
Preparing to Double the Blend down Rate of HEU in Russia	2,000,000	105,068	20,497	84,571	-
Follow on Analysis Accelerating Russian HEU Blend-down	1,000,000	724,907	421,440	(18,887)	322,353
Consolidating and Blending Down HEU in Kazakhstan	2,000,000	318,887	108,434	210,453	-
Supporting Conversion of the Alatau Research Reactor	1,600,000	1,000,000	4,274	395,726	1,200,000
LEU Fuel Development			3,500		1,595,726
Project Development for Russian Research Reactor Strategic Master Plan	32,000	11,189	393	10,796	-
<b>Total for Russia Contracts</b>	<b>6,717,000</b>	<b>2,161,544</b>	<b>558,538</b>	<b>682,659</b>	<b>1,522,353</b>
Belgrade Reactor Fuel Return -Summary	5,000,000	928,903	1,042,777	-	-
Sarov Labs	450,000	168,160	156,730	11,430	-
Bochvar All-Russia Research Institute	500,000	15,000		15,000	485,000
Center for Technologies Transfer "Sistema-Sarov"	1,000,000	1,000,000	1,000,000	-	500,000
Strengthening Global Partnership - Third Extention	450,000	450,000	450,000	-	-
National Academies of Sciences	1,057,000	-	(126)	-	-
CSIS	20,000	20,000	20,000	-	-
PIR Center	49,857	49,857	49,857	-	-
PIR Center	227,100	-	-	-	-
Russian Research Reactor Master Plan	1,000,000	1,000,000	3,358	227,100	227,100
<b>Total for Russia Grants</b>	<b>8,696,957</b>	<b>3,631,920</b>	<b>2,722,722</b>	<b>53,048</b>	<b>943,594</b>
<b>Total for Russia/NIS Program</b>	<b>15,413,957</b>	<b>5,793,464</b>	<b>3,281,260</b>	<b>762,137</b>	<b>3,178,047</b>
<b>Board of Directors Meetings</b>					
FY 07 (July 1, 2006 - June 30, 2007)	250,000	-	-	-	250,000
FY 07 (July 1, 2006 - June 30, 2007)	230,000	230,000	198,230	31,770	-
<b>Total for Board of Directors Meetings</b>	<b>480,000</b>	<b>230,000</b>	<b>198,230</b>	<b>31,770</b>	<b>250,000</b>
<b>Total Award Cash Commitments</b>	<b>29,311,316</b>	<b>13,537,605</b>	<b>7,939,859</b>	<b>1,766,266</b>	<b>7,764,977</b>
					<b>9,531,243</b>



Nuclear Threat Initiative, Inc.  
2007 990 PF  
Part VII-B Question 5 (c)  
Grant Where Expenditure Responsibility Exists

Name and Address of Grantee	Date and Amount of Grant	Purpose of Grant	Amounts Expended	Diversion of Funds	Date Reports Received	Date and Results of Verification
Delhi Policy Group Core 5-A, India Habitat Centre, Lodhi Road New Delhi, 110 003, India	\$ 230,000 9/30/2003	To promote responsible government policies and practices related to the safety and security of nuclear weapons and materials in India, by developing educational materials for policy makers and by facilitating meetings between nuclear experts in India and other nations	\$ 102,582	No	11/7/2006	11/15/2006 Satisfactory
Institute of Peace and Conflict Studies B-7/3, Safdarjung Enclave New Delhi, 110029, India	\$ 150,000 11/23/2004	To continue a WMD module on the Institute of Peace and Conflict Studies website, that draws from South Asian, Chinese and Central Asian sources and provides comprehensive news analysis and reference materials relating to nuclear, chemical and biological weapons and to support research workshops, and publications on nonproliferation, and nuclear, biological and chemical threats	\$ 75,308	No	2/1/2006	2/21/2006 Satisfactory
Sarov Labs Moskovskaya 37-121 Sarov, Nizhegorodskaya, Russia 607190	\$ 424,731 4/1/2005	To assist Sarov Labs in becoming a self-sustaining, commercial contract research organization that employees former weapons scientists by contributing to the cost of project management and marketing support	\$ 251,636	No	5/29/2007	6/14/2007 Satisfactory
Newly Formed Corporation of Former Employees of State Research Center for Applied Microbiology (SRCAM), Obolensk, Moscow Region 2, Kurchatov Square Moscow, 123182 Russia	\$ 400,000 3/24/2006	To support the establishment of a laboratory for the production of enzymes used in the diagnosis of endemic infectious disease threats. The laboratory will employ former bioweapons scientists who are in imminent risk of unemployment owing to proposed closure of the State Research Center for Applied Microbiology (SRCAM) at Obolensk, Moscow Region	\$ 90,623	No	1/11/2008	1/15/2008 Satisfactory
The Fund for Development of Conversion Companies Russia, 607190 Nizhny Novgorod Region Sarov, Mira Prospect 46	\$1,000,000 3/1/2007	To fund the program "Creation of an Energy Efficiency Center on the Open Technopark Site" in the city of Sarov. This program will create new civilian jobs for personnel no longer employed in nuclear defense positions in support of the nonproliferation process and stability in nuclear cities	N/A	No	First reporting period ends 3/1/08	

**ANNEX I Part I**  
**to the AGREEMENT**  
**between**  
**the International Foundation of Technology and Investment (IFTI)**  
**and the Nuclear Threat Initiative, Inc.**  
**№ RU/55229907/00012**

AWARD # 2049

**Project Working Schedule**

**Research and Development of Production Methods to  
Establish a Recombinant Enzymes Molecular Biology  
Laboratory**

PROJECT № 00012/00047

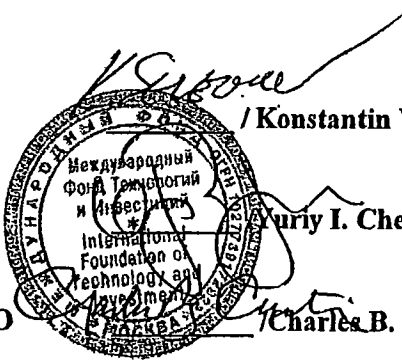
From the Grantee

"Is authorized"  
Foundation

"Is approved"  
Partner

IFTI Director

President & COO



*Konstantin V. Severinov*  
/ Konstantin V. Severinov

*Iury I. Cherches*  
Iury I. Cherches

*Charles B. Curtis*  
Charles B. Curtis

## SUMMARY PROJECT INFORMATION

## 1. Project title

<b>Full Title:</b> Research and Development of Production Methods to Establish a Recombinant Enzymes Molecular Biology Laboratory ("Project")
<b>Category of Technology Development:</b>

## 2. Project Manager

<b>Name, first name, patronymic:</b> Severinov, Konstantin Victorovich		
<b>Address:</b> 2, Kurchatov Sq		<b>City:</b> Moscow
<b>Region:</b>	<b>State:</b> Russia	<b>Zip code:</b> 123182
<b>Phone:</b> (095)-196-0015	<b>Fax:</b> (095)-196-0015	<b>E-mail:</b> kvictors@yandex.ru severik@waksman.rutgers.edu

## 3. Grantee

<b>Name:</b> Temporary Working Team "Transcriptase"		
<b>Address:</b> 2, Kurchatov Sq		<b>City:</b> Moscow
<b>Region:</b>	<b>State:</b> Russia	<b>Zip code:</b> 123182
<b>Phone:</b> (095)-196-0015	<b>Fax:</b> (095)-196-0015	<b>E-mail:</b> kvictors@yandex.ru severik@waksman.rutgers.edu

## 4. Project Duration

<b>Project duration:</b> 6 months
-----------------------------------

## 5. Project Budget

<b>Estimated total cost of the project (US\$)</b>	<b>\$27,900.00</b>
<b>Including:</b>	
Payments to individual participants ("Individual Participants")	\$15,000.00
Equipment	\$0.00
Materials	\$7,500.00
Other Direct Costs	\$5,400.00
Travel	\$0.00
Overhead	\$0.00

## 6. Project Summary

The goals of Stage 1 of the Project will be (1) selection, based on the results of marketing research and feasibility of research and production at Obolensk, of enzyme(s) of interest ("Product(s)"); and (2) laboratory work to design plasmids necessary for product overexpression, optimization of its overproduction and purification.

Research conducted during Stage 1 of the Project will result in a work plan ("Work Plan") for a second, future stage ("Stage 2") of the Project involving the establishment and operation of an independent state-of-the-art molecular biology enzyme laboratory, ("Laboratory") employing scientists who formerly worked in the field of bioweapons research and who could have been laid off during reorganization of the All-Russian Scientific Research Center for Applied Microbiology at Obolensk ("SCRAM"). The Work Plan will specify the scope of work necessary to establish the Laboratory and the list, price, and delivery schedule of necessary equipment to be provided by the

Partner for the Laboratory's research and development needs. The Laboratory will be set up at a site close to SCRAM. The legal, financial and administrative status of the Laboratory, selection of the Laboratory site, and selection, on a competitive basis, of a team of scientists formerly or currently working at SRCAM, to be employed at the Laboratory will be additionally defined in a Memorandum executed between concerned parties.

In the future, the Laboratory will produce high-quality recombinant enzyme(s) for molecular diagnostics that will be competitive on the rapidly growing Russian molecular diagnostics market and that may be marketed outside Russia.

## DETAILED PROJECT DESCRIPTION

### 1. Project title

<b>Full Title:</b> Research and Development of Production Methods to Establish a Recombinant Enzymes Molecular Biology Laboratory ("Project")
<b>Category of Technology Development:</b>

### 2. Project Manager

<b>Name, first name, patronymic:</b> Severinov, Konstantin Victorovich		
<b>Address:</b> 2, Kurchatov Sq		<b>City:</b> Moscow
<b>Region:</b>	<b>State:</b> Russia	<b>Zip code:</b> 123182
<b>Phone:</b> (095)-196-0015	<b>Fax:</b> (095)-196-0015	<b>E-mail:</b> kvictors@yandex.ru

### 3. Participating Organizations

<b>Name:</b> Temporary Working Team "Transcriptase"		
<b>Address:</b> 2, Kurchatov Sq		<b>City:</b> Moscow
<b>Region:</b>	<b>State:</b> Russia	<b>Zip code:</b> 123182
<b>Phone:</b> (095)-196-0015	<b>Fax:</b> (095)-196-0015	<b>E-mail:</b> kvictors@yandex.ru severik@waksman.rutgers.edu

### 4. Project Duration

<b>Project duration:</b> 6 months
-----------------------------------

### 5. Project Budget

<b>Estimated total cost of the project (US\$)</b>	<b>\$27,900.00</b>
<b>Including:</b>	
Payments to Individual Participants	\$15,000.00
Equipment	\$0.00
Materials	\$7,500.00
Other Direct Costs	\$5,400.00
Travel	\$0.00
Overhead	\$0.00
<b>Total:</b>	<b>\$27,900.00</b>

### 6. Equipment

Item	Cost (US\$)	Delivery Time, Quarter #
<b>Subtotal:</b>	<b>\$0.00</b>	

### 7. Materials

Item	Amount	Cost (US\$)	Delivery Time, Quarter #
Baculoviral cloning system and cells	1	\$2,000.00	1 <sup>st</sup> Quarter

Molecular biology enzymes and kits		\$1,500.00	1 <sup>st</sup> Quarter
Oligonucleotides, DNA sequence		\$500.00	1 <sup>st</sup> Quarter
Scientific plastic		\$1,000.00	1 <sup>st</sup> Quarter
Mono S 5/5 HPLC Column (Amersham)	1	\$1,500.00	2 <sup>nd</sup> Quarter
Heparin-Agarose HL 30 ml Column (Amersham)	1	\$1,000.00	2 <sup>nd</sup> Quarter
<b>Subtotal:</b>		<b>\$7,500.00</b>	

## 8. Personnel Commitments

8.1. Individual Participants				
Name, First Name, Patronymic	Born	Daily rate (US\$)	Total days	Total grants (US\$)
<b>Severinov, Konstantin Victorovich</b> (Project Manager)	1967	\$60.00	100	\$6,000.00
<b>Shipulin, German Aleksandrovich</b> (marketing)	1966	\$50.00	40	\$2,000.00
<b>Markelov, Mikhail Leonidovich</b> (protein purification/production, diagnostic kit testing, site selection)	1965	\$40.00	50	\$2,000.00
<b>Kuznedelov, Konstantin Dmitrievich</b> (mol. biology, cloning, expression and expression optimization)	1959	\$30.00	100	\$3,000.00
<b>Volkov, Ilja Yurievich</b> (pilot enzyme preparation and comparison with commercially available enzymes, optimization and standartization of recombinant enzyme performance)	1969	\$30.00	20	\$600.00
<b>Sud'ina, Anna Evgen'evna</b> (pilot enzyme preparation and comparison with commercially available enzymes, optimization and standartization of recombinant enzyme performance)	1977	\$30.00	20	\$600.00
<b>Consultants</b>		<b>\$25.00</b>	<b>32</b>	<b>\$800.00</b>
<b>Total:</b>				<b>\$15,000.00</b>

## 9. Intellectual Property

### 9.1. The objects of intellectual property, know-how included, utilized in the project

All rights worldwide to intellectual property arising under this Agreement, including patent protection for industrial property (collectively "Intellectual Property"), belong to the Grantee (or its designee), which has the responsibility for providing adequate protection of such Intellectual Property. Plasmids and strains used for production of selected enzyme(s), as well as details of the purification procedure and conditions for optimal enzyme performance, will constitute Intellectual Property.

**9.2. Legal relationships**

The rights to the Intellectual Property, arising in the course of the Project implementation, are regulated by the laws of the Russian Federation. Notwithstanding the foregoing, Grantee represents that it will own, all materials resulting from the Project. It is understood and agreed that Partner does not wish to receive from Grantee any confidential or sensitive information or State, commercial or trade secrets (the "Confidential Information") of the Russian Federation ("Russia" or "Russian", as appropriate), Grantee or of any third party. Grantee represents and warrants that any information provided to Foundation, Partner or any third party (other than authorized Russian representatives, agents, agencies or instrumentalities) in the course of entering into this Agreement or performing any activities hereunder, including, without limitation, such information as shall be contained in the reports to be delivered under this Agreement, shall not contain or constitute Confidential Information. All Confidential Information received, gathered or generated by or on behalf of Grantee in connection with the Project shall in all instances be treated as strictly confidential by Grantee, and Grantee shall neither use nor disclose to third parties any Confidential Information whatsoever, except as necessary to authorized Russian representatives, agents, agencies or instrumentalities in order to perform activities under this Agreement. Grantee shall be responsible for ensuring the strict compliance of Grantee's employees, personnel, representatives, agents, contractors, subcontractors with the terms of this Section 9.2.

**10. Monitoring and Auditing**

Grantee and other Participating organizations shall provide the Foundation and Partner with the right to carry out monitoring on site of the Project and to audit all activities of the Project. Financial audits of costs may be carried out by the Foundation and the Partner.

**11. Project Location**

Obolensk, Moscow region

**12. Technical Content of the Project**

The proposed research will result in establishment of the Laboratory employing scientists who were formerly engaged in biological defensive research and who could have been laid off during reorganization of SCRAM. Legal, financial, and administrative status of the laboratory, selection of the laboratory site, selection, on a competitive basis, of a team of scientists formerly or currently working at SRCAM to be employed at the Laboratory, shall be defined in a Memorandum executed between concerned parties. Establishing the Laboratory will proceed in 2 stages.

The following will constitute the technical content of Stage 1 of the Project:

Through interviews with scientists currently or formerly employed at SRCAM, enzymes that *i)* can be produced using existing Obolensk expertise and *ii)* are of interest to the entity called Diagnostic Center at the Central Research Institute of Epidemiology, which will serve as the first customer of the planned facility, will be identified. The candidate enzymes include: *Taq* DNA polymerase – for PCR amplification of DNA-containing samples; AMV reverse transcriptase - for standalone reverse transcription or coupled reverse transcription/PCR amplification of RNA-containing samples; ligases and restriction endonucleases – mostly for molecular biology applications; T7 and/or SP6 RNA polymerase – for *in vitro* transcription; and Unc glycosylase - to improve *Taq* DNA polymerase performance during PCR. For each enzyme, in addition to cost or setting up production, an estimate of potential market will be made. This will include determination of the total value of the current Russian market (both in diagnostic and medical applications, and in research applications), the potential of the market

to expand in the future, and the sales potential outside Russia. Ideally, we would like to choose an enzyme the demand for which is not met by local producers, i.e., an enzyme that is currently being purchased from overseas manufacturers. To estimate the potential of expansion outside Russia, each enzyme will be researched *viz.* patent protection, licensing rights etc. using a contracted patent attorney. For each enzyme, the cost of production and materials/equipment required for production in amounts sufficient to satisfy at least 50% of the current Russian market will be estimated. It is expected that 1-2 enzymes will be selected based on the considerations outlined above.

Plasmids or other necessary vectors needed for overproduction of enzymes of choice will be constructed. The work will be performed by Dr. Konstantin Kuznedelov, a highly qualified molecular biologist with a particular area of expertise in optimization of production of recombinant proteins overexpression and a co-author of a highly regarded monograph on molecular cloning published by the Siberian branch of the Russian Academy of Sciences. Different expression systems (bacterial or eukaryotic, such as yeast or baculoviral) will be considered and optimization of expression conditions will be carried out by performing multiple pilot inductions and estimation of recombinant enzyme yield using SDS gels and activity assays. Selected expression conditions will be standardized and documented to facilitate their transfer to production-scale settings.

Pilot purifications of overexpressed enzyme will be undertaken in close cooperation with the Diagnostic Center using its protein purification facility. The performance of pilot batches of produced enzymes will be assayed in diagnostic kits currently produced by the Diagnostic Center and compared with available commercial enzymes that are currently in use. If needed, optimization and standardization of reaction conditions for produced enzyme preparations will be performed using accepted multifactorial search procedures until suitable conditions are found.

Based on the type of expression system chosen (bacterial or eukaryotic), available laboratory space outside the Obolensk main compound will be investigated as will the price of purchasing the space or leasing it for a long-term period (at least 3 years), and the cost of, and time required for, renovation of the space will be estimated. This work will be conducted in consultations and cooperation with mid-level managers (former individual participants of International Science and Technology Center in Moscow ("ISTC") projects) from SRCAM. In particular, we hope to engage Dr. Igor Kalachev, a former laboratory head at SRCAM who handled the renovation of SRCAM vivarium with support from US DOD/DTRA (US Department of Defense/Defense Threat Reduction Agency)/ISTC grant and therefore has substantial relevant experience and contacts. The equipment type, which will critically depend on the choice of expression system selected, will be made at this stage, a list of equipment to be ordered will be made and prices of new, used and/or refurbished equipment will be determined.

Concurrently with selection of laboratory space, negotiations and interviews will be conducted with scientists currently of formerly employed in Obolensk to select the laboratory staff (8-10 people in total). The selection will be conducted on a competitive basis. Prior experience of the candidates, outside references, scientific productivity, and participation in competitive grants and biotechnology production will be taken into consideration.

As a result of Project implementation as described above, a Work Plan for Stage 2 of the Project will be developed. The Work Plan will contain the tasks, standards, estimated operation costs, and research deadlines that the future Laboratory shall meet by the end of the second year from the start of Stage 1.



The Partner will not own any stock or other such securities of the Laboratory, and will not have voting or other rights to control activities of the Laboratory. The Partner hereby waives any rights and interests in assets, profits, and benefits that may result from activities of the laboratory.

### 13. Technical Description of Project

<b>Technical description of Stage 1</b>	<b>Responsible person(s)</b>
<p><b>Task 1. Choosing the enzyme to be produced.</b></p> <p>For each enzyme, marketing investigation will be undertaken, including determination of the total value of the current Russian market, the potential of market expansion, and the possibility of marketing the product outside Russia. Enzymes currently purchased from overseas manufacturers will be of particular interest. To estimate potential of expansion outside Russia, each enzyme will be researched viz. patent protection, licensing rights etc. using contracted patent attorney.</p>	K. Severinov, G. Shipulin
<p><b>Task 2. Molecular biology work with enzyme(s) chosen.</b></p> <p>Plasmids and other necessary vectors and strains needed for overproduction of enzymes of choice in various prokaryotic and eukarytic systems will be evaluated and constructed.</p>	K. Severinov, K. Kuznedelov
<p><b>Task 3. Optimization of enzyme overproduction conditions.</b></p> <p>A choice between different expression systems (bacterial or eukaryotic), and optimization of expression conditions will be performed and chosen expression conditions will be standardized.</p>	K. Severinov, K. Kuznedelov
<p><b>Task 4. Pilot purification of overproduced enzyme and optimization of its performance.</b></p> <p>Pilot enzyme purifications will be undertaken in close cooperation with the Diagnostic Center scientists and engineers using their production grounds; the performance of pilot batches of enzymes will be assayed in diagnostic kits currently produced by the Diagnostic Center and compared with available commercial enzymes. If needed, optimization and standardization of reaction conditions for produced enzyme preparations will be performed using multiplex screens to find for optimal reaction conditions.</p>	K. Severinov, M. Markelov, A. Sud'ina, I. Volkov
<p><b>Task 5. Work Plan for Establishment and Operation of Laboratory</b></p> <p>Based on results of Tasks 1-5, the Work Plan for Stage 2 of the Project will be produced and submitted as a final report.</p>	K. Severinov, G. Shipulin

**14. Technical Schedule and Deliverables**

Task #	Task start Month	Task finish Month	Description of accountable materials
1-3	1	3	Intermediate report.
3-5	3	6	Final report, Work Plan for Stage 2 of the Project.

**15. Additional Information**

- 15.1 Grantee shall be responsible for coordinating the work of, and ensuring the full and complete performance of and strict compliance with the terms and obligations of, this Agreement.
- 15.2 Technical documents, programs, processes and information created or developed within the framework of the present Project will neither be used for creation of biological weapons nor for any military purposes whatsoever.
- 15.3 Grantee shall observe and conform to, and cause its employees, agents, contractors and subcontractors, if any to so observe and conform to, in all material respects, all laws, rules, regulations, orders and requirements of governmental authorities (including, without limitation, all applicable local, national and international laws and regulations) relating to the Project or to any materials, reports, technical documents or information created within the framework of the present Project and acknowledges that, when applicable, Grantee has the responsibility to obtain any licenses, or other authority as may be required, with respect to activities undertaken in connection with the Project
- 15.4 It is anticipated that materials, reports, programs, processes, or technical documents or information created, developed or compiled within the framework of the present Project which is provided to Partner or Foundation may be subject to Russian customs and export laws, rules, regulations, orders or requirements, including, without limitation, the Russian law "On export control procedures" (collectively, "Russian Customs Requirements"). Grantee represents and warrants that all materials, reports, programs, processes, technical documents and information created within the framework of the present Project which is provided to Partner or Foundation will comply in all respects with all Russian Customs Requirements, and that compliance therewith will in no way diminish the contents or substance of the contemplated technical reports, information, programs, processes and materials. Grantee shall be liable for all legal and factual activities necessary to represent and warrant the aforementioned obligation.
- 15.5 Grantee represents and warrants that no experts or other participants engaged in the Project are in any way affiliated, directly or indirectly, with entities listed pursuant to the U.S. Foreign Assets Control Regulations (31 Code of Federal Regulations Parts 500-599) as ineligible to participate in transactions, directly or indirectly, with U.S. organizations and persons. Grantee agrees that it shall not involve as participants in the Project, or otherwise use any Project funds to enter into transactions with, said entities or individuals associated directly or indirectly with said entities. Partner calls Grantee's attention to the list of entities published in the Weapons of Mass Destruction Trade Control Regulations (31 Code of Federal Regulations 539; current list provided as Exhibit "A"). Grantee understands that the list may change from time to time. Prohibited transactions with the parties listed pursuant to the Weapons of Mass Destruction Trade Control Regulations and subject to this limitation include, without limitation: (i) procuring any goods, technology or services, or entering into any agreement for the procurement of any goods, technology or services from listed

organizations; (ii) providing any assistance to or obligating funds for such purpose with listed organizations; or (iii) importing into the U.S. any goods, technology, or services produced or provided by listed organizations, any of the entities described in the above regulations or executive order. For entities listed pursuant to certain other Parts of the Foreign Assets Control Regulations (e.g., listed Foreign Terrorist Organizations) the prohibition covers all business transactions and funds transfers of any kind. The aforementioned prohibitions hereto are valid without limitation to all forms of cooperation with organizations mentioned in the list provided attached as Exhibit "A" and with organizations affiliated with said organizations.

- 15.6 Grantee agrees to immediately notify Partner, in writing, if Grantee has reason to believe that the Project funding cannot be or continue to be used for the specific purposes of the Project or in accordance with this Agreement.
- 15.7 All tasks to be performed by Grantee in connection with the Project shall be performed and prepared in a timely, workmanlike manner and with professional diligence and skill in accordance with any and all safety requirements that may be applicable under Russian and international standards.
- 15.8 In the case of any violation by Grantee of any of the provisions or conditions of this Agreement, Partner reserves the right in its absolute discretion to terminate this Agreement and pursue any remedies provided for in this Agreement or otherwise permitted by law for default. Partner's determination shall be final and shall be binding and conclusive upon Grantee. Upon termination of this Agreement for any reason, Partner shall withhold any further Project funding and all unexpended funding and any portion of the funding, which was not spent for the Project (including, without limitation, Foundation management fees) shall be immediately returned to Partner. Grantee shall register the receipt of all Project funding as appropriate with governmental authorities so that unexpended funding can be so returned upon default.
- 15.9 The Parties hereto each acknowledge and agree that Partner has had no control over, has not supervised or participated in any aspect of the Project, and shall not supervise or participate in any aspect of the Project, including, without limitation, the planning, implementation, inspection or evaluation of the Project. Partner's role in connection with the Project and the planning thereof has been, is and shall at all times remain strictly to provide enabling funds. Any monitoring or periodic progress reviews conducted by or on behalf of Partner are only for the internal interests of Partner and to facilitate disbursement of the Project funding. Partner and its employees, agents and representatives/contractors shall not have, and shall not be deemed to have, any control over the actions of Grantee, including, without limitation, any actions relating to the Project. Partner shall not be liable for any negligence or omission of Grantee, any independent contractors or others or any condition or occurrence which Partner or its employee, agents or representatives/contractors may discover as a result of progress review or any other monitoring activities. Grantee acknowledges and agrees that Grantee shall conduct and rely upon its own planning, monitoring, inspections and safety regulation with respect to the Project and shall not be entitled to rely in any way on any advice or input from Partner or its employees, agents or representatives/contractors regarding the Project or otherwise. Notwithstanding anything contained herein to the contrary or in conflict, Grantee acknowledges and agrees that the extent of Partner's obligations and undertakings under this Agreement is solely to provide Project funding pursuant to the provisions and conditions contained in this Agreement, that Partner shall have no liability or obligations whatsoever with respect to the planning, implementation, inspection or evaluation of the Project and that Partner has no control

whatsoever, directly or indirectly, over the Project or any aspect thereof.

15.10 Should this Project result in Grantee's conducting activities other than research and development, such activities shall be funded at the expense of Grantee without expending Project funds granted by Partner hereunder.

15.11 **NTI SHALL HAVE NO LIABILITY FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE WHATSOEVER, HOWEVER CAUSED, EVEN IF NTI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

**Exhibit "A"**

**Selected Entities Subject to 31 Code of Federal Regulations Part 539 "WMD Trade Control Regulations."**

BALTIC STATE TECHNICAL UNIVERSITY, wherever located, including 1/21, 1- ya Krasnoarmeiskaya Ul., 198005 St. Petersburg, Russia [63 FR 42089, July 30, 1998]

CHINA NEW ERA GROUP (a.k.a. China Xinshidai Company; a.k.a. New Era Group; a.k.a. XSD; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CPMIEC), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhou City, Fujian Province, China [July 30, 2003]

CHINA XINSHIDAI COMPANY (a.k.a. China New Era Group; a.k.a. New Era Group; a.k.a. XSD; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

CPMIEC (a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhou City, Fujian Province, China [July 30, 2003]

FEDERAL RESEARCH AND PRODUCTION COMPLEX ALTAY, Russia [69 FR 67617-18, November 18, 2004]

D. MENDELEYEV UNIVERSITY OF CHEMICAL TECHNOLOGY OF RUSSIA, wherever located, including 9 Miusskaya Sq., Moscow 125047, Russia [64 FR 2935, January 8, 1999]

GLAVKOSMOS, wherever located, including 9 Krasnoproletarskaya St., 103030 Moscow, Russia [63 FR 42089, July 30, 1998]

KHAN RESEARCH LABORATORIES, Pakistan [68 FR 16114, April 2, 2003, effective March 24, 2003]

MAI (a.k.a. MOSCOW AVIATION INSTITUTE), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MIKROSAM, wherever located, including 7500 Prilep, Macedonia

[December 24, 2003]

MOSCOW AVIATION INSTITUTE (a.k.a. MAI), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

NEW ERA GROUP (a.k.a. China New Era Group; a.k.a. China Xinshidai Company; a.k.a. Xinshidai; a.k.a. XSD) [69 FR 56260, September 20, 2004]

NORINCO (a.k.a. NORTH CHINA INDUSTRIES CORPORATION), China [68 FR 28314, May 23, 2003 - effective May 9, 2003]

NORTH CHINA INDUSTRIES CORPORATION (a.k.a. NORINCO), China [68 FR 28314, May 23, 2003 - effective May 9, 2003]

SAMAKOSKI, Blagoja; nationality Macedonian (individual) [December 24, 2003]

SHAHID HEMMAT INDUSTRIAL GROUP, Iran [68 FR 28315, May 23, 2003 - effective May 9, 2003]

XINSHIDAI (a.k.a. China New Era Group; a.k.a. China Xinshidai Company; a.k.a. New Era Group; a.k.a. XSD) [69 FR 56260, September 20, 2004]

XSD (a.k.a. China New Era Group; a.k.a. China Xinshidai Company a.k.a. New Era Group; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

<p>Приложение №1. Часть II          Проект № 00012.00046          к Соглашению № RU.55229907/00012          от «31» Декабря 2002 г.          с изменениями от «31» Декабря 2005 года          между Международным Фондом          Технологий и Инвестиций          и Nuclear Threat Initiative, Inc.</p>	<p>ANNEX I Part .          THE PROJECT № 00012/00046          to the AGREEMENT between The International          Foundation of Technology and          Investment (IFTI) and          Nuclear Threat Initiative, Inc          № RU/ 55229907/00012          dated December 31, 2002 and as amended          December 31, 2005.</p>
<p><b>Порядок финансирования          Проекта и предоставления Отчетов.</b></p>	<p><b>Financing Procedures of the Project and          Reports submission.</b></p>
<p>Данное Приложение заключено в Москве          «24» марта 2006 года между <b>МЕЖДУНАРОДНЫМ          ФОНДОМ ТЕХНОЛОГИЙ И ИНВЕСТИЦИЙ</b>,          именуемым в дальнейшем “Фонд”, в лице Директора  <b>Черчеса Юрия Ильича</b>, действующего на основании          Устава, <b>NUCLEAR THREAT INITIATIVE, INC</b>  <b>(Вашингтон, США)</b>, именуемым в дальнейшем,          “Партнер”, в лице <b>Президента Charles B. Curtis</b>,          действующего на основании Устава и <b>временный          творческий коллектив «Транскриптаза»</b>,          именуемым в дальнейшем, “Исполнитель”, в лице  <b>Руководителя Северинова Константина          Викторовича</b>, действующего на основании          Протокола № 1 от 15 февраля 2006 года, совместно          именуемыми “Стороны”, которые</p>	<p>This Annex is made in Moscow as of this 24 day of          March, 2006 by and between <b>THE          INTERNATIONAL FOUNDATION OF          TECHNOLOGY AND INVESTMENT</b>,          hereinafter referred to as the “Foundation”,          represented by Director <b>Yuriy I. Cherches</b> acting in          accordance with the Foundation’s Charter,  <b>NUCLEAR THREAT INITIATIVE, INC.</b>  <b>(Washington DC, USA)</b>, hereinafter referred to as          the “Partner”, represented by President <b>Charles B.          Curtis</b>, acting in accordance with Partner’s Articles          of Incorporation and the <b>Temporary Working          Team “Transcriptase”</b>, hereinafter referred to as          “Grantee”, represented by Director <b>Severinov          Konstantin Victorovich</b>, acting in accordance with          Protocol № 1 of February 15, 2006 (Foundation,          Partner and Grantee hereinafter jointly referred to as          the “Parties”).</p>
<p><b>принимая во внимание, что:</b></p> <ul style="list-style-type: none"> <li>➤ Проект «Изучение и разработка методов          производства рекомбинантных ферментов для          организации молекулярно-биологической          лаборатории», в дальнейшем именуемый «Проект»,          подан Исполнителем в Фонд в виде оформленной          заявки на финансирование, принят Фондом и          утвержден Партнером с момента подписания части I          Приложения №1;</li> <li>➤ Исполнитель, подписывая настоящее          Приложение, согласен с положениями указанного          Соглашения, будут действовать согласно его</li> </ul>	<p><b>Understanding:</b></p> <ul style="list-style-type: none"> <li>➤ The Project “Research and Development of          Production Methods to Establish a          Recombinant Enzymes Molecular Biology          Laboratory”, hereinafter referred as the “Project”,          is submitted to the Foundation as an application for          financing, accepted by the Foundation and approved          by the Partner upon signing Annex I Part I;</li> <li>➤ By signing the present Annex, Grantee          agrees to the terms and conditions of the stated          Agreement and shall act in compliance with the          Agreement and the present Annex;</li> </ul>

<p>установлениям и в соответствии с настоящим Приложением,</p> <p>➤ Проект будет финансироваться от имени Фонда за счет средств, предоставленных Партнером;</p>	<p>➤ The Project shall be financed on behalf of the Foundation at the Partner's expense, Statement 24</p>
<p><i>настоящим договорились о нижеследующем:</i></p> <p><b>1. Предмет Приложения № 1 Часть II</b></p> <p>1.1 Предметом Приложения №1 Часть II является определение порядка целевого финансирования Проекта Фондом из средств, предоставляемых Партнером в пользу Фонда и установление порядка предоставления отчетности Исполнителя перед Фондом.</p> <p>Стороны определили, что Исполнителем Проекта являются физические лица, объединившиеся на основе общности целей во временный творческий коллектив и участвующие в Проекте, далее – «ВТК»</p>	<p><i>The Parties hereby agree as follows:</i></p> <p><b>1. Subject of Annex I Part II</b></p> <p>1.1. The subject of the Annex I Part II shall be the procedure of Project target financing by the Foundation at the Partner's expense in favor of the Foundation and Grantee's submission of reports to the Foundation.</p> <p>The Parties shall consider the Grantee participating in the Project to include the Temporary Working Team "Transcriptase" as well as natural persons (individuals), hereinafter referred to as the "Individual Participants", participating in the Project.</p>
<p>1.2. Полномочным и ответственным представителем Исполнителя во взаимоотношениях с Фондом и Партнером с правом подписания научно-технических отчетов, заявок и иных документов, получения оборудования, иных материально-технических средств по Проекту от имени ВТК, является Руководитель Проекта <u>Северинов Константин Викторович</u> с момента подписания Сторонами настоящего Приложения.</p> <p>1.3. Николенко Татьяна Гордеевна (Руководитель программ), и Роберт Е. Берлз мл. (Старший Советник по программам России/ННГ, руководитель Московского представительства) являются полномочными и ответственными представителями Партнера во взаимоотношениях с Фондом и Исполнителем. Названные представители наделяются следующими</p>	<p>1.2. With regard to participating in legal relations with the Foundation and the Partner the Grantee shall assign a representative authorized to sign technical reports, applications and to receive Equipment / other material and technical means on the Project, hereinafter referred to as the "Project Manager". <u>Severinov Konstantin Victorovich</u> is appointed as the Project Managers and shall act upon signing the present Annex by the Party on behalf of the Individual Participants.</p> <p>1.3. With regard to participating in legal relations with the Foundation and the Grantee, the Partner assigns Tatiana G. Nikolenko (Program Manager, Biological) and Robert E. Berls Jr. (Senior Advisor for Russia/NIS Programs, Director of the Moscow Office) to act as authorized representatives that are empowered to:</p>

<p>полномочиями:</p> <p>а) Утверждать лиц, входящих в состав ВТК,</p> <p>б) Заменять лиц, являющихся членами ВТК новыми лицами в рамках выполнения работ по данному Проекту;</p> <p>в) Осуществлять перемещение денежных средств между статьями бюджета Проекта, не меняя условий оплаты;</p> <p>г) Осуществлять перемещение денежных средств с изменением условий оплаты;</p> <p>д) Утверждать финансовые и научно-технические отчеты;</p> <p>е) Одобрять заявки от Исполнителя;</p> <p>ж) Утверждать изменения в ходе выполнения Проекта.</p>	<p>a) Approve personnel to be a team member;</p> <p>b) Replace personnel in the Project team,</p> <p>c) Move money from one budget item to another without changing Terms of Payments;</p> <p>d) Move money with changing Terms of Payments;</p> <p>e) Approve financial and technical reports;</p> <p>f) Approve applications from the Grantee;</p> <p>g) Approve changes during Project implementation.</p>
<p><b>2. Финансирование Проекта</b></p> <p>2.1. Общая стоимость Проекта определяется Сторонами в 27 900 (Двадцать семь тысяч девятьсот долларов США. Во исполнение настоящего соглашения, Исполнитель признает и соглашается с тем, что Исполнитель несет ответственность за все правовые, технические и организационные вопросы планирования, выполнения и окончательного завершения работы над Проектом в строгом соответствии с условиями настоящего соглашения. Увеличение размера финансового или иного вклада Исполнителя, основанного на действительных расходах, понесенных Исполнителем, не допускается, кроме как по согласованию Сторон. Невозможность не является основанием для неисполнения обязательств Исполнителя по настоящему соглашению.</p>	<p><b>2. Financing of the project</b></p> <p>2.1. The total cost of the Project is determined by the Parties to be in the amount of Twenty Seven Thousand Nine Hundred and NO/100 US dollars (\$27,900.00). By executing this Agreement, the Grantee acknowledges and agrees that the Grantee shall be responsible for all legal, technical and operational aspects of planning, implementing and fully completing the Project in strict accordance with the terms and conditions of this Agreement. There shall be no increase or upwards adjustment of the financial or other contributions to the Grantee based on actual costs incurred by the Grantee except as agreed upon by the parties. Impossibility shall not excuse the obligations of the Grantee to perform under this Agreement.</p>
<p>2.2. Стоимость Проекта включает в себя денежные средства, передаваемые Фондом в качестве выплат (грантов) членам ВТК.</p> <p>Фонд выплачивает гранты членам ВТК на сметную</p>	<p>2.2. The cost of the Project shall include funds transferred by the Foundation as awards (grants) to Individual Participants.</p> <p>The Foundation shall award grants to the</p>



<p>сумму и в порядке, устанавливаемом в соответствующем Договоре, заключаемым между Фондом и Руководителем ВТК (руководителем Проекта).</p> <p>Руководитель Проекта вправе подать на рассмотрение Фонда Заявку об увеличении суммы индивидуальных выплат, при условии экономии Исполнителем иных расходов по Проекту</p>	<p>Individual Participants in the estimated amount in compliance with the procedure established in the Contract concluded between the Foundation and the head of the Individual Participants (the Project Manager)</p> <p>The Project Manager is entitled to submit an application with a request to increase the amount of grants to the Individual Participants to the Foundation in the event of saving other expenses on the Project by Grantee</p>
<p>2.3. Фонд по Заявке Исполнителя может принять на себя обязательства по поставке последнему (финансированию поставки) необходимого для реализации Проекта оборудования, технических средств, материалов и т.п. (далее - оборудование и материалы) в рамках программ безвозмездной технической помощи</p> <p>В случае принятия Фондом на себя указанных обязательств, Стороны подписывают соглашение о предоставлении безвозмездной технической помощи, в котором Стороны определяют номенклатуру, количество технической помощи и ее общую стоимость. Соглашение о предоставлении технической помощи станет неотъемлемой частью настоящего Соглашения.</p>	<p>2.3. Under Grantee's application and in course of the gratuitous technical programs' realization, the Foundation may undertake to make a delivery (or to finance a delivery) of equipment, technical facilities, materials, etc (hereinafter referred to as "Equipment and Materials") necessary for the implementation of the Project.</p> <p>Should the Foundation undertake the above-mentioned obligations, the Parties shall sign an agreement on providing gratuitous technical assistance, in which the Parties shall specify the nomenclature, amount of technical assistance and the total cost of this assistance. The agreement on providing gratuitous technical assistance shall be an integral part of the present Agreement.</p>
<p>2.4. Фонд по согласованию с Партнером вправе принимать решения о перераспределении средств по статьям Проекта в пределах его общей стоимости, по заявке Исполнителя. Такое согласование может быть получено в электронной форме.</p>	<p>2.4. If authorized by the Partner the Foundation is entitled to decide on redistribution of funds within the estimate of the financed Project if so requested by Grantee. Such authorization may be obtained via e-mail.</p>
<p><b>3. Порядок финансирования Проекта</b></p> <p>3.1. Полученные от Партнера средства, Фонд аккумулирует на своем расчетном счете.</p>	<p><b>3. The project financing procedure</b></p> <p>3.1. The Foundation shall accumulate funds transferred by the Partner to the Foundation's bank account.</p>
<p>3.2. Фонд начинает финансирование Проекта с момента получения им от Партнера денежных средств.</p>	<p>3.2. The Foundation shall begin to finance the Project upon receipt of funds from the Partner.</p>
<p>3.3. Фонд производит поэтапные платежи ВТК в</p>	<p>3.3. The Foundation shall produce staged payments</p>

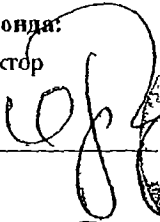
<p>соответствии с поступаемым. От неё заявками на финансирование Проекта (далее - «Заявка») в течение 10 рабочих дней с момента получения заявки</p> <p>Заявка должна содержать информацию о назначении платежа и сумму платежа</p>	<p>to the Organization under applications with request to finance the Project ("Application") submitted by the Organization and within 10 business days following receipt of such Application.</p> <p>The Application shall contain information on the purpose of the payment and on sum of the payment.</p>
<p>3.4 Гранты ВТК выплачиваются Фондом в соответствии с пп 2.2 п 2 настоящего Приложения</p>	<p>3.4 Grants to the Individual Participants shall be awarded in compliance with Article 2.2 of the present Annex.</p>
<p>3.5 В случае если денежные средства, переданные Фондом Исполнителю или членам ВТК на реализацию Проекта были использованы не в соответствии с целями Проекта и данного Соглашения, Исполнитель и члены ВТК солидарно несут материальную ответственность перед Партнером в объеме использованных нецелевым образом денежных средств. Исполнитель и члены ВТК несут полную ответственность перед Партнером за целевое использование полученных денежных средств</p>	<p>3.5. In case financial resources for the Project realization are transferred to Grantee or Individual Participants by the Foundation and such funds have not been used in strict compliance with the Project goals and present Agreement, Grantee and Individual Participants shall bear material responsibility and joint and several liability to Partner for the amount of such misused funds. Grantee and Individual Participants are each fully responsible to Partner for appropriate use of received funds.</p>
<p>3.6. Исполнитель гарантирует Фонду, Партнеру, их руководителям, должностным лицам, сотрудникам, консультантам, представителям и агентам (при отдельном упоминании «Гарантируемая сторона») возмещение убытков, которые могут возникнуть в результате претензий третьих лиц, долговых обязательств, исковых требований, судебных разбирательств, штрафных санкций, процентов, расходов (далее «Претензии»), включая без ограничения разумные расходы по представительству и ведению бухгалтерского учета, возникшие в результате нарушения Исполнителем предоставленных им гарантий в рамках данного Соглашения или Проекта, либо в результате нарушения условий настоящего Соглашения, либо в результате допущенной небрежности в виде действий</p>	<p>3.6. Grantee shall indemnify and hold the Foundation, the Partner, and their respective directors, officers, employees, consultants, representatives and agents (each an "Indemnified Party") harmless from and against all third party claims, liabilities, suits, demands, losses, judgments, fines, penalties, interest, expenses and costs ("Claims"), including, without limitation, reasonable accounting and attorneys' fees and disbursements, which result from any breach of Grantee's representations or warranties made in relation to this Agreement or the Project, or from any breach of the terms of this Agreement, or from any negligent acts or omissions of Grantee, its directors, officers, employees, consultants, representatives, agents or any Individual</p>

<p>или бездействий Исполнителя, его руководителей, должностных лиц, сотрудников, консультантов, представителей, агентов или членов ВТК, связанных с работой по данному Соглашению или Проекту. Помимо вышеизложенного, Исполнитель гарантирует всем Сторонам возмещение убытков, которые могут возникнуть в результате 1) получения любых необходимых разрешений и лицензий в соответствии с федеральным, региональным и муниципальным законодательством, применимым при оказании соответствующих услуг и оплате дополнительных расходов на такие разрешения и лицензии; 2) оплаты любых таможенных платежей, пошлин и налогов, взимаемых Российской Федерацией с бюджета Проекта либо Партнером, или его сотрудниками, или агентами в связи с выполнением настоящего Соглашения или Проекта; 3) причинения ущерба личности или имуществу в результате виновных или неосторожных действий или бездействий Исполнителя или членов ВТК; 4) каких-либо претензий, предъявленных в результате причинения убытков, телесных повреждений или смерти, возникших в связи с Проектом, с тем, чтобы учесть претензии, заявленные потерпевшей стороной; 5) любых юридических, технических и организационных аспектов планирования, выполнения и полного завершения работ по Проекту.</p>	<p>Participants relating to, or in any way connected with, activities conducted pursuant to this Agreement or the Project. Without limiting the foregoing in any way, Grantee shall indemnify and hold each Indemnified Party harmless with respect to. (i) obtaining any and all necessary licenses and permits, complying with any and all national, regional, local and municipal laws, codes and regulations applicable to the performance of the work and payment of any and all additional costs associated with the foregoing; (ii) payment of any customs, duties or taxes which may be imposed by Russia on Project funds or Partner or its employees or agents in connection with this Agreement or the Project; (iii) all damages to persons or property that occur as a result of Grantee's or Individual Participant's acts, omissions, fault or negligence; (iv) any and all Claims arising from or connected with any alleged and/or actual injury, loss or death, accidental or otherwise, occurring during or related to the Project or performance thereof, to include claims lodged by the estate of the affected party; and (v) all legal, technical and operational aspects of planning, implementing and fully completing the Project.</p>
<p><b>4. Отчеты о расходах и ходе выполнения Проекта</b></p> <p>4.1. Исполнитель обязуется представлять в Фонд финансовые и научно – технические отчеты по Проекту в соответствии с условиями части 1 Приложения 1 и настоящего Приложения.</p>	<p><b>4. Reports on expenses and on project implementation</b></p> <p>4.1. Grantee shall undertake to submit technical and financial reports on the Project to the Foundation in compliance with the terms of Annex I Part I and the present Annex.</p>
<p>4.2. Финансовые отчеты от имени ВТК представляются Руководителем ВТК в порядке, на условиях и сроки, устанавливаемые Договором.</p>	<p>4.2. Financial reports on behalf of the Individual Participants shall be submitted by the Head of the Individual Participants in compliance with terms and conditions set forth in the Contract.</p>
<p>4.3. Исполнитель представляет Фонду научно-</p>	<p>4.3. Grantee shall submit technical reports to the</p>

<p>технические отчеты поэтапно в соответствии с графиком, установленным пунктом 13 части 1 Приложения 1.</p>	<p>Foundation on a stage basis pursuant to the schedule outlined in Article 13 of Annex I Part I of the Agreement</p>
<p>4.4 Отчеты Исполнителя считаются принятыми после утверждения Партнером сводных Отчетов Фонда.</p>	<p>4.4 The reports of the Grantee shall be deemed accepted after approval of the combined reports of the Foundation by the Partner</p>
<p>4.6. Если указанные в настоящей статье отчеты своевременно не представлены Исполнителем или иным образом не исполнены другие обязательства Исполнителя по настоящему соглашению, Фонд обращается к нему с письменным требованием об исполнении. В случае неисполнения или ненадлежащего исполнения указанного требования Исполнителем в течение десяти рабочих дней, Фонд и Партнер прекращают финансирование Проекта и возмещение понесенных Исполнителем расходов.</p>	<p>4.6 Should the Grantee fail to timely submit reports enumerated in the present Article or otherwise fail to adequately perform any obligations under this Agreement, the Foundation shall apply to Grantee with a written request for Grantee or Individual Participants to perform. In the event that Grantee or Individual Participants fail to fully comply with such request within 10 working days, the Foundation and the Partner shall cancel financing of the Project and reimbursement of expenses incurred by Grantee.</p>
<p>4.7. В случае если Партнер принимает решение прекратить дальнейшее финансирование этапов Проекта в результате неполного и (или) несоответствующего выполнения работ Исполнителем, Фонд возвращает Партнеру полученные от него, но не перечисленные Исполнителю средства.</p>	<p>4.7. In the event that the Partner decides to stop further financing of the Project stages resulting from an incomplete and/or a non-consistent performance of Grantee, the Foundation shall pay back to the Partner all remaining Project funds received from the Partner, but not transferred to Grantee.</p>
<p>4.8. Отчеты и иные материалы по Проекту передаются Исполнителем в соответствии с Законом Российской Федерации «Об экспортном контроле». Исполнитель обязан исполнять таможенные и другие официальные обязанности, связанные с передачей отчетов и иных материалов по Проекту.</p>	<p>4.8 Reports and other materials on the Project are submitted by the Grantee with regard to the law of the Russian Federation "On export control procedures". The Grantee is obliged to perform all custom and other official duties related to submitting of reports and other materials on the Project.</p>
<p><b>5. Заключительные положения</b></p> <p>5.1. Настоящее Приложение 1 вступает в силу со дня его подписания надлежащими представителями Сторон и действует до полного исполнения Сторонами своих обязательств в связи с</p>	<p><b>5. Miscellaneous</b></p> <p>5.1. The present Annex I shall come into force on the day of its signing by the authorized representatives of the Parties and shall be effective until the Parties fulfill their obligations</p>

<p>осуществлением данного Проекта</p>	<p>under the current Project in full measure.</p>
<p>5.2. Изменения и дополнения в Приложение № 1 Часть II действительны, если они составлены в письменной форме и подписаны надлежащим образом уполномоченными представителями Сторон, если иное не предусмотрено соглашением Сторон.</p> <p><b>В СВИДЕТЕЛЬСТВО ЧЕГО</b> Стороны составили настоящее Соглашение на английском и русском языках в двух подлинных экземплярах в день и год, установленный в Преамбуле.</p>	<p>5.2 All amendments to this Annex I Part II shall only be effective if set forth in writing and signed by duly authorized representatives of the Parties, if there is no contrary agreement between the Parties</p> <p><b>IN WITNESS WHEREOF</b>, the Parties hereto have caused this Agreement to be executed in Russian and in English in duplicate on the day and year indicated in the Preamble.</p>
<p><b>Подписи Сторон</b></p>	<p><b>Signatures</b></p>

От Фонда:  
Директор

  
\_\_\_\_\_



On behalf of the Foundation:  
Director

  
\_\_\_\_\_



От Партнера:  
Президент

  
\_\_\_\_\_ Чарльз Б. Кертис

On behalf of the Partner:  
President

  
\_\_\_\_\_ Charles B. Curtis

On behalf of Grantee:

  
\_\_\_\_\_

Konstantin V. Severinov

От исполнителя:

  
\_\_\_\_\_

К.В. Северинов

<p>Приложение № 2.          Проект № 00012/00047          к Соглашению № RU/55229907/00012          от «31» декабря 2002 г., с изменениями от «31»          декабря 2005 года          между Международным Фондом          Технологий и Инвестиций          и Nuclear Threat Initiative, Inc.</p>	<p>ANNEX II          THE PROJECT № 00012/00047          to the AGREEMENT between The International          Foundation of Technology and          Investment (IFTI) and          Nuclear Threat Initiative, Inc.          № RU/ 55229907/00012          dated December 31, 2002 and as amended          December 31, 2005.</p>
<p><b>Порядок расчетов между Фондом и          Партнером по Проекту №00012/00047</b></p> <p><b>"Изучение и разработка методов и          производства рекомбинантных          ферментов для организации          молекулярно-биологической          лаборатории"</b></p>	<p><b>The procedure of settlements          between the Foundation and the          Partner</b></p> <p><b>The Project №00012/00047</b></p> <p><b>"Research and Development of          Production Methods to Establish a          Recombinant Enzymes Molecular          Biology Laboratory"</b></p>
<p>Данное Приложение составлено в Москве          «24» марта 2006 года между  <b>МЕЖДУНАРОДНЫМ ФОНДОМ          ТЕХНОЛОГИЙ И ИНВЕСТИЦИЙ</b> (Москва,          Российская Федерация), именуемым в          дальнейшем "Фонд", в лице Директора Черчеса  <b>Юрия Ильича</b>, действующего на основании          Устава, и</p> <p><b>NUCLEAR THREAT INITIATIVE, INC</b>          (Вашингтон, США), именуемым в дальнейшем,          "Партнер", в лице Президента <b>Charles B. Curtis</b>,          действующего на основании Устава, совместно          именуемыми "Стороны", которые</p>	<p>This Annex is made in Moscow as of this          24 day of March 2006 by and between <b>THE          INTERNATIONAL FOUNDATION OF          TECHNOLOGY AND INVESTMENT</b>          (Moscow, RF), hereinafter referred to as the          "Foundation", represented by Director <b>Yuriy I.          Cherches</b> acting in accordance with the          Foundation's Charter and</p> <p><b>NUCLEAR THREAT INITIATIVE,          INC. (Washington DC, USA)</b>, hereinafter          referred to as the "Partner", represented by          President <b>Charles B. Curtis</b>, acting in          accordance with the Partner's Articles of          Incorporation, jointly referred to as the          "Parties".</p>
<p>настоящим договорились о          нижеследующем:</p> <p><b>1. Предмет Приложения № 2</b>          Предметом настоящего Приложения 2 является          определение порядка оплаты Партнером Фонду          стоимости Проекта, определение размера          возмещения расходов Фонда по Проекту и</p>	<p><b>The Parties hereby agreed as follows:</b></p> <p><b>1. Subject of the Annex № II</b>          The subject of the present Annex II shall be          the procedure of compensation of the Project          cost by the Partner to the Foundation,          determination of reimbursement of the</p>

<p>суммы целевого финансирования собственных проектов Фонда в соответствии с условиями и сроками установленными ниже.</p>	<p>Foundation on the Project and defining the amount of goal financing of the own projects of the Foundation in accordance with the terms and conditions of this Agreement.</p>
<p><b>2. Срок действия</b></p> <p>Настоящее Приложение 2 вступает в силу со дня его подписания надлежащими представителями Сторон и действует до полного исполнения Сторонами своих обязательств в связи с осуществлением данного Проекта.</p>	<p><b>2. Term</b></p> <p>The present Annex II shall come into force on the day of it's signing by the authorized representatives of the Parties and shall be effective until the Parties fulfill their obligations under the current Project in full measure.</p>
<p><b>3. Оплата</b></p> <p>3.1. Партнер обязуется оплатить Фонду (1) стоимость Проекта, установленную в Приложении 1 Часть I в сумме 27 900 (двадцать семь тысяч девятьсот) долларов США и (2) оплатить расходы Фонда по сопровождению Проекта в рамках его уставной деятельности в размере 2 100 (две тысячи сто) долларов США.</p>	<p><b>3. Payment</b></p> <p>3.1. The Partner shall be obligated to pay to the Foundation (1) the Project cost defined in Annex I Part I of the Agreement in the amount of Twenty Seven Thousand Nine Hundred and NO/100 US Dollars (\$27,900.00) and (2) Twenty One Hundred and NO/100 US Dollars (\$2,100.00) to reimburse Foundation's expenses for activities related to Project maintenance in accordance with the Foundation Charter</p>
<p><b>ИТОГО: 30 000 долларов США.</b></p>	<p><b>TOTAL: 30,000 USD.</b></p>
<p>Сумма возмещения Партнером расходов Фонда в рамках его уставной деятельности составляет не более 7% от общей суммы, установленной в пункте 3.1 настоящего Приложения.</p>	<p>The amount of Partner's reimbursement to the Foundation is equal to 7% of the total sum specified in Article 3.1 of the present annex.</p>
<p>3.2. Партнер производит платежи Фонду в соответствии с установленным планом графиком финансовых выплат по Проекту.</p>	<p>3.2. The Partner shall produce payments to the Foundation in compliance with the Financial Schedule of the Project set forth below.</p>

План график финансовых выплат по Проекту				The Financial Schedule on the Project			
		Сумма выплат, долл. США				Amount of payments, USD	
Этапы Проекта	Аванс	Текущие Выплаты	Отложен- ный платеж	Project Stages	Advance Payment	Current Payment	Delayed Payment
1 квартал	15 000			Q1	15 000		
2 квартал		7 500		Q2		7 500	
2 квартал			7 500	Q2			7 500
<p>3.3. Порядок платежей Фонду:</p> <ul style="list-style-type: none"> <li>• авансовый платеж в размере, соответствующему уровню расходов Исполнителя и Фонда по первому этапу Проекта. Авансовый платеж должен быть осуществлен Партнером не позднее, чем за 15 банковских дней до начала работ по Проекту;</li> <li>• текущие выплаты не позднее 15 банковских дней до даты/периода окончания очередного этапа Проекта. Если Партнер направил Фонду запрос на предоставление Отчетов по этапу Проекта, то текущие выплаты производятся на следующий день после утверждения Партнером полученных отчетов.</li> </ul>				<p>3.3. The procedure of payments to the Foundation:</p> <ul style="list-style-type: none"> <li>• The prepayment produced in amount corresponding to the level of the Performing Party's expenses on the first stage of the Project. The prepayment shall be effected not later than 15 business days before initiation of actual work on the Project</li> <li>• The schedule payments shall be effected not later than 15 business days until the date/period of completion of the successive tasks of the Project. In the event that the Partner applies to the Foundation with inquiry to submit the milestone Reports, the schedule payments shall be effected on the next day upon approval of the aforementioned Reports by the Partner.</li> </ul>			
<p>3.4. Фонд, перечисливший денежные средства Организации и/или членам ВТК (далее – «Исполнитель») не несет имущественной ответственности перед Партнером за нецелевое использование полученных ими средств.</p> <p>Понесенные Партнером расходы, Исполнитель в данном случае, компенсирует из собственных средств.</p>				<p>3.4. Having produced payments to the entity or the individual participants performing the Project ("Performing Party"), the Foundation shall not be liable to the Partner for non-Project use of the transferred assets.</p> <p>In this case all expenses incurred by the Partner shall be compensated by the Performing Party out of its own assets.</p>			
<p>3.5. Партнер, одобряя Проект и перечислив средства Фонду, не несет ответственность за</p>				<p>3.5. Having approved the Project and produced payments to the Foundation, the Partner</p>			



<p>осуществление Фондом платежей непосредственно Исполнителю, если только сам не давал Фонду распоряжения о перечислении средств по Проекту.</p>	<p>shall not be liable for payments to the Performing Party effected by the Foundation unless the Partner has ordered not to finance the Project.</p>
<p>3.6. В случае если после перечисления Партнером платежей по Проекту и понесенных расходов Фонда на банковский счет Фонда, Фонд не исполняет своих обязательств, установленных Приложением 1, Фонд обязан немедленно, по письменному требованию Партнера вернуть часть от общей суммы, указанной в пункте 3 настоящего Приложения, в размере неисполненных Фондом финансовых обязательств.</p>	<p>3.6 In case the Foundation fails to fulfill its obligations under Annex 1 after the Partner has transferred Project payments and Foundation's expenses to the Foundation bank account, the Foundation shall promptly, upon the Partner's written request, return to the Partner part of the total sum mentioned in Article 3 of the present Annex 2 in the amount of the failed financial obligations of the Foundation.</p>
<p><b>4. Изменения.</b></p> <p>Настоящее приложение может быть изменено только с письменного согласия между Фондом и Партнером.</p>	<p><b>4. Amendments</b></p> <p>The present Annex may only be amended if agreed by the Foundation and the Partner in writing.</p>
<p><b>5. Прекращение.</b></p> <p>В случае прекращения финансирования Проекта в соответствии с условиями раздела 9 Соглашения о целевом финансировании научно — технического проекта, Исполнитель возвращает Фонду ранее перечисленные денежные средства, а Фонд перечисляет эти средства Партнеру после поступления на счет Фонда, за исключением фактически понесенных и подтвержденных Исполнителем и Фондом расходов.</p>	<p><b>5. Termination Of The Annex</b></p> <p>In the event that the Project is terminated in compliance with Article 9 of the Agreement the Performing Party shall return granted funds to the Foundation and the Foundation shall transfer the aforementioned assets to the Partner upon receipt, not including actual and confirmed expenses of the Foundation and the Performing Party.</p>

<p><b>В СВИДЕТЕЛЬСТВО ЧЕГО</b> Стороны составили настоящее Соглашение на английском и русском языках в двух подлинных экземплярах в день и год, установленный в Преамбуле.</p>	<p><b>IN WITNESS WHEREOF</b>, the Parties hereto have caused this Agreement to be executed in Russian and in English in duplicate on the day and year first above written.</p>
<p><b>7. Банковские реквизиты Фонда.</b></p>	<p><b>7. Bank requisites of the Foundation</b></p>

<b>Beneficiary</b>	<b>International Foundation of Technology and Investment</b>
<b>Account <sup>1</sup></b>	<b>4070384000082101022</b>
<b>Beneficiary Bank</b>	<b>Banque Societe Generale Vostok, Moscow</b>
<b>Address beneficiary bank</b>	<b>2, Yakimanskaya nab., 6 floor, 119180, Moscow, Russia</b>
<b>SWIFT</b>	<b>SOGERUMM</b>
<b>Account</b>	<b>00171352</b>
<b>Intermediary bank</b>	<b>SG NEW YORK</b>
<b>SWIFT</b>	<b>SOGEUS33</b>

**ПОДПИСИ**

**От Фонда:**

**Директор**

*[Handwritten signature]*

**On behalf of The Foundation:**

**Director**

*[Handwritten signature]*

**Yuriy I. Cherches**  
 International Foundation of Technology and Investment

**SIGNATURES**

**От Партнера:**

**Президент**

*[Handwritten signature]*  
**Charles B. Curtis**

**On behalf of the Partner:**

**President**

*[Handwritten signature]*  
**Charles B. Curtis**

## NUCLEAR THREAT INITIATIVE, INC. AWARD AGREEMENT

**ORGANIZATION:** Delhi Policy Group ("Awardee")  
**PROJECT:** Promoting Responsible Nuclear Stewardship in India  
**AWARD NO.:** 5015  
**APPROVED AMOUNT:** for up to \$230,000 over a three-year period ("Award")

1. This Award is for the specific purposes set forth in the written proposal to Nuclear Threat Initiative, Inc. ("NTI") attached hereto as Exhibit "A" (for convenience of reference, such purposes hereinafter the "Project" and such proposal hereinafter the "Proposal"), and payments received by Awardee may be expended for no other purpose without the prior written consent of NTI. In addition, the Project budget attached to and included as a part of the Proposal (the "Project Budget") may not be modified or adjusted without the prior written consent of NTI. Consistent with the foregoing, all payments received by Awardee may be expended only for charitable, scientific, literary or educational purposes ("Charitable Purposes") within the meaning of Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986, as amended (the "Code"). Awardee shall return any funds not used for the specific Charitable Purposes set forth in the attached Proposal unless Awardee has obtained NTI's prior written approval of an alternative use of the funds.
2. Awardee agrees that none of the funds covered by this Award Agreement (with all exhibits and any special stipulations, hereinafter the "Agreement") shall be used to participate in, or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office, to influence legislation, to carry on voter registration drives, to make grants to individuals or other organizations, or to undertake any nonexempt activity, when such use of the funds would be a taxable expenditure if made directly by NTI.
3. The undersigned officer of Awardee hereby certifies that Awardee is: (i) an independent, non-profit and non-governmental charitable organization for collaborative research, networking and interaction on strategic and international issues pertaining to South Asia and (ii) tax-exempt under the laws of India.
4. Awardee agrees to immediately notify NTI, in writing, if Awardee has reason to believe that the Award cannot be or continue to be expended for the specific purposes set forth in the attached Proposal.
5. In order to ensure that there is no misunderstanding by the general public regarding NTI's involvement with the Project, NTI reserves the right to, in advance, review, comment on and otherwise approve any statements, announcements or news releases proposed to be made by Awardee to the press or public regarding NTI's involvement with the Project. Awardee may, however, make reference to NTI's support of Awardee's work generally as Awardee executes the Project.
6. NTI reserves the right, prior to submission for publication, to review and comment upon any documents, manuscripts, papers, exhibits or other materials that might result from the Project. Awardee agrees to duly consider comments, suggestions or issues that NTI identifies as noteworthy or of significance. At NTI's election, NTI's support will be acknowledged in any such publication. Any such acknowledgment will indicate, "This (publication) has been supported with funds from the Nuclear Threat Initiative. Its contents represent the views, findings and opinions of the authors, and are not necessarily those of the Nuclear Threat Initiative."
7. Awardee hereby grants and NTI hereby accepts a royalty-free, nonexclusive, irrevocable and perpetual license (with a right to sublicense) to reproduce, publish and otherwise use and authorize others to reproduce, publish and otherwise use, any materials resulting from the Project.
8. Awardee shall cooperate with NTI in supplying any additional information or in complying with any laws, rules, regulations, or procedures which might be required by any governmental authority in order for NTI to comply with and establish the fact that it has observed all requirements of all laws, rules and regulations with respect to this Award.
9. Awardee agrees to keep accurate and complete books and records of receipts and expenditures made in connection with the Project. Awardee will maintain such books and records in a manner that the receipts and expenditures of Award funds will be shown separately thereon. Awardee will keep records of receipts and expenditures of Award funds as well as copies of reports submitted to NTI and supporting documentation for at least four (4) years after the completion of use of Award funds, and will make the same available to NTI for inspection as reasonably required from the time of Awardee's acceptance of this Award through such period.

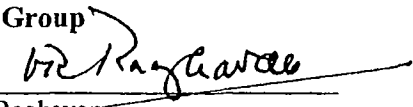
10. Both the quality of the work done and Awardee's progress toward achieving the goals of the Award will be reviewed by NTI. NTI may monitor and conduct formal evaluations of operations and progress under this Award, which may include visits from NTI personnel to observe Awardee's projects and programs and to review financial and other records and materials connected with activities financed by this Award, and Awardee agrees to timely cooperate and assist NTI with such monitoring and evaluation activities.
11. It is anticipated the Award will be paid in accordance with the disbursement schedule attached hereto as Exhibit "B".
12. Awardee is encouraged to submit intermittent updates of Project activities. These updates should be selective and succinct, while providing a sense of what the organization is accomplishing with the NTI Award.
13. In addition to the discretionary updates set forth in the foregoing section, Awardee shall provide more detailed reporting as described in Exhibit "C" hereto.
14. In the case of any violation by Awardee of any of the terms or conditions of this Award, including but not limited to not executing the Project in strict compliance with the Proposal, NTI reserves the right in its absolute discretion to terminate the Award. NTI's determination will be final and will be binding and conclusive upon Awardee. Upon termination of this Award for any reason, NTI will withhold any further payment of Award funds and all unexpended Award funds and any portion of the Award funds which was not spent for the Project shall be immediately returned to NTI.
15. Awardee shall indemnify and hold NTI, its directors, officers, employees, consultants, representatives and agents harmless from and against all third party claims, liabilities, suits, demands, losses, judgments, fines, penalties, interest, expenses and costs (including, without limitation, reasonable accounting and attorneys' fees and disbursements) which result from any breach of Awardee's representations or warranties made in relation to this Agreement, the Proposal, or the Project, or from any breach of the terms of this Agreement, or from any negligent acts or omissions of Awardee, its directors, officers, employees, consultants, representatives and agents relating to, or in any way connected with, activities conducted pursuant to this Agreement.
16. Awardee understands that there is no commitment by NTI to supply any further support for Awardee. NTI considers each request and proposal on an individual basis, and this Award is not to be construed as establishing a precedent for further support.
17. Awardee agrees to: (i) control the process whereby any individual who may use this Award, or any portion thereof, for purposes of travel or attendance at a meeting or workshop is selected and (ii) supervise such individual in carrying out the purpose for which the Award was made.
18. Awardee agrees to comply in all material respects with the requirements of all laws, rules, regulations and orders of any governmental authority relating to the Award or the Project, including, without limitation, Internal Revenue Service rules and regulations pertaining to charitable organizations and grants to foreign organizations.
19. Awardee agrees that it shall not involve as participants in the Project or otherwise use any part of the Award to enter into transactions with entities listed pursuant to the U.S. Foreign Assets Control Regulations (31 Code of Federal Regulations Parts 500-598) as ineligible to participate in transactions, directly or indirectly, with U.S. organizations and persons. NTI calls Awardee's attention to the list of entities published in the Weapons of Mass Destruction Trade Control Regulations (31 Code of Federal Regulations 539; current list attached hereto as Exhibit "D"). Awardee understands that the list may change from time to time. Prohibited transactions with the parties listed pursuant to the Weapons of Mass Destruction Trade Control Regulations and subject to this limitation include, without limitation: (i) procuring any goods, technology or services, or entering into any agreement for the procurement of any goods, technology or services from listed organizations; (ii) providing any assistance to or obligating funds for such purpose with listed organizations; or (iii) importing into the U.S. any goods, technology, or services produced or provided by listed organizations, any of the entities described in the above regulations or executive order. For entities listed pursuant to certain other Parts of the Foreign Assets Control Regulations (e.g., listed Foreign Terrorist Organizations) the prohibition covers all business transactions and funds transfers of any kind.
20. This Agreement and the exhibits attached hereto constitute the entire understanding of NTI and Awardee with respect to the subject matter hereof, and supersede all prior agreements and understandings, whether oral or written. This Agreement may not be amended or modified except in a writing signed by NTI. This Agreement shall be deemed to be made under, and in all respects shall be interpreted under and governed by, the laws of the District of Columbia, U.S.A.

The undersigned duly authorized official of Awardee accepts and agrees to, on behalf of Awardee, these terms and conditions, as of the date set forth below.

**AWARDEE:**

**Delhi Policy Group**

By:

  
V.R. Raghavan

Title: Director

Date:

30 September 2003

**Delhi Policy Group  
Nuclear Policy Stewardship Project  
Plan of Action**

This proposal is being submitted pursuant to the Board of Directors of the NTI, at its meeting on April 29, 2003, having approved funding the Delhi Policy Group's project to promote responsible nuclear stewardship in India. The decision of the Board was conveyed by the letter dated May 30, 2003, from Ms Joan B. Rohlfing, Senior Vice President for Programs and Operations at NTI.

Delhi Policy Group (DPG) is engaged in policy analysis and dissemination of policy parameters and options. It is an independent, corporate sector supported Think Tank. The DPG views national and regional security in their widest dimensions. DPG has argued consistently for restraint and responsibility in India's nuclear policy.

#### **Nuclear Weapons in India**

DPG believes that while nuclear weapons cannot be wished away from India, restraint and responsibility in their management is a critically important need. The Group has since 1998, worked towards creating awareness on nuclear risks, doctrinal issues, nuclear safety, appropriate command-control structures and nuclear deterrent stability. Nuclear weapons with India and Pakistan have given a dangerous edge to their disputes and conflicts. As the military deployment for war undertaken by the two states in 2002 showed, nuclear weapons quickly come into reckoning during military confrontation even before military action starts. There were enough signs available indicating the gap between assertions of nuclear risk management and reality of nuclear stability. It is clear that there is a need to introduce a much greater degree of restraint and responsibility in nuclear policies and practices.

#### **Project Necessity**

There has been a lively public debate in India on nuclear issues since the tests of 1998. It has however been a diverse and unfocused discourse. It also did not involve the government and its policy makers. As part of the process of correcting and influencing the nuclear discourse, Delhi Policy Group has organized a number of Round Table Discussions, encouraged debates, and written about the subject. It also took the initiative in starting a Nuclear Risk Reduction Dialogue with the Islamabad Policy Research Institute.

In our opinion, restraint and stability in nuclear policies would be greatly helped by the Nuclear Policy Stewardship Project. The project, directed at policy makers, strategic analysts, policy analysts and informed sections of public, would introduce the knowledge of best practice content to nuclear policies. DPG

believes that the mission objectives of Nuclear Threat Initiative would also be significantly enhanced through funding such a project in India.

### **Project Strategy**

The proposed project will aim to introduce the necessary focus and sharpness in the Indian nuclear debate. This will be done by aiming the project at policy making thresholds and the strategic community in India. It will involve the policy making establishment in the project, by offering it a medium/platform to explain policy imperatives to the larger community of strategic analysts, academia, military officers and media. It will involve defense policy planners and implementers by making them part of the project activities. This innovative and interactive approach would bridge the gap between the government and non government parts of the strategic community. This will set a new trend towards government sharing policy considerations with the strategic community, thus making for a constructive interactive exercise. In the process, the importance of responsible and restrained nuclear policies would be positioned as a prime need in nuclear India. Once the need is recognized, the Project will begin to deliver in terms of government policy initiatives towards restraint and responsibility. This requires a sustained effort, spread over three years to start with. The project will be primarily conducted in New Delhi. Some events/activities would be conducted in other metropolitan centers.

### **Project Objectives**

Nuclear Policy Stewardship Project will work to obtain the following objectives:-

- Introduce restraint and responsibility in nuclear policy.
- Initiate a constructive interface between the policy establishment and strategic community.
- Encourage initiation of specific policy measures towards nuclear restraint and confidence building within and around India.
- Build a tradition of confidence and trust between government and non government elements of strategic thinkers.
- Facilitate a greater interaction between nuclear analysts/experts in India and US and Europe.
- Build and sustain a corpus of published material on nuclear risks and restraint.
- Enlarge the existing network of analysts, scientists, military and civilian officials, as a constituency for nuclear policy restraint.

### **Project Deliverables**

The Project will produce the following quantifiable output:-

- Conduct workshops, seminars, lectures, public discussions on nuclear policy stewardship incorporating the themes listed below.
- Build a corpus of publications based on the activities listed above. It will bring out easily understandable reading material on nuclear strategy, risks and nuclear organizations for parliamentarians, bureaucrats, and the informed public. The project will juxtapose Indian positions on the subjects with global nuclear situations to highlight the need for policy restraint. These will be in the form of material in print and on CDs.
- Produce periodic assessments on the nuclear regimes and Indian responses to them, e.g.; the Conference on Disarmament, NPT, CTBT, Nuclear Supplier Group etc.
- Produce through lectures and other public pronouncements, the government's acknowledgment of the need for policy and doctrinal restraint in nuclear matters.

### Project Themes

The Nuclear Policy Stewardship Project will be conducted to develop policy choices and directions on carefully selected themes. These are listed below:-

- **Nuclear Doctrine.** In this the doctrinal needs of India will be harmonized with the international context of nuclear stability. Doctrinal refinements and possibilities in building doctrinal restraint will be emphasized..
- **Nuclear Security & Stability.** This will include concepts and best practices needed to enhance the quality and scope of nuclear arsenal, security and safety.
- **Nuclear Command & Control.** India's nuclear Command & Control structures are still evolving. The project will assist in speeding the process to a higher and effective level.
- **Restraint Regimes, CBMs.** Nuclear restraint regime is yet to develop as a concept in Indian policy making. Nuclear CBMs have also yet to be put into place. The means and measures for this would be developed through the project.

### Project Collaboration

A project of this importance will require collaborating with a number of individuals and organizations. That would bring together the best talent and experience in India into a cohesive enterprise. DPG has wide ranging contacts and goodwill to ensure that the Project has the support and active participation of an integrated group of experts. These would range from former senior members from Foreign Service, defense services, legislators, nuclear scientists, members of National Security Advisory Board, and independent strategic analysts. Arms Control &



Disarmament departments of the government as also Universities will also be co-opted in the work. DPG has in the past liberally utilized such talent in its other projects, and has the confidence to draw in the best talents and expertise in India.

The Project will also use the experience and expertise of individuals and institutions outside India. Individuals who have held critically important assignments in nuclear policy planning and execution would be brought to India for lectures and meetings. Funding would be a constraint in this in view of high costs of travel. It would however be possible to utilize the expert visitors' programs of the US, UK and France to bring some experts to India to participate in the project. DPG would welcome suggestions from NTI on this.

### **Project Time Table**

- **First Year, 2004-2005:** On funds being received, it will take three or four months to go through a start up process. This would include organizing the Advisory Committee, taking on staff, obtaining the minimal office equipment, and announcing the Project objectives and purposes. It is proposed to hold a seminar with foreign and Indian participants, including officials of concerned ministries. Such a seminar will produce all round impact both in terms of the Project purpose being disseminated and creating awareness of its scope and value. Such a seminar will take up to nine months to organize and conduct. In the interim, a series of Round Tables, consultation meets and papers will be set in motion to involve the official and non governmental circles in the Project as partners. A conference to draw in experts from outside Delhi will be organised to commence building a network of nuclear thinkers in the country. The first year would also see the commencement of work on Project publications. A project website would be launched as part of the DPG website.
- **Second Year, 2005-2006:** The Project awareness and its USP having been established in the first year, the following year will see the focus shifting to nuclear policies and plans. Doctrinal, command and control, and safety issues will be the themes to be emphasized. Publications on these themes will be brought out and widely disseminated. The year will also be used to develop thrusts towards nuclear policy initiatives which build confidence and demonstrate official resolve to follow responsible nuclear policies. The tendencies towards irresponsible nuclear rhetoric and careless use of nuclear threats will be highlighted. The second year will see a strong use of the seminar, lecture and conference mediums to spread the message of nuclear risks emerging through flawed policies. Project publications effort would be increased.
- **Third Year, 2006-2007:** The third year of the Project will be used to consolidate the gains made in the first two years. The emphasis will be on increased governmental involvement in the Project's purpose. The Project

would encourage the Government to use it as a medium to explain its policies and their restraint content. This period will see the maximum output in Project publications and teaching aids.

### **Project Guidance & Assessment**

We recommend that an assessment of the gains made by the Project be undertaken after 18 months of its commencement. That will enable a fine tuning of the second half of the Project. Towards this end, a group comprising a representative of the DPG, NTI and a mutually agreed choice of an expert could be formed to undertake the audit. This group will examine the work, output, and impact made by the Project in the light of its objectives.

### **Project Funding**

NTI's Board has approved supporting the project at US \$ 230,000 over a three year period. We recommend the Project to commence from April 2004. Funding should be made in three annual parts. The breakdown of the amounts required each year have been shown at the Enclosure. Grant sought for the first year is higher to cater for start up costs.

Delhi Policy Group is authorized by the Government of India to receive funds from Funding Organizations. It has permission under the Foreign Currency Regulatory Act to operate such accounts.

### **Project Director**

The Nuclear Policy Stewardship Project will be led by me.



**Lt Gen (Retd.) V R Raghavan  
Director  
Delhi Policy Group  
New Delhi**

*24 July 2003*

Enclosure

**NUCLEAR POLICY STEWARDSHIP PROJECT  
BUDGET ALLOCATION**

S.N.	Categories	Annual Cost in \$	Percentage Distribution
1	Meetings, Round Tables; Seminars and Workshops	42,000	54.70%
2	Printing, Publishing & Dissemination	7,000	9.13%
3	Office Supplies - telephone, fax, stationery, computers maintenance, postage etc. - Office Rent, Electricity/Water & Maint. charges	5,000	6.52%
4	Salaries Salaries + Staffing 1 Project Director 1 Project Coordinator 1 Programme Officer <u>Secretariat</u> 1 Office Secretary 1 Office Assistant 1 Accountancy Services of a Chartered Accountant (C.P.A.)	} 19,800	26.00%
5	Miscellaneous Expenses	2,800	3.65%
	<b>Total Cost for one Year</b>	<b>76,600</b>	<b>100.00%</b>
	Add Office equipments i.e. computers, scanner, printers etc. one time purchase	3,000	
	<b>First year cost</b>	<b>79,600</b>	
	<b>Total project costs for 3 years</b>	<b>230,000</b>	

Exhibit "B"**Tentative Disbursement Schedule**

Subject to the terms and conditions of the Agreement, it is anticipated the Award will be disbursed as follows:

<b>Tentative Disbursement Date</b>	<b>Tentative Installment Amount</b>
9/30/03	\$79,600
9/30/04	\$75,200
9/30/05	\$75,200

Exhibit "C"**Nuclear Threat Initiative, Inc.  
Reporting Guidelines**

At the end of each Award year and at such time as the Award funds are fully expended, NTI requires for its records an annual or final report, as appropriate, which will: (i) describe in narrative fashion what was achieved with the Award funds; and (ii) provide a full financial accounting of the Award.

**I. Narrative Report**

Each narrative report should briefly (no more than five pages) summarize how the Award was used and the results which were achieved. The report will be used by NTI staff to evaluate and to provide an overview of your work for our Board of Directors. The following list, insofar as relevant to our Award to your organization, may provide guidance in the preparation of your reports:

- a. Did the Project achieve the objectives outlined in your organization's Proposal? If not, how did the results vary from these objectives? Explain any milestones that have been achieved. How do you view the future of the Project?
- b. What developments or implementations of solutions to the problems addressed by this Award have occurred because of this Project? What, if anything, has/is occurring in the field that has changed the climate surrounding the issue?
- c. Describe the tangible results of the project. What did the Project "produce"? (e.g. payment of salaries, print publications, meetings)
- d. Describe the Project's impact on the issues being addressed. What supporting information demonstrates the Project's impact?
- e. Submit copies of significant reports, books, articles or media productions that stem from your efforts in connection with the Award.
- f. For interim reports on multi-year Awards only: Describe the Project activities to be conducted in the next year and provide an updated budget for those activities as part of the financial report (see below). If you have previously submitted a Project Budget for the next Award year, what modifications, if any, do you expect to make to the Project Budget?

**II. Financial Report**

Each financial report should be detailed as possible and include the following:

- a. A line item comparison of budgeted versus actual expenses as they relate *specifically to our Award*.
- b. A statement certifying that all Award funds were expended for the purposes of the Award. If the entire Award has not been expended, please explain proposed usage of the unexpended amount.
- c. An explanation of any variations from the Project Budget submitted with your organization's Proposal.
- d. A brief summary of any fundraising for the Project, including a description of any unexpected shortfalls or surpluses. Did this grant assist your organization in leveraging funds from other sources? If not, why not?

**III. Delivery of the Narrative and Financial Report**

The reports described above are due, with respect to annual reports, within thirty (30) days of the anniversary of this Agreement (see agreement date), and with respect to the final report, within sixty (60) days of the date on which the Award funds are fully expended. Such reports should be sent to:

Joan Rohlfing, Senior Vice President for Programs and Operations  
Nuclear Threat Initiative, Inc.  
1747 Pennsylvania Avenue NW  
7th Floor  
Washington, DC 20006

**EXHIBIT "D"****Selected Entities Subject to  
31 Code of Federal Regulations Part 539 "WMD Trade Control Regulations."**

BALTIC STATE TECHNICAL UNIVERSITY, wherever located, including 1/21, 1-ya Krasnoarmeiskaya Ul., 198005 St. Petersburg, Russia [63 FR 42089, July 30, 1998]

CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CPMIEC), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhuo City, Fujan Province, China [July 30, 2003]

CPMIEC (a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhuo City, Fujan Province, China [July 30, 2003]

D. MENDELEYEV UNIVERSITY OF CHEMICAL TECHNOLOGY OF RUSSIA, wherever located, including 9 Miusskaya Sq., Moscow 125047, Russia [64 FR 2935, January 8, 1999]

ENTEK (a.k.a. NIKIET; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

EUROPALACE 2000, wherever located, including Moscow, Russia [63 FR 42089, July 30, 1998]

GLAVKOSMOS, wherever located, including 9 Krasno proletarskaya St., 103030 Moscow, Russia [63 FR 42089, July 30, 1998]

GRAFIT (a.k.a. NIIGRAFIT; a.k.a. STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE), wherever located, including 2 Ulitsa Elektrodnyaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]

KHAN RESEARCH LABORATORIES, Pakistan [68 FR 16114, April 2, 2003, effective March 24, 2003]

MAI (a.k.a. MOSCOW AVIATION INSTITUTE), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MOSCOW AVIATION INSTITUTE (a.k.a. MAI), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MOSO COMPANY, wherever located, including Moscow, Russia [63 FR 42089, July 30, 1998]

NIIGRAFIT (a.k.a. GRAFIT; a.k.a. STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE), wherever located, including 2 Ulitsa Elektrodnyaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]

NIKIET (a.k.a. ENTEK; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

NORINCO (a.k.a. NORTH CHINA INDUSTRIES CORPORATION), China [68 FR 28314, May 23, 2003 – effective May 9, 2003]

NORTH CHINA INDUSTRIES CORPORATION (a.k.a. NORINCO), China [68 FR 28314, May 23, 2003 – effective May 9, 2003]

RDIPE [RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING] (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE] (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

SHAHID HEMMAT INDUSTRIAL GROUP, Iran [68 FR 28315, May 23, 2003 – effective May 9, 2003]

STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE (a.k.a. GRAFIT; a.k.a. NIIGRAFIT), wherever located, including 2 Ulitsa Elektrodnyaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]

THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

**Melissa Sarver**

---

**From:** Rhonda Dill  
**Sent:** Monday, October 06, 2003 12:31 PM  
**To:** Melissa Sarver  
**Subject:** Award #5015

Melissa,

Per Joan, the Delhi Policy Group award should begin Sept 30, 2003 and end Sept 30, 2006.

Rhonda Dill  
Executive Assistant to the Senior Vice President  
Nuclear Threat Initiative (NTI)  
1747 Pennsylvania Avenue, NW  
7th Floor  
Washington, DC 20006  
202-454-7712



## NUCLEAR THREAT INITIATIVE, INC. AWARD AGREEMENT

<b>ORGANIZATION:</b>	Institute of Peace and Conflict Studies ("Awardee")
<b>PROJECT:</b>	Support for the Institute's work on WMD in South Asia
<b>AWARD NO.:</b>	5026
<b>APPROVED AMOUNT:</b>	for up to \$150,000 ("Award")
<b>EFFECTIVE DATE:</b>	date of execution of Award Agreement by Awardee

1. This Award is for the specific purpose of supporting the Institute's activities and programming related to WMD in South Asia, as more fully described on the written proposal from Awardee to the Nuclear Threat Initiative, Inc. ("NTI") attached hereto as Exhibit "A" (for convenience of reference, such purposes hereinafter the "Project" and such proposal hereinafter the "Proposal"), and payments received by Awardee may be expended for no other purpose without the prior written consent of NTI. In addition, the Project budget attached to the Proposal (the "Project Budget") may not be materially modified or adjusted without the prior written consent of NTI. Consistent with the foregoing, all payments received by Awardee may be expended only for charitable, scientific, literary or educational purposes ("Charitable Purposes") within the meaning of Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1986, as amended (the "Code"). Awardee shall return any funds not used for the specific Charitable Purposes set forth in the attached Proposal unless Awardee has obtained NTI's prior written approval of an alternative use of the funds. The project shall be completed on or before December 31, 2006, unless awardee requests and receives approval from NTI for an extension.
2. Awardee agrees that none of the funds covered by this Award Agreement (with all exhibits and any special stipulations, hereinafter the "Agreement") shall be used to participate in, or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office, to influence legislation, to carry on voter registration drives, to make grants to individuals or other organizations, or to undertake any nonexempt activity, when such use of the funds would be a taxable expenditure if made directly by NTI.
3. The undersigned officer of Awardee hereby certifies that Awardee is: (i) an independent, non-profit and non-governmental charitable organization for collaborative research, networking and interaction on strategic and international issues pertaining to South Asia and (ii) tax-exempt under the laws of India.
4. Awardee agrees to immediately notify NTI, in writing, if Awardee has reason to believe that the Award cannot be or continue to be expended for the specific purposes set forth in the attached Proposal.
5. In order to ensure that there is no misunderstanding by the general public regarding NTI's involvement with the Project, NTI reserves the right to, in advance, review, comment on and otherwise approve any statements, announcements or news releases proposed to be made by Awardee to the press or public regarding NTI's involvement with the Project. Awardee may, however, make reference to NTI's support of Awardee's work generally as Awardee executes the Project. If Awardee chooses to acknowledge NTI's support for the WMD Module, any such acknowledgment will indicate, "This website has been supported with funds from the Nuclear Threat Initiative. Its contents represent the views, findings and opinions of the authors, and are not necessarily those of the Nuclear Threat Initiative."
6. Awardee will have editorial control and responsibility over data and actual information contained in the WMD Module on the Awardee's website, as well as other printed publications developed with NTI support.
7. Awardee hereby grants and NTI hereby accepts a royalty-free, nonexclusive, irrevocable and perpetual license to reproduce, publish and otherwise use (including, without limitation, on NTI's own website) original works appearing on the WMD Module on or before December 31, 2006 which are created by or otherwise proprietary to Awardee. Awardee and NTI agree the following language shall be placed at the conclusion of any Awardee content posted on the NTI website: "The provision of material herein is a free service published for the Nuclear Threat Initiative, which is dedicated to assisting and supporting activities which strengthen global security by reducing the risk of use, and preventing the spread of nuclear, biological and chemical weapons. The material hereunder is produced independently by the Institute of Peace and Conflict Studies, New Delhi, India. Any views, findings or opinions contained herein reflect the views, findings or opinions of the authors, and are not necessarily those of the Nuclear Threat Initiative."

8. Awardee shall cooperate with NTI in supplying any additional information or in complying with any laws, rules, regulations, or procedures which might be required by any governmental authority in order for NTI to comply with and establish the fact that it has observed all requirements of all laws, rules and regulations with respect to this Award.
9. Awardee agrees to keep accurate and complete books and records of receipts and expenditures made in connection with the Project. Awardee will maintain such books and records in a manner that the receipts and expenditures of Award funds will be shown separately thereon. Awardee will keep records of receipts and expenditures of Award funds as well as copies of reports submitted to NTI and supporting documentation for at least four (4) years after the completion of use of Award funds, and will make the same available to NTI for inspection as reasonably required from the time of Awardee's acceptance of this Award through such period.
10. Both the quality of the work done and Awardee's progress toward achieving the goals of the Award will be reviewed by NTI. NTI may monitor and conduct formal evaluations of operations and progress under this Award, which may include visits from NTI personnel to observe Awardee's projects and programs and to review financial and other records and materials connected with activities financed by this Award, and Awardee agrees to timely cooperate and assist NTI with such monitoring and evaluation activities.
11. It is anticipated the Award will be paid in accordance with the disbursement schedule attached hereto as Exhibit "B".
12. Awardee is encouraged to submit intermittent updates of Project activities. These updates should be selective and succinct, while providing a sense of what the organization is accomplishing with the NTI Award.
13. In addition to the discretionary updates set forth in the foregoing section, Awardee shall provide more detailed reporting as described in Exhibit "C" hereto.
14. In the case of any violation by Awardee of any of the terms or conditions of this Award, including but not limited to not executing the Project in strict compliance with the Proposal, NTI reserves the right in its absolute discretion to terminate the Award. NTI's determination will be final and will be binding and conclusive upon Awardee. Upon termination of this Award for any reason, NTI will withhold any further payment of Award funds and all unexpended Award funds and any portion of the Award funds which was not spent for the Project shall be immediately returned to NTI.
15. Awardee shall indemnify and hold NTI, its directors, officers, employees, consultants, representatives and agents harmless from and against all third party claims, liabilities, suits, demands, losses, judgments, fines, penalties, interest, expenses and costs (including, without limitation, reasonable accounting and attorneys' fees and disbursements) which result from any breach of Awardee's representations or warranties made in relation to this Agreement, the Proposal, or the Project, or from any breach of the terms of this Agreement, or from any negligent acts or omissions of Awardee, its directors, officers, employees, consultants, representatives and agents relating to, or in any way connected with, activities conducted pursuant to this Agreement.
16. Awardee understands that there is no commitment by NTI to supply any further support for Awardee. NTI considers each request and proposal on an individual basis, and this Award is not to be construed as establishing a precedent for further support.
17. Awardee agrees to: (i) control the process whereby any individual who may use this Award, or any portion thereof, for purposes of travel or attendance at a meeting or workshop is selected and (ii) supervise such individual in carrying out the purpose for which the Award was made.
18. Awardee agrees to comply in all material respects with the requirements of all laws, rules, regulations and orders of any governmental authority relating to the Award or the Project, including, without limitation, Internal Revenue Service rules and regulations pertaining to charitable organizations and grants to foreign organizations.
19. Awardee agrees that it shall not involve as participants in the Project or otherwise use any part of the Award to enter into transactions with entities listed pursuant to the U.S. Foreign Assets Control Regulations (31 Code of Federal Regulations Parts 500-598) as ineligible to participate in transactions, directly or indirectly, with U.S. organizations and persons. NTI calls Awardee's attention to the list of entities published in the Weapons of Mass Destruction Trade

Control Regulations (31 Code of Federal Regulations 539; current list attached hereto as Exhibit "D"). Awardee understands that the list may change from time to time. Prohibited transactions with the parties listed pursuant to the Weapons of Mass Destruction Trade Control Regulations and subject to this limitation include, without limitation: (i) procuring any goods, technology or services, or entering into any agreement for the procurement of any goods, technology or services from listed organizations; (ii) providing any assistance to or obligating funds for such purpose with listed organizations; or (iii) importing into the U.S. any goods, technology, or services produced or provided by listed organizations, any of the entities described in the above regulations or executive order. For entities listed pursuant to certain other Parts of the Foreign Assets Control Regulations (e.g., listed Foreign Terrorist Organizations) the prohibition covers all business transactions and funds transfers of any kind.

20. This Agreement and the exhibits attached hereto constitute the entire understanding of NTI and Awardee with respect to the subject matter hereof, and supersede all prior agreements and understandings, whether oral or written. This Agreement may not be amended or modified except in a writing signed by NTI. This Agreement shall be deemed to be made under, and in all respects shall be interpreted under and governed by, the laws of the District of Columbia, U.S.A.

The undersigned duly authorized official of Awardee accepts and agrees to, on behalf of Awardee, these terms and conditions, as of the date set forth below (the "Effective Date").

**AWARDEE:**

**Institute of Peace and Conflict Studies**

By: *D Banerjee*

Maj. Gen Dipankar Banerjee (Retd.)

**Title:** Director

**Date:** 23 Nov 2004

Institute of Peace and Conflict Studies  
New Delhi, INDIA

Proposal for a Project to

**Address the threat from Weapons  
of Mass Destruction in South Asia**

November 2004

## Project Proposal

The Institute of Peace and Conflict Studies (IPCS) requests a grant for an amount of \$150,000 for a period of two years to support its ongoing research activities focusing on South Asian security issues addressing in particular the threat of weapons of mass destruction. The activities will include dissemination of information through its website; organizing discussion groups/seminars/conferences that generate a debate and create better understanding of issues.

### The Institute of Peace and Conflict Studies

The IPCS was established in August 1996 as an independent think tank devoted to studying security issues relating to South Asia. The object was to develop a comprehensive approach to security from the perspective of peace, disarmament and non-proliferation. It was to take a non-official view of security and propagate its findings through the web. Institute has steadily enlarged the range of its activities since inception. Apart from analyzing the existing approaches to security, the Institute has made several forays into evolving alternate approaches to security relevant to India and the world with the intention of promoting a harmonious and secure regional and global order.

The Objectives of the Institute are to:

- Conduct independent research on conventional and non-conventional security issues and share its findings with policy makers and the public.
- Provide a forum for the strategic community to examine and discuss current strategic issues and consider alternatives.
- Build capacity among young scholars for greater refinement of their analysis of South Asian Security issues.

The Institute's activities reflect the various programs that are underway. These include:-

#### The IPCS Website – [www.ipcs.org](http://www.ipcs.org)

The first interactive website in South Asia it was launched on 15 August 1997 to commemorate the fiftieth year of India's independence. Within a few years the site has been recognized in the region and the academic world for its accuracy in content, regular updates and user-friendly presentation; Encyclopedia Britannica is one of the many institutions that have acknowledged the quality and accuracy of information on the website. It remains the leading site on security issues in South Asia. The site currently receives about 350,000 hits per month.

The most visited section on the site is the WMD portal, supported by a grant from the Nuclear Threat Initiative. The portal has over 200 articles in addition to a news archive since August 1998 and an exhaustive bibliography and documents sections. This information

relate mainly to issues about and affecting South Asia. It is proposed to strengthen and expand this portal with support from this project.

### Discussion Group

The IPCS Discussion Group meetings are brain storming sessions amongst a group of eminent security analysts and practitioners. This Group has now grown into a body of over one hundred scholars, media persons and former officials belonging to the civil and military services. Serving officials join the Group on a routine basis and enhance the urgency and policy relevance of issues under discussion. It also enables a quicker feedback of the Institute's research findings in to official policy. In view of the experience and eminence of the members of the Group, the Institute has often set up background briefings for serving officials, especially from the armed forces, ministries of the government of India and visiting delegations from foreign countries.

The IPCS has conducted as much as 33 seminars and panel discussions in recent years on WMD issues. This apart, the program has also provided a forum for international conferences and meetings that has included interactions with delegations from ACDIS (1998), The Asia Society (2001), US Academy of Sciences (2001), Australian College of Defence Studies (2001), The Brookings Institute (2000 and 2002), Bangladesh Institute of Strategic Studies (2001), Institute of Regional Studies-Islamabad (2001), the US Air War College (2004), Parliamentary delegations from various countries and others.

### Projects

The IPCS has undertaken numerous research projects in collaboration with organizations like the Ford Foundation, Japan Foundation, Konrad Adeneur Foundation, Friedrich Ebert Stiftung and United States Institute of Peace apart from Indian agencies including the Ministry of External Affairs and the Associated Chambers of Commerce and Industry of India (ASSOCHAM).

In recent years the IPCS has established itself as a premier research organization in India working on issues relating to weapons of mass destruction among other peace and security issues in the region. In fact, it is the only organization of its kind in South Asia that offers comprehensive study on the subjects of chemical, biological and nuclear weapons with news, views as well as debates. The Institute has done three projects with the Indian Ministry of External Affairs relating to:-

- Bio-Terrorism and Bio-Defence. *Ongoing.*
- Biological Weapons: Conflicting Political and Economic Interests. *Completed 2003*
- Verification of the Biological and Toxin Weapons Convention (BTWC). *Completed 2002*

Another ongoing project relates to capacity building on issues relating to weapons of mass destruction in South Asia. This project, supported by the Ploughshares Fund, is for a period

of one year (Jan-Dec 2004) and provides internship opportunities for young scholars working on the subjects of nuclear disarmament, NBC weapons, NBC terrorism and arms control.

### **Publications**

The research team at IPCS has brought out various books, contributed chapters in books and submitted articles in journals that have been published by commercial publishing houses. In addition the IPCS brings out the following publications at regular intervals: *Peace and Conflict*, *IPCS Issue Brief*, *IPCS Policy Brief*, *IPCS Topical Series* and *IPCS Research Papers*.

### **Research Staff**

The Institute presently has one Director, one Research Professor, one Deputy Director, two Assistant Directors and a research team of ten researchers. The Institute has the capacity to train four interns simultaneously each with varying periods of attachment from four weeks to a maximum of six months. The Institute also avails of the services of a professional web technician to manage the IPCS web site and professional copyeditors. For additional research activities and projects, the Institute depends on contracted scholars to exploit the available talent pool without increasing its permanent staff.

### **The Grant Request**

Since its inception, the IPCS has been funded by various grant making foundations. The current grants supporting the activities of the IPCS have been provided by the W Alton Jones Foundation, Ford Foundation and Ploughshares Fund. The Institute now seeks funding to carry on its activities that were made possible by earlier contributions from these foundations.

The current proposal seeks funding for the Institute's website and other activities that relate to reducing the threat from weapons of mass destruction. The amount requested is US \$ 150,000 for a period of two years (January 2005 to December 2006).

### **Objectives of the Grant**

The objectives of this project include maintaining the IPCS website, organizing discussion groups/seminars/conferences and supporting IPCS publications which aim at reducing the threat from weapons of mass destruction. In particular the project will support the following activities of the Institute:-

- Maintain the IPCS Web site <ipcs.org>.
- Hold discussions, seminars, conferences and other disseminating activities with the object of generating an awareness of alternate security policies for the region.

- Inform the strategic community about issues relating to arms control, disarmament and weapons of mass destruction in South Asia.
- Provide a forum for the strategic community to express its views. The website carries articles written by academics, retired military personnel and bureaucrats, journalists and is especially intended to encourage young scholars.
- Continue developing databases of primary documents containing statements and speeches made by the principal actors in South Asia and Reports published by Governments.
- Publish reports of Seminars and Conferences organized by the Institute on contemporary security issues.
- To stimulate debates pertinent to South Asian security and bring them to the notice of a wider audience.
- To build capacity among young scholars in South Asia and the world with opportunities for internships and other guidance in order to develop an alternate paradigm of security.

#### The Grant Request

**The proposal solicits an amount of US\$ 150,000 for a period of two years (January 2005 to December 2006). The amount is requested in two installments; the first by December 2004 and the second and final installment by September 2005.**

#### Budget

The breakup of annual anticipated expenditure is provided at Annexure attached. It is requested that the grant is made in two equal annual installments. The first installment may please be forwarded by Dec 15, 2004. The second installment may please be sent by September 15, 2005. Both area requested by wire transfer direct to the Institute's accounts.

#### Evaluation

The website's success will be determined by the number of 'hits' and visitors the site receives in addition to individual responses received from members of the academic and government institutions. Currently the website averages over 350,000 hits per month.

The success of the IPCS publications would be determined by the number of publications brought out during the project period, as also its circulation.

The success of the discussion groups would be determined by the number of debates, seminars and conferences that the Institute is able to organize on the subject.

#### References



References of the Institute's work may be obtained from the following distinguished scholars in the US:-

1. **George Perkovich**  
Vice President  
Carnegie Endowment for International Peace  
1779 Massachusetts Ave. NW  
Washington D.C. 20036-2103, USA  
Phone: 202-483-7600 Fax 202.483.1840
  
2. **Michael Krepon**  
Founding President  
Stimson Center  
11 Dupont Circle, Suite 900,  
Washington, D.C. 20036, USA  
Phone: 202-223-5956
  
3. **Prof. Stephen Cohen**  
Senior Research Fellow  
The Brookings Institution  
1775 Massachusetts Avenue, NW  
Washington, DC 20036, USA  
Tel: 202-797-6015

## ANNUAL BUDGET

Ser.	Heads	Anticipated Costs in US \$ for one year
1.	Web Site; hire of cyber space, dedicated internet facilities, essential programs and membership costs.	5,000/
2.	Communication costs	5,000/
3.	Staff Expenses and salaries	30,000/
4.	Office expenses including rents and upkeep	25,000/
5.	Publications	2,000/
6.	Computers and essential office equipment, including maintenance and servicing	8,000/
	Total	75,000/ Seventy five Thousand dollars only

Exhibit "B"**Tentative Disbursement Schedule**

Subject to the terms and conditions of the Agreement, it is anticipated the Award will be disbursed as follows:

<b>Tentative Disbursement Date</b>	<b>Tentative Installment Amount</b>
12 / 01 / 04	\$75,000
9 / 01 / 05	\$75,000

Exhibit "C"**Nuclear Threat Initiative, Inc.  
Reporting Guidelines**

At the end of each Award year and at such time as the Award funds are fully expended, NTI requires for its records an annual or final report, as appropriate, which will: (i) describe in narrative fashion what was achieved with the Award funds, and (ii) provide a full financial accounting of the Award.

**I. Narrative Report**

Each narrative report should briefly (no more than five pages) summarize how the Award was used and the results which were achieved. The report will be used by NTI staff to evaluate and to provide an overview of your work for our Board of Directors. The following list, insofar as relevant to our Award to your organization, may provide guidance in the preparation of your reports:

- a. Did the Project achieve the objectives outlined in your organization's Proposal? If not, how did the results vary from these objectives? Explain any milestones that have been achieved. How do you view the future of the Project?
- b. What developments or implementations of solutions to the problems addressed by this Award have occurred because of this Project? What, if anything, has/is occurring in the field that has changed the climate surrounding the issue?
- c. Describe the tangible results of the project. What did the Project "produce"? (e.g. payment of salaries, print publications, meetings)
- d. Describe the Project's impact on the issues being addressed. What supporting information demonstrates the Project's impact?
- e. Submit copies of significant reports, books, articles or media productions that stem from your efforts in connection with the Award.
- f. For interim reports on multi-year Awards only: Describe the Project activities to be conducted in the next year and provide an updated budget for those activities as part of the financial report (see below). If you have previously submitted a Project Budget for the next Award year, what modifications, if any, do you expect to make to the Project Budget?

**II. Financial Report**

Each financial report should be detailed as possible and include the following: (See the attached Sample Financial Report)

- a. A line item comparison of budgeted versus actual expenses as they relate *specifically to our* Award.
- b. A statement certifying that all Award funds were expended for the purposes of the Award. If the entire Award has not been expended, please explain proposed usage of the unexpended amount.
- c. An explanation of any variations from the Project Budget submitted with your organization's Proposal.
- d. A brief summary of any fundraising for the Project, including a description of any unexpected shortfalls or surpluses. Did this grant assist your organization in leveraging funds from other sources? If not, why not?

**III. Delivery of the Narrative and Financial Report**

The reports described above are due, with respect to annual reports, within thirty (30) days of the anniversary of the Effective Date, and with respect to the final report, within sixty (60) days of the date on which the Award funds are fully expended. Such reports should be sent to:

Joan Rohlfing, Senior Vice President for Programs and Operations  
Nuclear Threat Initiative, Inc.  
1747 Pennsylvania Avenue NW  
7th Floor  
Washington, DC 20006

<b>Grantee Name:</b> <b>Project Name:</b> <b>Award Number:</b> <b>Period of Report:</b>
--

<u>Line Item(s) - sample categories</u>	<u>Budgeted</u>	<u>Actual Expenses</u>	<u>Variance*</u>
Salary and Benefits			\$0.00
Consulting Fees			\$0.00
Supplies			\$0.00
Telecommunications			\$0.00
Postage and Shipping			\$0.00
Travel			\$0.00
Conferences and Meetings			\$0.00
Overhead			\$0.00
<b>TOTAL</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

All award funds were expended for the purposes of this Award.\*\*

\_\_\_\_\_

Print Name and Title

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\*Please explain any variations from the project budget submitted with your organization's proposal:

\*\*If the entire award has not been expended, please explain proposed usage of the unexpended amount:

Please provide a brief summary of any fundraising for the project, including a description of any unexpected shortfalls and surpluses. Did this grant assist you organization in leveraging funds from other sources, If not, why not?

Electronic version available upon request.

EXHIBIT "D"**Selected Entities Subject to  
31 Code of Federal Regulations Part 539 "WMD Trade Control Regulations."**

BALTIC STATE TECHNICAL UNIVERSITY, wherever located, including 1/21, 1-ya Krasnoarmeiskaya Ul., 198005 St Petersburg, Russia [63 FR 42089, July 30, 1998]

CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CPMIEC), wherever located, including 3/F, Minxing Building No 190, 817 (North) Road, Fuzhuo City, Fujan Province, China [July 30, 2003]

CPMIEC (a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhuo City, Fujan Province, China [July 30, 2003]

D. MENDELEYEV UNIVERSITY OF CHEMICAL TECHNOLOGY OF RUSSIA, wherever located, including 9 Miusskaya Sq., Moscow 125047, Russia [64 FR 2935, January 8, 1999]

ENTEK (a.k.a. NIKIET; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

EUROPALACE 2000, wherever located, including Moscow, Russia [63 FR 42089, July 30, 1998]

GLAVKOSMOS, wherever located, including 9 Krasnoproletarskaya St., 103030 Moscow, Russia [63 FR 42089, July 30, 1998]

GRAFIT (a.k.a. NIIGRAFIT; a.k.a. STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE), wherever located, including 2 Ulitsa Elektrodnaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]

KHAN RESEARCH LABORATORIES, Pakistan [68 FR 16114, April 2, 2003, effective March 24, 2003]

MAI (a.k.a. MOSCOW AVIATION INSTITUTE), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MOSCOW AVIATION INSTITUTE (a.k.a. MAI), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MOSO COMPANY, wherever located, including Moscow, Russia [63 FR 42089, July 30, 1998]

NIIGRAFIT (a.k.a. GRAFIT; a.k.a. STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE), wherever located, including 2 Ulitsa Elektrodnaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]

NIKIET (a.k.a. ENTEK; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

NORINCO (a.k.a. NORTH CHINA INDUSTRIES CORPORATION), China [68 FR 28314, May 23, 2003 – effective May 9, 2003]

NORTH CHINA INDUSTRIES CORPORATION (a.k.a. NORINCO), China [68 FR 28314, May 23, 2003 – effective May 9, 2003]

RDIPE [RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING] (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE] (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

SHAHID HEMMAT INDUSTRIAL GROUP, Iran [68 FR 28315, May 23, 2003 – effective May 9, 2003]

STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE (a.k.a. GRAFIT; a.k.a. NIIGRAFIT), wherever located, including 2 Ulitsa Elektrodnyaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]

THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

настоящим договорились о  
нижеизложенном:

## 1. Предмет Приложения № 1 Часть II

1.1. Предметом Приложения №1 Часть II является определение порядка целевого финансирования Проекта Фондом из средств, предоставляемых Партнером в пользу Фонда и установление порядка предоставления отчетности Исполнителя перед Фондом.

Стороны определили, что Исполнителем Проекта является Организация, подавшая заявку на финансирование Проекта в Фонд, далее «Организация» и физические лица, объединившиеся на основе общности целей во временный творческий коллектив и участвующие в Проекте, далее – «ВТК».

1.2. Полномочным и ответственным представителем Исполнителя во взаимоотношениях с Фондом и Партнером с правом подписания научно-технических отчетов, заявок и иных документов, получения Оборудования, иных материально-технических средств по Проекту, как от имени Организации, так и – ВТК, является Руководитель проекта Голубев Алексей Викторович с момента подписания Сторонами настоящего Приложения.

1.3. Николенко Татьяна Гордеевна (Руководитель программ), и Роберт Е. Берлз мл. (Старший Советник по программам России/ННГ, руководитель Московского представительства) являются полномочными и ответственными представителями Партнера во взаимоотношениях с Фондом и Исполнителем. Названные представители наделяются следующими полномочиями:

а) Утверждать лиц, входящих в состав ВТК:

The Parties hereby agree as follows:

Statement 24

## 1. Subject of Annex 1 Part II

1.1. The subject of the Annex 1 Part II shall be the procedure of Project target financing by the Foundation at the Partner's expense in favor of the Foundation and Grantee's submission of reports to the Foundation.

The Parties shall consider the Grantee participating in the Project to include an organization, hereinafter referred to as the "Organization", which has submitted the application with a request to finance the Project, and natural persons (individuals), united in the temporary creative team, hereinafter referred to as the "Individual Participants", participating in the Project.

1.2. With regard to participating in legal relations with the Foundation and the Partner the Grantee shall assign a representative authorized to sign technical reports, applications and to receive Equipment / other material and technical means on the Project, hereinafter referred to as the "Project Manager". Golubev Aleksei Viktorovich is appointed as the Project Manager and shall act upon signing the present Annex by the Parties on behalf of the Organization and the Individual Participants.

1.3. With regard to participating in legal relations with the Foundation and the Grantee, the Partner assigns Tatiana G. Nikolenko (Program Manager, Biological) and Robert E. Berls Jr. (Senior Advisor for Russia/NIS Programs, Director of the Moscow Office) to act as authorized representatives that are



Form **W-8EXP**  
(Rev. December 2000)

Department of the Treasury  
Internal Revenue Service

**Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding**

(For use by foreign governments, international organizations, foreign central banks of issue, foreign tax-exempt organizations, foreign private foundations, and governments of U.S. possessions.)

OMB No. 1545-1621

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.  
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

**Do not use this form for:**

- Any foreign government or other foreign organization that is not claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b).
- A beneficial owner solely claiming foreign status or treaty benefits.
- A foreign partnership or a foreign trust.
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States.
- A person acting as an intermediary.

**Instead, use Form:**

- W-8BEN or W-8ECI
- W-8BEN
- W-8BEN or W-8IMY
- W-8ECI
- W-8IMY

**Part I Identification of Beneficial Owner (See instructions.)**

1 Name of organization		2 Country of incorporation or organization	
3 Type of entity	<input type="checkbox"/> Foreign government <input type="checkbox"/> Government of a U.S. possession	<input type="checkbox"/> International organization <input type="checkbox"/> Foreign central bank of issue (not wholly owned by the foreign sovereign)	<input type="checkbox"/> Foreign tax-exempt organization <input type="checkbox"/> Foreign private foundation
4 Permanent address (street, apt or suite no., or rural route). Do not use a P.O. box.			
City or town, state or province. Include postal code where appropriate.		Country (do not abbreviate)	
5 Mailing address (if different from above)			
City or town, state or province. Include postal or ZIP code where appropriate		Country (do not abbreviate)	
6 U.S. taxpayer identification number, if required (see instructions)		7 Foreign tax identifying number, if any (optional)	
8 Reference number(s) (see instructions)			

**Part II Qualification Statement**

- 9 For a foreign government:
- a  I certify that the entity identified in Part I is a foreign government within the meaning of section 892 and the payments are within the scope of the exemption granted by section 892.  
Check box 9b or box 9c, whichever applies:
  - b  The entity identified in Part I is an integral part of the government of .....
  - c  The entity identified in Part I is a controlled entity of the government of .....
- 10 For an international organization:
- I certify that:
    - The entity identified in Part I is an international organization within the meaning of section 7701(a)(18) and
    - The payments are within the scope of the exemption granted by section 892.
- 11 For a foreign central bank of issue (not wholly owned by the foreign sovereign):
- I certify that:
    - The entity identified in Part I is a foreign central bank of issue,
    - The entity identified in Part I does not hold obligations or bank deposits to which this form relates for use in connection with the conduct of a commercial banking function or other commercial activity, and
    - The payments are within the scope of the exemption granted by section 895.

(Part II and required certification continued on page 2)

# Institute of Peace and Conflict Studies

B-7/3, Safdarjung Enclave, New Delhi 110029, INDIA



Maj. Gen. Dipankar Banerjee (Retd.)  
Director

7 December 2004

Ms Rhonda Dill  
Nuclear Threat Initiative  
Fax: 202-296-4811

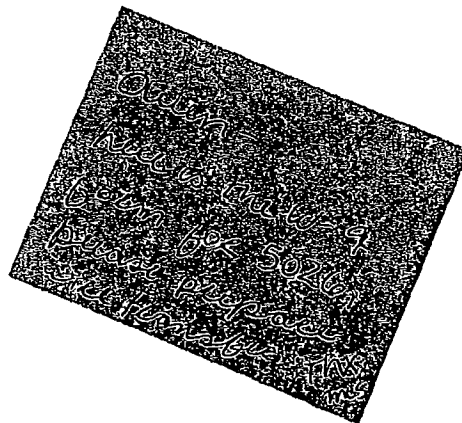
Dear Rhonda Dill

Enclosed herewith the tax form that you wished signed and returned to NTI. We are unable to fill Part II of the form as we are not familiar with US tax laws. I know we would qualify as a "foreign tax-exempt organization," but not aware of what sections 512 or 501 (c) are. We would be grateful if you could kindly fill Part II on our behalf. Part I and Part III have been filled and duly signed by me.

With warm regards

Yours truly,

Dipankar Banerjee



Form **W-8EXP**  
(Rev. December 2000)

Department of the Treasury  
Internal Revenue Service

**Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding**

(For use by foreign governments, international organizations, foreign central banks of issue, foreign tax-exempt organizations, foreign private foundations, and governments of U.S. possessions.)

OMB No. 1545-1621

▶ Section references are to the Internal Revenue Code. ▶ See separate instructions.  
▶ Give this form to the withholding agent or payer. Do not send to the IRS.

**Do not use this form for:**

- Any foreign government or other foreign organization that is not claiming the applicability of section(s) 115(2), 501(c), 892, 895, or 1443(b).
- A beneficial owner solely claiming foreign status or treaty benefits.
- A foreign partnership or a foreign trust.
- A person claiming an exemption from U.S. withholding on income effectively connected with the conduct of a trade or business in the United States.
- A person acting as an intermediary.

**Instead, use Form:**

- W-8BEN or W-8ECI
- W-8BEN or W-8IMY
- W-8BEN or W-8IMY
- W-8BEN or W-8IMY

**Part I Identification of Beneficial Owner (See instructions.)**

1 Name of organization		2 Country of incorporation or organization	
3 Type of entity	<input type="checkbox"/> Foreign government <input type="checkbox"/> Government of a U.S. possession	<input type="checkbox"/> International organization <input type="checkbox"/> Foreign central bank of issue (not wholly owned by the foreign sovereign)	<input checked="" type="checkbox"/> Foreign tax-exempt organization <input type="checkbox"/> Foreign private foundation
4 Permanent address (street, apt. or suite no. or rural route) Do not use a P.O. box. <b>C 1/4 Vasant Vihar</b>			
City or town, state or province. Include postal code where appropriate. <b>New Delhi 110057</b>		Country (do not abbreviate) <b>INDIA</b>	
5 Mailing address (if different from above) <b>B 7/3 Lower Ground Floor, Safdarjung Enclave,</b>			
City or town, state or province. Include postal or ZIP code where appropriate. <b>New Delhi 110029</b>		Country (do not abbreviate) <b>INDIA</b>	
6 U.S. taxpayer identification number (if required (see instructions))		7 Foreign tax identifying number, if any (optional) <b>AAA10747F</b>	
8 Reference number(s) (see instructions)			

**Part II Qualification Statement**

- 9 For a foreign government:
- a  I certify that the entity identified in Part I is a foreign government within the meaning of section 892 and the payments are within the scope of the exemption granted by section 892.  
Check box 9b or box 9c, whichever applies:
  - b  The entity identified in Part I is an integral part of the government of .....
  - c  The entity identified in Part I is a controlled entity of the government of .....
- 10 For an international organization:
- I certify that:
    - The entity identified in Part I is an international organization within the meaning of section 7701(a)(18) and
    - The payments are within the scope of the exemption granted by section 892.
- 11 For a foreign central bank of issue (not wholly owned by the foreign sovereign):
- I certify that:
    - The entity identified in Part I is a foreign central bank of issue,
    - The entity identified in Part I does not hold obligations or bank deposits to which this form relates for use in connection with the conduct of a commercial banking function or other commercial activity, and
    - The payments are within the scope of the exemption granted by section 895.

(Part II and required certification continued on page 2)

**Part II Qualification Statement (continued)**

**12 For a foreign tax-exempt organization, including foreign private foundations:**

If any of the income to which this certification relates constitutes income includible under section 512 in computing the entity's unrelated business taxable income, attach a statement identifying the amounts.

Check either box 12a or box 12b:

a  I certify that the entity identified in Part I has been issued a determination letter by the IRS dated ..... that is currently in effect and that concludes that it is an exempt organization described in section 501(c).

b  I have attached to this form an opinion from U.S. counsel concluding that the entity identified in Part I is described in section 501(c).

For section 501(c)(3) organizations only, check either box 12c or box 12d:

c  If the determination letter or opinion of counsel concludes that the entity identified in Part I is described in section 501(c)(3), I certify that the organization is not a private foundation described in section 509. I have attached an affidavit of the organization setting forth sufficient facts for the IRS to determine that the organization is not a private foundation because it meets one of the exceptions described in section 509(a)(1), (2), (3), or (4).

d  If the determination letter or opinion of counsel concludes that the entity identified in Part I is described in section 501(c)(3), I certify that the organization is a private foundation described in section 509.

**13 For a government of a U.S. possession:**

I certify that the entity identified in Part I is a government of a possession of the United States, or is a political subdivision thereof, and is claiming the exemption granted by section 115(2).

**Part III Certification**

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- The organization for which I am signing is the beneficial owner of the income to which this form relates,
- The beneficial owner is not a U.S. person,
- For a beneficial owner that is a controlled entity of a foreign sovereign (other than a central bank of issue wholly owned by a foreign sovereign), the beneficial owner is not engaged in commercial activities within or outside the United States, and
- For a beneficial owner that is a central bank of issue wholly owned by a foreign sovereign, the beneficial owner is not engaged in commercial activities within the United States.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner.

Sign Here

*Banjan*  
Signature of authorized official

12-07-04  
Date (MM-DD-YYYY)

*Director*  
Capacity in which acting



**ANNEX I**  
**to the AGREEMENT**  
**between**

**The International Foundation of Technology  
and Investment ("IFTI" or "Foundation")  
and Nuclear Threat Initiative, Inc. ("NTI" or "Partner")  
№ RU/ 55229907/00012 as of December 31, 2002.**

*AWARD #6062*

**Working Schedule of the Project**

**«Marketing and Commercialization of "Sarov Labs"»**

**THE PROJECT № 00012/00044**

**"Is authorized"**  
**On behalf of the Foundation**  
**Director**

*[Handwritten signature]*

**"Is authorized"**  
**On behalf of CSC "Sarov Labs"**  
**President**

*[Handwritten signature]*

**"Is approved"**  
**On behalf of the Partner**  
**President & COO**

*[Handwritten signature]*  
**Charles B. Curtis/**

## SUMMARIZED PROJECT INFORMATION AND DESCRIPTION

### 1. Project title

Full Title: Marketing and Commercialization of "Sarov Labs" ("Project")
---

### 2. Project Manager

Name, first name, patronymic: Golubev Alexey Viktorovich		
Address:	Building, street: Moskovskaya 37-121	City: Sarov
Region: Nizhegorodskaya	State: Russia	Zip code: 607190
Phone: 831 30 40995	Fax: 831 30 43871	E-mail: alexey.golubev@sarovlabs.com

### 3. Participating Organizations

#### 3.1. Leading Organization

##### 3.1.1. Organization

Title: CSC "Sarov Labs" ("Sarov Labs" or "Grantee")		
Address:	Building, street: Varlamovskoye shosse 23/16	City: Sarov
Region: Nizhegorodskaya	Zip code: 607 190	Website: <a href="http://www.sarovlabs.com">www.sarovlabs.com</a>
Full Name of the Head of the Organization: Rogachev Vladimir Grigorievich		
Phone: 831 304 0918	Fax: 831 30 43871	E-mail: Vladimir.rogachev@sarovlabs.com
Ministry (Department):		

3.1.2. A temporary creative Team shall be created upon signing the present Annex I to the Agreement by the Project scientific staff participating in the conference.

"Temporary Creative Team" means a temporary association of two (2) or more individuals based on mutual interests for joint achievement of common goals without incorporation. The Temporary Creative Team will be selected within the first stage of Project implementation.
--

### 4. Project Duration

Project duration (months): 24
-------------------------------

### 5. Project Budget (estimate of costs)

5.1 Estimate of Costs of the Project (US Dollars) \$395,000

Including:

Payments to Individual Participants	\$139,500
Equipment	\$18,600
Materials	\$27,900
Other Direct Costs	\$88, 100
Travel Costs	\$93,000
Overhead	\$27,900

Including:

<b>Equipment (specify item name, its cost, and delivery time)</b>			
Equipment for the Organization			
Title	Amount	Cost, USD	Deliverv Time

1. Office equipment		\$14,880	2 <sup>nd</sup> quarter
2. Presentation equipment		\$3,720	2 <sup>nd</sup> quarter

**Materials** (specify titles of materials, their amount, cost, and delivery time)

Materials for the Organization

Title	Amount	Cost, USD	Delivery Time
1. Consumable supplies		\$27,900	1 <sup>st</sup> quarter

#### Individual Participants of the Project ("Individual Participants")

Individual Participants will be determined during the first stage of the Project implementation. With this objective a selection process will be arranged among potential candidates based on a developed set of criteria. Each candidate will be interviewed, the terms and conditions of his or her employment will be negotiated, and the individual employment agreement will be concluded. In addition to the marketing and sales executives referenced below in Section 6, a number of SarovLabs marketing team members will be included as Project participants. In the event that Individual Participants will not be able to perform their duties in accordance with Project goals and objectives, SarovLabs management, in joint consultation with the Project management from NTI, will replace the Project participants.

#### 6. Technical description of Project stages

SarovLabs was established in 2003 under the Nuclear Cities Initiative ("NCI") program in Sarov with strong support of the Russian Federal Nuclear Center ("RFNC") – VNIIEF. SarovLabs utilizes excess RFNC-VNIIEF human resources and provides services and custom solutions on a commercial basis in the following areas:

- Models and algorithms development
- Finite Element Analysis
- Thermodynamics and Computational Fluid Dynamics
- Computational physics and chemistry, including nano-technology, plasma physics, radiation transport, atomistic modeling, and electromagnetism
- Bio-informatics and
- Environmental assessment.

During the last two years, SarovLabs has received financial support from NCI to perform its marketing and commercialization. This support was focused on the creation of SarovLabs' corporate style, marketing package, and corporate web site [www.sarovlabs.com](http://www.sarovlabs.com) and the arranging of a marketing and sales campaign. These efforts resulted in successful sales of SarovLabs' services to western commercial customers. SarovLabs is now a fast growing company. Its sales revenue in 2004 was three times greater than in the previous year. SarovLabs' 2004 revenue amounted to \$1,650 million US dollars, and it is expected to reach a total of \$2,500 million USD in 2005. However, the level and quality of marketing and sales activities should be substantially increased in order to reach SarovLabs' strategic goals.

The goal of the Project is to employ NTI financial support to perform marketing and commercialization of scientific and engineering services, to develop SarovLabs' marketing and commercialization team as a capable and professional one to respond to the company's strategic goals to be the best among client-oriented and scientific service companies, to reach a volume of sales of SarovLabs' services up to \$5 million by the year 2007 and to increase the

number of full-time employees up to 100 by the same time.

NTI shall provide gratuitous financial assistance for the hiring by SarovLabs of a sales and marketing executive and a marketing director (hereinafter referred to as the "Consultants") to promote SarovLabs' scientific and engineering services in the Western and Russian markets for a period of up to two (2) years.

It is contemplated that the Consultants will be Western-trained Russian Federation citizens who possess: (i) the marketing capabilities to assist SarovLabs to engage the Western and Russian markets in order for SarovLabs to raise the level and quality of its sales and marketing activities to reach its strategic goals as a viable, profitable business; and (ii) the skills necessary to assist and train the sales and marketing staff of SarovLabs to upgrade their capabilities and effectiveness as a marketing team. In this regard, appropriate performance measures and specific objectives for the Consultants will be established by the SarovLabs and NTI (hereafter referred to jointly as the "Parties" and individually as a "Party").

In addition, NTI shall, upon the mutual agreement of the Parties, provide gratuitous financial assistance, for the purpose of upgrading the capabilities and effectiveness of the SarovLabs sales and marketing team. Any such gratuitous financial assistance shall be used exclusively for the purchase of such specific equipment, services and supplies as the Parties mutually determine.

Further, SarovLabs shall also develop and implement its own Quality Assurance Program ("QAP"), which will increase the company's value and quality of its services and products. NTI shall, upon the mutual agreement of the Parties, provide gratuitous financial assistance in connection with such QAP and/or for the purpose of providing to SarovLabs or enabling SarovLabs to engage, upon terms and conditions acceptable to the Parties, up to two (2) experts to provide QAP consulting services pursuant to a short-term contractual arrangement. Any such gratuitous financial assistance shall be used exclusively in connection with such QAP and/or for engagement of the QAP Experts, as appropriate, and the specific duties and appropriate performance measures and specific objectives for any QAP Experts will be established by the Parties.

#### 6.1. Technical Description

For successful implementation of the Project, SarovLabs shall carry out certain tasks and activities. The activities include, but are not limited to:

- Introduce professional sales and marketing executive into the team
- Perform knowledge transfer in the area of marketing and sales
- Increase performance of existing marketing and sales team
- Perform marketing and sales activities to gain required orders portfolio
- Implement a Quality Assurance program

The following Project tasks will be implemented over the course of the Project:

#### Stage 1-9 Selection process to fill marketing and sales executive positions

Technical description	Participants of the Project
SarovLabs' senior management will arrange a selection process among potential candidates for the Consultants' positions. Each candidate will be interviewed, the terms and conditions of his or her employment be negotiated, and the individual agreement will be	1- SarovLabs 2- IP



concluded. In addition to the marketing and sales executives, a number of SarovLabs marketing team members will be included as Project participants.	
<b>Stage 2-9 Introduction of senior marketing and sales executive and development marketing strategy</b>	
Technical description	Participants of the Project
SarovLabs' senior management will introduce senior executive to SarovLabs staff members and marketing team. Working together with the executive, they will develop a strategic marketing and sales campaign and a detailed plan of Project implementation which should be implemented in the next two (2) years. A Project planning meeting of SarovLabs, NTI officials and the executive will be arranged to specify Project goals and objectives as well as to establish evaluation metrics and success criteria. Project review meetings will be arranged in accord with the Project schedule to review Project progress, to evaluate success, to adjust Project tasks and to determine Project critical pathways	1- SarovLabs 2- IP
<b>Stage 3-9 Development and update of SL marketing materials</b>	
Technical description	Participants of the Project
SarovLabs will perform marketing collateral design, development and update. The list of marketing collateral to be developed includes, but is not limited to: <ul style="list-style-type: none"> <li>• Case studies</li> <li>• Sales Messages and Value Proposition</li> <li>• White Papers</li> <li>• Presentations</li> <li>• Proposals</li> <li>• Posters</li> <li>• Papers and reports</li> <li>• Corporate booth</li> </ul> SarovLabs will be responsible for marketing collateral printing.	1- SarovLabs 2- IP
<b>Stage 4-9 Update, support and promotion of SL corporate and related web sites</b>	
Technical description	Participants of the Project
SarovLabs shall update, support and promote the current version of the web site <a href="http://www.sarovlabs.com">www.sarovlabs.com</a> as well as related SarovLabs product web sites. This allows delivery of SarovLabs' services directly to market, to attract target customers and to provide lead generation through this resource.	1- SarovLabs 2- IP
<b>Stage 5-9 Implementation of Quality Assurance Program</b>	
Technical description	Participants of the Project

<p>SarovLabs shall determine international standards applicable to SarovLabs' business areas and services.</p> <p>SarovLabs shall develop quality procedures, manuals and QAP based on determined international standards</p> <p>SarovLabs shall implement manuals and procedures in its production process.</p> <p>Certified quality experts will develop and implement company's QAP.</p>	<p>1- SarovLabs 2- IP</p>
<b>Stage 6-9 Marketing and Commercialization</b>	
Technical description	Participants of the Project
<p>SarovLabs will work in close coordination with the senior executive to support the company's marketing and sales activities in the form of participation in face-to-face meetings, attendance at conferences, trade-shows and exhibitions. Members of the SarovLabs marketing and sales team will be involved in preparation and arrangement of SarovLabs' presence at the meetings, conferences, trade-shows and exhibitions. SarovLabs' marketing and sales team will also perform a direct mailing campaign and process generated leads.</p>	<p>1- SarovLabs 2- IP</p>
<b>Stage 7-9 Final Report Preparation</b>	
Technical description	Participants of the Project
<p>SarovLabs shall prepare a final report on the Project with a description of results and achievements.</p>	<p>1- SarovLabs 2- IP</p>

6.2. Working Schedule and accountable materials (*specify date/period of every stage initiation and completion – in quarters; describe accountable materials submitted on the stage completion: report, measurement results, specimens etc.*)

Stage №		Description of accountable materials
Stage 1	1 <sup>st</sup> quarter	Agreements with Project Participants/Consultants
Stage 2	1-2 <sup>nd</sup> quarter	Quarterly report (Commercialization plan)
Stage 3	2-3d quarter	Quarterly report
Stage 4	3-4th quarter	Quarterly report
Stage 5	4-5th quarter	Certificate of Quality Assurance Program Introduction
Stage 6	5-8th quarter	Quarterly reports
Stage 7	8th quarter	Final report

6.3. Description of techniques in operation (*describe techniques, technologies, and engineering approaches used in the course of project implementation*)

Modern techniques of marketing and sales of scientific and engineering services will be employed during the Project implementation.

**7. Intellectual Property** (*enumerate the objects of intellectual property and know-how*)

7.1. The objects of intellectual property, know-how included, utilized in the Project

Methods, techniques, software, software tools, data base corporate style elements developed by SarovLabs staff members

7.2. Legal relationships

7.2.1 All rights to the intellectual property arising in the course of the Project implementation are regulated by the laws of the Russian Federation. The Grantee hereby grants and the Partner hereby accepts a royalty-free, nonexclusive, irrevocable and perpetual license (with a right to sublicense) to reproduce, publish and otherwise use and authorize others to reproduce, publish and otherwise use, any materials resulting from the Project, including, without limitation, all training curriculum, textbooks and text manuscripts developed in connection with the Project.

7.2.2 It is understood and agreed that Partner does not wish to receive from Grantee any confidential or sensitive information or State, commercial or trade secrets (the "Confidential Information") of the Russian Federation ("Russia" or "Russian", as appropriate), Grantee or of any third party. Grantee represents and warrants that any information provided to Foundation, Partner or any third party (other than authorized Russian representatives, agents, agencies or instrumentalities) in the course of entering into this Agreement or performing any activities hereunder, except information as shall be contained in the reports to be delivered under this Agreement, shall not contain or constitute Confidential Information. All Confidential Information received, gathered or generated by or on behalf of Grantee in connection with the Project shall in all instances be treated as strictly confidential by Grantee, and Grantee shall neither use nor disclose to third parties any Confidential Information whatsoever, except as necessary to authorized Russian representatives, agents, agencies or instrumentalities in order to perform activities under this Agreement. Grantee shall be responsible for ensuring the strict compliance of Grantee's employees, personnel, representatives, agents, contractors, subcontractors and any Individual Participants (collectively, the "IP") with the terms of this Section 7.2.

## 8. Monitoring and Auditing

Leading organization shall provide the Foundation and the Partner with the right to carry out monitoring on site of the Project and to audit all activities of the Project.

## 9. Additional Information

Payments to the Project participants (Organization and IP) are made by the Foundation in accordance with target financial agreements concluded between the Foundation and Organization/IP

9.1 Grantee shall be responsible for coordinating the work of, and ensuring the full and complete performance of and strict compliance with the terms and obligations of, this Agreement by the IP as if the IP were the employees, agents and representatives of

Exhibit "A"**Selected Entities Subject to 31 Code of Federal Regulations Part 539 "WMD Trade Control Regulations."**

BALTIC STATE TECHNICAL UNIVERSITY, wherever located, including 1/21, 1-ya Krasnoarmeiskaya Ul., 198005 St. Petersburg, Russia [63 FR 42089, July 30, 1998]

CHINA NEW ERA GROUP (a.k.a. China Xinshidai Company; a.k.a. New Era Group; a.k.a. XSD; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CPMIEC), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhou City, Fujan Province, China [July 30, 2003]

CHINA XINSHIDAI COMPANY (a.k.a. China New Era Group; a.k.a. New Era Group; a.k.a. XSD; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

CPMIEC (a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhou City, Fujan Province, China [July 30, 2003]

FEDERAL RESEARCH AND PRODUCTION COMPLEX ALTAY, Russia [69 FR 67617-18, November 18, 2004]

D. MENDELEYEV UNIVERSITY OF CHEMICAL TECHNOLOGY OF RUSSIA, wherever located, including 9 Miuskaya Sq., Moscow 125047, Russia [64 FR 2935, January 8, 1999]

GLAVKOSMOS, wherever located, including 9 Krasnoproletarskaya St., 103030 Moscow, Russia [63 FR 42089, July 30, 1998]

KHAN RESEARCH LABORATORIES, Pakistan [68 FR 16114, April 2, 2003, effective March 24, 2003]

MAI (a.k.a. MOSCOW AVIATION INSTITUTE), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MIKROSAM, wherever located, including 7500 Prilep, Macedonia [December 24, 2003]

MOSCOW AVIATION INSTITUTE (a.k.a. MAI), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR

NEW ERA GROUP (a.k.a. China New Era Group; a.k.a. China Xinshidai Company; a.k.a. Xinshidai; a.k.a. XSD) [69 FR 56260, September 20, 2004]

NORINCO (a.k.a. NORTH CHINA INDUSTRIES CORPORATION), China [68 FR 28314, May 23, 2003 - effective May 9, 2003]

NORTH CHINA INDUSTRIES CORPORATION (a.k.a. NORINCO), China [68 FR 28314, May 23, 2003 - effective May 9, 2003]

SAMAKOSKI, Blagoja; nationality Macedonian (individual) [December 24, 2003]

SHAHID HEMMAT INDUSTRIAL GROUP, Iran [68 FR 28315, May 23, 2003 - effective May 9, 2003]

XINSHIDAI (a.k.a. China New Era Group; a.k.a. China Xinshidai Company; a.k.a. New Era Group; a.k.a. XSD) [69 FR 56260, September 20, 2004]

XSD (a.k.a. China New Era Group; a.k.a. China Xinshidai Company a.k.a. New Era Group; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

Проект № 00012.00044  
к Соглашению № RU.5522990700012  
от «31» Декабря 2002 г.  
между Международным Фондом  
Технологий и Инвестиций  
и Nuclear Threat Initiative, Inc.

THE PROJECT № 00012/00044  
to the AGREEMENT between The International  
Foundation of Technology and  
Investment (IFTI) and  
Nuclear Threat Initiative, Inc.  
№ RU/ 55229907/00012  
as of December 31, 2002.

Statement 24

**Порядок финансирования  
Проекта и предоставления Отчетов.**

**Financing Procedures of the Project and  
Reports submission.**

Данное Приложение заключено в Москве «07» февраля 2005 года между **МЕЖДУНАРОДНЫМ ФОНДОМ ТЕХНОЛОГИЙ И ИНВЕСТИЦИЙ**, именуемым в дальнейшем “Фонд”, в лице Директора **Черчеса Юрия Ильича**, действующего на основании Устава, **NUCLEAR THREAT INITIATIVE, INC (Вашингтон, США)**, именуемым в дальнейшем, “Партнер”, в лице Президента **Charles B. Curtis**, действующего на основании Устава и **ЗАКРЫТЫМ АКЦИОНЕРНЫМ ОБЩЕСТВОМ «САРОВСКИЕ ЛАБОРАТОРИИ»**, именуемым в дальнейшем, “Исполнитель”, в лице **Рогачева Владимира Григорьевича**, действующего на основании Устава, совместно именуемыми “Стороны”, которые

This Annex is made in Moscow as of this 7 day of February 2005 by and between **THE INTERNATIONAL FOUNDATION OF TECHNOLOGY AND INVESTMENT**, hereinafter referred to as the “Foundation”, represented by Director **Yuriy I. Cherches** acting in accordance with the Foundation’s Charter, **NUCLEAR THREAT INITIATIVE, INC. (Washington DC, USA)**, hereinafter referred to as the “Partner”, represented by President **Charles B. Curtis**, acting in accordance with Partner’s Articles of Incorporation and **JOINT STOCK COMPANY “SAROV LABS”**, hereinafter referred to as “Grantee”, represented by **Rogachov Vladimir Grigorievich**, acting in accordance with Grantee’s Charter (Foundation, Partner and Grantee hereinafter jointly referred to as the “Parties”).

**принимая во внимание, что:**

➤ Проект «Маркетинг и Коммерциализация «Саровских лабораторий»», в дальнейшем именуемый «Проект», подан Исполнителем в Фонд в виде оформленной заявки на финансирование, принят Фондом и утвержден Партнером с момента подписания Приложения №1;

➤ Исполнитель, подписывая настоящее Приложение, согласен с положениями указанного Соглашения, будут действовать согласно его установлениям и в соответствии с настоящим Приложением;

**Understanding:**

➤ The Project “Marketing and Commercialization of “Sarov Labs””, hereinafter referred as the “Project”, is submitted to the Foundation as an application for financing, accepted by the Foundation and approved by the Partner upon signing Annex 1;

➤ By signing the present Annex, Grantee agrees to the terms and conditions of the stated Agreement and shall act in compliance with the Agreement and the present Annex;

➤ The Project shall be financed on behalf of

лицами в рамках выполнения работ по данному  
Проекту;

- в) Осуществлять перемещение денежных средств между статьями бюджета Проекта, не меняя условий оплаты;
- г) Осуществлять перемещение денежных средств с изменением условий оплаты;
- д) Утверждать финансовые и научно-технические отчеты;
- е) Одобрять заявки от Исполнителя;
- ж) Утверждать изменения в ходе выполнения Проекта.

- b) Replace personnel in the Project team;
- c) Move money from one budget item to another without changing Terms of Payments;
- d) Move money with changing Terms of Payments;
- e) Approve financial and technical reports;
- f) Approve applications from the Grantee;
- g) Approve changes during Project implementation.

Statement 24

## 2. Финансирование Проекта

2.1. Общая стоимость Проекта определяется Сторонами в 395 000 долларов США (Триста Девяносто Пять Тысяч долларов)

## 2. Financing of the project

2.1. The total cost of the Project is determined by the Parties to be in the amount of Three Hundred Ninety Five Thousand and No/100 Dollars (\$395,000 US dollars).

2.2. Стоимость Проекта включает в себя:

2.2. The cost of the Project shall include:

2.2.1. Денежные средства, перечисляемые Фондом на расчетный счет Организации или указанного ей лица для финансирования сметных материальных расходов по Проекту (расходов на приобретение необходимого оборудования, иных материально-технических средств и накладных расходов по Проекту).

2.2.1. Funds transferred by the Foundation to the bank account of Grantee or its designee with regard to reimburse estimated expenses on the Project (expenses on procurement of equipment, other material and technical means and overhead necessary for the Project).

2.2.2. Средства, передаваемые Фондом в качестве выплат (грантов) членам ВТК.

2.2.2. Funds transferred by the Foundation as awards (grants) to Individual Participants.. The Foundation shall award grants to the Individual Participants in the estimated amount and in compliance with the procedure established in the Contract concluded between the Foundation and the Head of the Individual Participants (the Project Manager).

Фонд выплачивает гранты членам ВТК на сметную сумму и в порядке, устанавливаемом в соответствующем Договоре, заключаемом между Фондом и Руководителем ВТК (руководителем Проекта).

Руководитель Проекта вправе подать на рассмотрение Фонда Заявку об увеличении

The Project Manager is entitled to submit an Application with a request to increase

2.3. Фонд по Заявке Исполнителя может принять на себя обязательства по поставке последнему (финансированию поставки) необходимого для реализации Проекта оборудования, технических средств, материалов и т.п. (далее - оборудование и материалы) в рамках программ безвозмездной технической помощи.

В случае принятия Фондом на себя указанных обязательств, Стороны подписывают соглашение о предоставлении безвозмездной технической помощи, в котором Стороны определяют номенклатуру, количество технической помощи и ее общую стоимость. Соглашение о предоставлении технической помощи станет неотъемлемой частью настоящего Соглашения.

2.3. Under Grantee's Application and in course of the gratuitous technical programs' realization, the Foundation may undertake to make a delivery (or to finance a delivery) of equipment, technical facilities, materials, etc. (hereinafter referred to as "Equipment and Materials) necessary for the implementation of the Project.

Should the Foundation undertake the above-mentioned obligations, the Parties shall sign an agreement on providing gratuitous technical assistance, in which the Parties shall specify the nomenclature, amount of technical assistance and the total cost of this assistance. The agreement on providing gratuitous technical assistance shall be the integral part of the present Agreement.

2.4. Фонд вправе принимать самостоятельные решения о перераспределении средств по статьям Проекта в пределах его общей стоимости, по заявке Исполнителя.

2.4. The Foundation is entitled to independently decide on redistribution of funds within the estimate of the financed Project if so requested by Grantee.

**3. Порядок финансирования Проекта**

**3. The project financing procedure**

3.1. Полученные от Партнера средства, Фонд аккумулирует на своем расчетном счете.

3.1. The Foundation shall accumulate funds transferred by the Partner on its bank account.

3.2. Фонд начинает финансирование Проекта с момента получения им от Партнера денежных средств.

3.2. The Foundation shall begin to finance the Project upon receipt of funds from the Partner.

3.3. Фонд производит поэтапные платежи Организации в соответствии с поступаемыми от неё заявками на финансирование Проекта (далее - «Заявка») в течение 10 рабочих дней с момента получения заявки.

Заявка должна содержать информацию о назначении платежа и сумму платежа.

3.3. The Foundation shall produce staged payments to the Organization under applications with a request to finance the Project (the Application) submitted by the Organization and within 10 business days upon receipt of such Application.

The Application shall contain information on the purpose of the payment and on sum of the payment.

3.4. Гранты ВТК выплачиваются Фондом в соответствии с пп.2.2.2. п.2. настоящего

3.4. Grants to the Individual Participants shall be awarded in compliance with Article 2.2.2 of the



3.5. В случае если денежные средства, переданные Фондом Исполнителю или членам ВТК на реализацию Проекта были использованы не в соответствии с целями Проекта и данного Соглашения, Исполнитель и члены ВТК солидарно несут материальную ответственность перед Партнером в объеме использованных нецелевым образом денежных средств. Исполнитель и члены ВТК несут полную ответственность перед Партнером за целевое использование полученных денежных средств.

3.5. In case financial resources for the Project realization are transferred to Grantee or Individual Participants by the Foundation and such funds have not been used in strict compliance with the Project goals and present Agreement, Grantee and Individual Participants shall bear material responsibility and joint and several liability to Partner for the amount of such misused funds. Grantee and Individual Participants are each fully responsible to Partner for appropriate use of received funds.

3.6. Исполнитель гарантирует Фонду, Партнеру, их руководителям, должностным лицам, сотрудникам, консультантам, представителям и агентам (при отдельном упоминании «Гарантируемая сторона») возмещение убытков, которые могут возникнуть в результате претензий третьих лиц, долговых обязательств, исковых требований, судебных разбирательств, штрафных санкций, процентов, расходов (далее «Претензии»), включая без ограничения разумные расходы по представительству и ведению бухгалтерского учета, возникшие в результате нарушения Исполнителем предоставленных им гарантий в рамках данного Соглашения или Проекта, либо в результате нарушения условий настоящего Соглашения, либо в результате допущенной небрежности в виде действий или бездействий Исполнителя, его руководителей, должностных лиц, сотрудников, консультантов, представителей, агентов или членов ВТК, связанных с работой по данному Соглашению или Проекту. Помимо вышеизложенного, Исполнитель гарантирует всем Сторонам возмещение убытков, которые могут возникнуть в результате: 1) получения любых необходимых разрешений и лицензий в соответствии с федеральным, региональным и муниципальным

3.6. Grantee shall indemnify and hold the Foundation, the Partner, and their respective directors, officers, employees, consultants, representatives and agents (each an "Indemnified Party") harmless from and against all third party claims, liabilities, suits, demands, losses, judgments, fines, penalties, interest, expenses and costs ("Claims"), including, without limitation, reasonable accounting and attorneys' fees and disbursements, which result from any breach of Grantee's representations or warranties made in relation to this Agreement or the Project, or from any breach of the terms of this Agreement, or from any negligent acts or omissions of Grantee, its directors, officers, employees, consultants, representatives, agents or any Individual Participants relating to, or in any way connected with, activities conducted pursuant to this Agreement or the Project. Without limiting the foregoing in any way, Grantee shall indemnify and hold each Indemnified Party harmless with respect to: (i) obtaining any and all necessary licenses and permits, complying with any and all national, regional, local and municipal laws, codes and regulations applicable to the performance of the

любых таможенных платежей, пошлин и налогов, взимаемых Российской Федерацией с бюджета Проекта либо Партнером, или его сотрудниками, или агентами в связи с выполнением настоящего Соглашения или Проекта; 3) причинения ущерба личности или имуществу в результате виновных или неосторожных действий или бездействий Исполнителя или членов ВТК; 4) каких-либо претензий, предъявленных в результате причинения убытков, телесных повреждений или смерти, возникших в связи с Проектом, с тем, чтобы учесть претензии, заявленные потерпевшей стороной; 5) любых юридических, технических и организационных аспектов планирования, выполнения и полного завершения работ по Проекту.

Russia on Project funds or Partner or its employe Statement 24  
or agents in connection with this Agreement or the Project; (iii) all damages to persons or property that occur as a result of Grantee's or Individual Participant's acts, omissions, fault or negligence; (iv) any and all Claims arising from or connected with any alleged and/or actual injury, loss or death, accidental or otherwise, occurring during or related to the Project or performance thereof, to include claims lodged by the estate of the affected party; and (v) all legal, technical and operational aspects of planning, implementing and fully completing the Project.

#### **4. Отчеты о расходах и ходе выполнения Проекта**

4.1. Исполнитель обязуется представлять в Фонд финансовые и научно – технические отчеты по Проекту в соответствии с условиями настоящего Приложения.

#### **4. Reports on expenses and on project implementation**

4.1. Grantee shall undertake to submit technical and financial reports on the Project to the Foundation in compliance with the terms of the present Annex.

#### **4.2. Финансовые отчеты Организации.**

4.2.1. Организация, в случае получения от Фонда денежных средств, оборудования и (или) иных материально-технических средств по Проекту, представляет Фонду текущие отчеты об их целевом использовании поэтапно.

4.2.2. Отчеты составляются Организацией в одном экземпляре на бумажном носителе и подписываются руководителем Организации (иным уполномоченным лицом) и главным бухгалтером.

4.2.3. Организация представляет Фонду Итоговый финансовый отчет в рамках полученного им имущества и средств по Проекту в течение 5 банковских дней после окончания или

#### **4.2. Financial reports of the Organization:**

4.2.1. In the event that the Organization receives funds, equipment or other material and technical means on the Project from the Foundation, the Organization shall undertake to submit routine reports on the use of such assets on a periodic basis.

4.2.2. The written reports shall be drawn-up by the Organization in one copy and shall be signed by the head of the Organization (other authorized officer) and its Chief Accountant.

4.2.3. The Organization shall submit the Final financial report on assets granted to the Organization within the Project to the Foundation within 5 business days upon

<p>4.3. Финансовые отчеты от имени ВТК представляются Руководителем ВТК в порядке, на условиях и сроки, устанавливаемые Договором.</p>	<p>4.3. Financial reports on behalf of the Individual Participants shall be submitted by the Head of Statement 24 Individual Participants in compliance with terms and conditions set forth in the Contract.</p>
<p>4.4. Исполнитель представляет Фонду объединенные научно-технические отчеты (Организация/ВТК) поэтапно.</p>	<p>4.4. Grantee shall submit consolidated technical reports (Organization/Individual Participants) to the Foundation on a stage basis.</p>
<p>4.5. Отчеты Исполнителя считаются принятыми после утверждения Партнером сводных Отчетов Фонда.</p>	<p>4.5. The reports of the Grantee shall be deemed accepted after approval of the combined reports of the Foundation by the Partner.</p>
<p>4.6. Если указанные в настоящей статье, отчеты не представлены Исполнителем своевременно, то Фонд обращается к указанным лицам с письменным запросом. В случае игнорирования запроса, Фонд и Партнер прекращают финансирование Проекта и возмещение понесенных Исполнителем расходов.</p>	<p>4.6. Should the Grantee fail to submit reports enumerated in the present Article in proper time, the Foundation shall apply to Grantee with a written request. In the event that such request is ignored, the Foundation and the Partner shall cancel financing of the Project and reimbursement of expenses incurred by Grantee.</p>
<p>4.7. В случае если Партнер принимает решение прекратить дальнейшее финансирование этапов Проекта в результате неполного и (или) несоответствующего выполнения работ Исполнителем, Фонд возвращает Партнеру полученные от него, но не перечисленные Исполнителю средства.</p>	<p>4.7. In the event that the Partner decides to stop further financing of the Project stages resulting from an incomplete and/or a non-consistent performance of Grantee, the Foundation shall pay back funds received from the Partner, but not transferred to Grantee, to the Partner.</p>
<p><b>5. Заключительные положения</b></p> <p>5.1. Настоящее Приложение 1 вступает в силу со дня его подписания надлежащими представителями Сторон и действует до полного исполнения Сторонами своих обязательств в связи с осуществлением данного Проекта.</p>	<p><b>5. Miscellaneous</b></p> <p>5.1. The present Annex 1 shall come into force on the day of its signing by the authorized representatives of the Parties and shall be effective until the Parties fulfill their obligations under the current Project in full measure.</p>
<p>5.2. Изменения и дополнения в Приложение № 1 Часть II действительны, если они составлены в письменной форме и подписаны надлежащим образом уполномоченными представителями Сторон, если иное не предусмотрено соглашением Сторон.</p>	<p>5.2. All amendments to this Annex 1 Part 2 shall only be effective if set forth in writing and signed by duly authorized representatives of the Parties, if there is no contrary agreement between the Parties.</p>

установленный в Преамбуле.

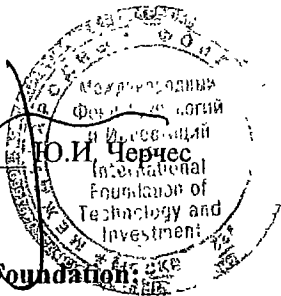
indicated in the Preamble.

Подписи Сторон

Signatures

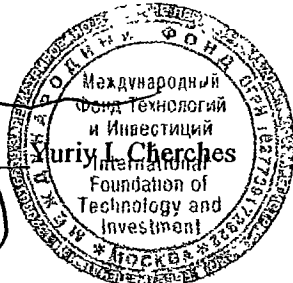
От Фонда:

Директор



On behalf of the Foundation:

Director



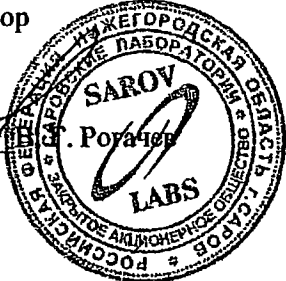
On behalf of Grantee:

President



От исполнителя:

Генеральный Директор



От Партнера:

Президент

Чарльз Б.Кертис

On behalf of the Partner:

President

Charles B. Curtis

<p>Приложение № 2.          Проект № 00012.00044          к Соглашению № RU.55229907.00012          от «31» Декабря 2002 г.          между Международным Фондом          Технологий и Инвестиций          и Nuclear Threat Initiative, Inc.</p>	<p>ANNEX II          THE PROJECT № 00012/00044          to the AGREEMENT between The International          Foundation of Technology and          Investment (IFTI) and          Nuclear Threat Initiative, Inc.          № RU.55229907. 00012          as of December 31, 2002</p>
<p><b>Порядок расчетов между Фондом и          Партнером по Проекту №          00012.00044</b></p> <p><b>"Маркетинг и Коммерциализация          «Саровских лабораторий»"</b></p>	<p><b>The Procedure of Payments          between the Foundation and the          Partner          The Project № 00012/00044</b></p> <p><b>"Marketing and          Commercialization of "Sarov          Labs""</b></p>
<p>Данное Приложение составлено в Москве          «07» февраля 2005 года между  <b>МЕЖДУНАРОДНЫМ ФОНДОМ          ТЕХНОЛОГИЙ И ИНВЕСТИЦИЙ</b> (Москва,          Российская Федерация), именуемым в          дальнейшем "Фонд", в лице Директора Черчеса          Юрия Ильича, действующего на основании          Устава, и  <b>NUCLEAR THREAT INITIATIVE, INC</b>          (Вашингтон, США), именуемым в дальнейшем,          "Партнер", в лице Президента Charles B. Curtis,          действующего на основании Устава, совместно          именуемыми "Стороны", которые</p>	<p>This Annex is made in Moscow as of this          7 day of February 2005 by and between <b>THE          INTERNATIONAL FOUNDATION OF          TECHNOLOGY AND INVESTMENT</b>          (Moscow, RF), hereinafter referred to as the          "Foundation", represented by Director Yuriy I.          Cherches acting in accordance with the          Foundation's Charter and  <b>NUCLEAR THREAT INITIATIVE, INC.</b>          (Washington DC, USA), hereinafter referred to          as the "Partner", represented by President          Charles B. Curtis, acting in accordance with          the Partner's Articles of Incorporation, jointly          referred to as the "Parties", which</p>
<p><b>настоящим договорились о          нижеследующем:</b></p> <p><b>1. Предмет Приложения № 2</b>          Предметом настоящего приложения является          определение порядка оплаты Партнером Фонду          стоимости Проекта, определение размера          возмещения расходов Фонда по Проекту и          суммы целевого финансирования собственных          проектов Фонда в соответствии с условиями и          сроками установленными ниже.</p>	<p><b>The Parties hereby agree as follows:</b></p> <p><b>1. Subject of Annex №2</b>          The subject of Annex 2 shall be the          procedure of compensation of the Project          cost by the Partner to the Foundation,          determination of reimbursement of the          Foundation on the Project and defining the          amount of financing for the projects of the          Foundation in accordance with the terms and</p>

<p><b>2. Срок действия</b></p> <p>Настоящее Приложение 2 вступает в силу со дня его подписания надлежащими представителями Сторон и действует до полного исполнения Сторонами своих обязательств в связи с осуществлением данного Проекта.</p>	<p><b>2. Term</b></p> <p>Annex 2 shall come into force on the day of its signing by the authorized representatives of the Parties and shall be effective until the Parties fulfill their obligations under the current Project in full measure.</p>
<p><b>3. Оплата.</b></p> <p>3.1. Партнер выделяет Фонду средства целевого финансирования на Проект в сумме 395 000 (триста девяносто пять тысяч) долларов США, согласованную Сторонами в Приложении №1 Часть I, и 29 730 (двадцать девять тысяч семьсот тридцать) долларов США на компенсацию расходов Фонда в связи с его уставной деятельностью.</p>	<p><b>3. Payment</b></p> <p>3.1. The Partner shall transfer to the Foundation financial means for the Project in the sum of 395,000 (three hundred ninety-five thousand) US dollars, agreed by the Parties in Annex 1 part 1, and 29,730 (twenty-nine thousand seven hundred thirty) US dollars to reimburse Foundation's expenses on the Project maintenance.</p>
<p><b>ИТОГО: 424 730 долларов США.</b></p>	<p><b>TOTAL: 424,730 US dollars</b></p>
<p>Возмещение расходов Фонда, связанных с ведением проекта, составляет 7% от общей суммы, указанной в статье 3.1 настоящего приложения.</p>	<p>The amount of Partner's reimbursement to the Foundation is equal to 7% of the total sum specified in Article 3.1 of the present annex.</p>
<p>3.2. Партнер производит платежи Фонду в соответствии с установленным планом графиком финансовых выплат по Проекту.</p>	<p>3.2. The Partner shall produce payments to the Foundation in compliance with the Financial Schedule of the Project set forth below.</p>

**План график финансовых выплат по Проекту**

Этапы Проекта (календарный план)	Период выплат	Сумма выплат, долл. США		
		Аванс	Текущие Выплаты	Отложенный платеж
1 квартал		50 560		
2-7 квартал			313 960	
8 квартал				60 210

## The Financial Schedule on the Project

Stages of the Project (Scheduling)	Period of payments	Amount of payments		
		Prepayment, USD	Scheduled Payments inUSD	Delayed Payments inUSD
1 quarter		50 560		
2-7 quarter			313 960	
8 quarter				60 210

## 3.3. Порядок платежей Фонду:

- авансовый платеж в размере, соответствующему уровню расходов Исполнителя и Фонда по первому этапу Проекта. Авансовый платеж должен быть осуществлен Партнером не позднее, чем за 15 банковских дней до начала работ по Проекту;

- текущие выплаты не позднее 15 банковских дней до даты/периода окончания очередного этапа Проекта. Если Партнер направил Фонду запрос на предоставление Отчетов по этапу Проекта, то текущие выплаты производятся на следующий день после утверждения Партнером полученных отчетов.

## 3.3. The procedure of payments to the Foundation:

- The prepayment produced in the amount corresponding to the level of the Grantee's expenses on the first stage of the Project. The prepayment shall be effected not later than 15 business days before initiation of actual work on the Project;

- The scheduled payments shall be effected not later than 15 business days before the date/period of completion of the successive stages of the Project. In the event that the Partner applies to the Foundation with a request to submit the milestone Reports, the schedule payments shall be effected on the next day upon approval of the aforementioned Reports by the Partner.

3.4. Переоценка остатка средств по проекту за отчетный период (календарный квартал, год) производится Фондом за счет средств Проекта в соответствии с законодательством России.

3.5. Средства, выделенные Партнером на финансирование Проекта и оставшиеся у Фонда после его окончания, направляются Фондом на свои уставные цели. Данное положение распространяется на остаток средств, не превышающий в сумме 100 долларов США.

3.4. Revaluation of the remainder of funds under the Project for the accountable period (calendar quarter, year) is carried out by the Foundation for the account of the Project funds in accordance with legislation of the Russian Federation.

3.5. Funds, transmitted by the Partner in order to finance the Project and not used by the Foundation until final completion of the Project, are directed at the goals stipulated in the Foundation charter. The present

Организации и/или членам ВТК не несет имущественной ответственности перед Партнером за нецелевое использование полученных ими средств.

Понесенные Партнером расходы, Исполнитель в данном случае, компенсирует из собственных средств.

funds that does not exceed the amount of 100 US dollars.

3.6. Having produced payments to the Grantee and/or the Individual Participant members, the Foundation shall not be liable to the Partner for non-project use of the transferred assets.

In this case all expenses incurred by the Partner shall be compensated by the Grantee out of its own assets.

3.7. Партнер, одоблив Проект и перечислив средства Фонду, не несет ответственность за осуществление Фондом платежей непосредственно Исполнителю, если только сам не давал Фонду распоряжения о не перечислении средств по Проекту.

3.7. Having approved the Project and produced payments to the Foundation, the Partner shall not be liable for payments to the Grantee effected by the Foundation unless the Partner has ordered not to finance the Project.

#### 4. Изменения.

Настоящее приложение может быть изменено только с письменного согласия между Фондом и Партнером, если иное не предусмотрено соглашением Сторон.

#### 4. Amendments

The present Annex may only be amended if agreed by the Foundation and the Partner in writing, if there is no contrary agreement between the Parties.

#### 5. Прекращение.

В случае прекращения финансирования Проекта в соответствии с условиями раздела 9 Соглашения о целевом финансировании научно – технического проекта, Исполнитель возвращает Фонду ранее перечисленные денежные средства, а Фонд перечисляет эти средства Партнеру после поступления на счет Фонда, за исключением фактически понесенных и подтвержденных Исполнителем и Фондом расходов.

#### 5. Termination of the Annex

In the event that the Project is terminated in compliance with Article 9 of the Agreement, Grantee shall return granted funds to the Foundation and the Foundation shall transfer the aforementioned assets to the Partner upon receipt, not including actual and confirmed expenses of the Foundation and Grantee.

**В СВИДЕТЕЛЬСТВО ЧЕГО** Стороны составили настоящее Приложение на английском и русском языках в двух подлинных экземплярах в день и

**IN WITNESS WHEREOF**, the Parties hereto have caused this Annex to be executed in Russian and in English in duplicate on the day



**Beneficiary**  
**Account**  
**Beneficiary Bank**  
**Address beneficiary bank**  
**SWIFT**  
**Account**  
**Intermediary bank**  
**SWIFT**

**International Foundation of Technology and Investment**  
**40703840816861092930**  
**Banque Societe Generale Vostok, Moscow**  
**2, Yakimanskaya nab., 6 floor, 119180, Moscow, Russia**  
**SOGERUMM**  
**00171352**  
**SG NEW YORK**  
**SOGEUS33**

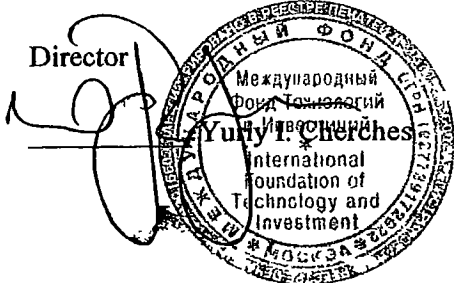
**ПОДПИСИ**

**От Фонда**  
**Директор**



**On behalf of The Foundation:**

**Director**



**SIGNATURES**

**От Партнера:**

**Президент**

*Charles B. Curtis*  
**Чарльз Куртис**

**On behalf of the Partner:**

**President**

*Charles B. Curtis*  
**Charles B. Curtis**

## GRANT AGREEMENT

by and between

NUCLEAR THREAT INITIATIVE, INC.

and

FUND FOR DEVELOPMENT OF CONVERSION COMPANIES (FDCC)

<b>ORGANIZATION:</b>	Fund for Development of Conversion Companies (Grantee)
<b>PROJECT:</b>	Creation of an Energy Efficiency Center on the Open Technopark Site
<b>GRANT NUMBER:</b>	6069
<b>APPROVED AMOUNT:</b>	Up to \$1,000,000.00 ("Grant")

1. This Grant seeks to achieve the goals referred to in the proposal, submitted in writing to the Nuclear Threat Initiative, Inc., ("NTI"), a nonprofit charitable organization established and registered in the United States of America, entitled "Creation of an Energy Efficiency Center on the Open Technopark Site," which proposal is attached hereto as Exhibit "A" (such goals hereinafter referred to as the "Project" and the proposal as "Program"). Payment received by Grantee may be used for no other purpose without prior written consent of NTI. For the purpose of this Agreement, the terms "Grant" and "Grant Funds" shall include any funds provided as assistance (Clause 582 of Russian Federation Civil Code) to the Grantee by NTI in the aforementioned amount ("Funds").
2. Grantee agrees that none of the Grant Funds shall be used, directly or indirectly, to participate or intervene in any political campaign on behalf of or against any candidate for public office, to influence legislation, conduct voter registration campaigns, or provide funds to individuals or other organizations. Further, none of the Grant Funds shall be used to fund or otherwise support any administrative or overhead costs, fees, or expenses of the Grantee.
3. The undersigned officer representing the Grantee hereby certifies that the Grantee is, under the Russian Federation Civil Code and Law No. 7-FZ of January 12, 1996 (as amended on February 02, 2006) *On Nonprofit Organizations*, a nonprofit organization and, therefore, deriving of profit does not constitute the main objective of the Grantee's activities. According to the provisions of the Bylaws approved at the time of Grantee's incorporation, as amended, the main objective of Grantee's incorporation and activities shall be supporting projects that create jobs, on the site of an open business park ("Open Technopark"), for workers of the Closed Administrative and Territorial Unit (ZATO) of the city of Sarov in Nizhny Novgorod Oblast, Russia. The laws and regulations applicable to Grantee, as well as Grantee's Bylaws, preclude any income or asset distribution or use for the benefit of any private individuals or noncharity organization unless it serves the implementation of Grantee's Mission or does not constitute payment which reasonably compensates for any services provided or the cost of property acquired by the Grantee at a fair market price. Grantee has no stakeholders or shareholders that would have any property interest in the organization's income or assets. The laws and regulations applicable to Grantee, as well as Grantee's Bylaws, preclude Grantee's organization from (a) participation in any activities other than those provided for by the Grantee's Bylaws, except where such activities are pursued for charity, science, or education purposes; (b) any attempts to influence legislation; and (c) any direct

or indirect participation or involvement in political campaigns in favor or in opposition of any candidate for government, municipal, or public office.

4. At the present time, an NTI-appointed representative serves as an elected member of Grantee's Board of Directors and as a member of Grantee's Board of Trustees. Grantee agrees that, as of the effective date (as determined below) of this Agreement and during the period through December 31, 2009, if such appointed individual or individuals are terminated, resign, are removed from office, or die, Grantee will use each and every action necessary to ensure the election of such other individual or individuals as may be appointed by NTI to fill the vacancy resulting therefrom. Due to the limited access to the city of Sarov, Grantee agrees to use its reasonable efforts to ensure that any meetings of the Board and Board of Trustees be scheduled adequately well in advance to allow the NTI-appointed individual to make appropriate preparations for participation in such meetings. If such NTI-appointed individual is unable to attend any such meeting, the Grantee shall also use its reasonable efforts to enable the NTI-appointed individual to participate in the meeting by telephone, video, or similar electronic medium.
5. To the extent that the Grant Funds shall remain unused or shall be compensated for upon expiration of 2009, the Grantee may use such funds for the purpose of funding the activities under the Program. If such funds (i) are not used, within a reasonable period of time, for the specific purposes under the Program or (ii) the Project is modified, during the period following 2009, so substantially as to no longer meet the initially stated objectives, any unused Grant Funds shall be promptly returned by Grantee to NTI or any successor thereof within a reasonable period of time..
6. Should Grantee cease to qualify under the Russian Federation Civil Code as a "nonprofit organization," this Agreement shall be terminated unilaterally by NTI and any unused Grant Funds shall be promptly returned to NTI within a reasonable period of time.
7. Grantee agrees to notify NTI promptly, in writing, if: (i) Grantee ceases to be compatible with the legal status of "nonprofit organization" under the Russian Federation Civil Code; (ii) Grantee has reasons to believe that the Grantee will no longer have the status of "nonprofit organization" under the Russian Federation Civil Code; or (iii) Grantee has reasons to believe that the Grant may not be used or may not continue to be used for any specific goals set forth in the attached Program.
8. NTI retains the right to, in advance, review, comment on, or otherwise approve any statements, announcements, or communications that Grantee may intend to make for the media or public concerning NTI's participation in the Project. Grantee may, however, refer to NTI's support of the work performed by Grantee, in a general sense, while Grantee is performing the Project.
9. Grantee agrees to observe, comply with and submit to all laws, rules, regulations, orders and requirements of government authorities applicable to the Project, in any respect.
10. Grantee shall cooperate with NTI by providing any additional information and by complying with any laws, rules, regulations, or procedures as may be required by any government authorities so as to enable NTI to comply with any requirements thereof and represent, on a point of fact, that it has complied with all requirements of all laws, rules, or regulations pertaining to this Grant and this Project.

11. Grantee represents and warrants that Grantee shall not conduct any activities in the United States of America using the Grant Funds. However, the foregoing shall not prevent Grantee from acquiring, on behalf of participants in any projects funded by the Grant, any equipment or other goods manufactured in the United States of America and required for use in such projects as nonfinancial contributions. In addition, on behalf of participants in any projects funded by the Grant, Grantee may sell to any buyer located in the United States of America any equipment or other goods manufactured by the participants in such projects.
12. Grantee agrees to keep and maintain accurate and complete books and records of receipts and expenditures made in connection with the Project. Grantee shall maintain such books and records so that any debits and credits and any reimbursements, compensations, and returns on Grant Funds shall be entered in such records separately. Grantee shall retain records, receipts, reimbursements, compensations, and returns on Grant Funds, as well as copies of any reports submitted to NTI and any supporting documentation, for at least four (4) years after completion of the use of Grant Funds and shall make all of them available for inspection by NTI, whenever reasonably required, as of the time of receipt of such Grant by the Grantee and for the duration of said period.
13. Both the quality of any work completed and the progress in achieving the Grant's goals by Grantee shall be subject to review by NTI. NTI may monitor and officially evaluate any operations or accomplishments under this Grant, including but not limited to visits by NTI personnel to monitor Grantee and/or any premises, projects, programs, or operations of any recipient and/or borrower of monetary funds from Grantee, and to audit any financial or other records or materials associated with the activities funded by the Grant. Grantee agrees to use its reasonable efforts to assist NTI in providing timely access to any relevant locations and shall promptly cooperate in any other way whatsoever with NTI and assist it in the monitoring and evaluating of said activities. Should NTI conduct its inspections or evaluations on Grantee's premises or on the premises of any recipient of the Grant Funds, Grantee shall provide and cause such recipient of the Grant Funds to provide any facilities and assistance reasonably related to the project as may be required for the performance of such obligations in a safe and convenient manner.
14. The approved amount under this Grant is expected to be paid in full to a separate FDCC bank account.
15. Grantee shall provide more detailed reports as described in the Program and in Exhibit "B" attached to this Agreement. In addition, NTI shall be entitled to copies of each and every report, document, financial data, business plan, or any other materials related to the use of the Grant Funds.
16. In the event of any breach by Grantee of any terms and conditions of the provision of this Grant, including failure to complete the Project in strict compliance with the Program, etc., NTI shall, along with the use of any other legal rights or remedies hereunder, retain the right to terminate the Grant at its discretion. Any such decision by NTI shall be final and binding upon Grantee. Upon termination of this Grant for the aforementioned cause, unexpended Grant Funds not used for the Project shall be promptly returned to NTI or any successor thereof within a reasonable period of time.
17. Grantee shall indemnify and defend NTI, its directors, officers, employees, consultants, representatives, and agents (collectively, "NTI Party Representatives") against any and all third-

party claims, liabilities, litigations, demands, damages, court judgments, fines, penalties, interests, costs, and expenses (including but not limited to any reasonable accounting expenses and attorney's fees) related to or resulting from this Grant or Project, including but not limited to any action (collectively, "Claims") resulting from any violation of Grantee's representations and warranties made with respect to this Agreement, Program, or Project or resulting from any breach of provisions hereof or any acts of negligence or omission by Grantee or its directors, officers, employees, consultants, representatives, or agents related to or associated with, in any way whatsoever, any activities conducted under this Agreement. However, the foregoing indemnification shall not apply to the extent that such Claims have been caused by negligence, omission, or error on the part of any NTI Party Representative(s).

Notwithstanding the foregoing, Grantee shall (i) be responsible for obtaining any required licenses or permissions or payments, in any amount, of value-added tax or any other tax, duty, levy, or fee imposed by Russian national or local authorities and shall indemnify NTI against any additional costs related thereto and submit to any national, regional, local, or municipal laws, codes, or regulations applicable to work under the Project; (ii) be liable for any damage sustained by people or property as a result of any omission or negligence on the part of the Grantee; (iii) indemnify and defend NTI or any of its representatives from any and all claims or litigations resulting from any injury, loss or death, whether accidental or otherwise, that may occur during the performance of this Project, including any claims brought with respect to the property of the affected party; and (iv) be responsible for monitoring and supervision of the use of any financial resources allocated by the Grantee for use in relation to business initiatives.

18. Grantee understands that NTI is under no obligation to provide any further support to Grantee. NTI considers each grant application on a case-by-case basis.
19. This Agreement and the documents attached thereto constitute jointly the entire understanding between NTI and Grantee on the subject matter and shall supersede all prior agreements and understandings, whether oral or in writing. No change or modification may be made to this Agreement unless in writing and signed by NTI and Grantee. This Agreement shall be deemed prepared under the laws of the District of Columbia, USA, and shall be interpreted and governed, in all respects, by the laws of the District of Columbia, USA. Should there be any conflict or difference between the English version of this Agreement and any translation thereof, the English version of this Agreement shall prevail.
20. Grantee agrees that it shall not involve as participants in the Project or otherwise use any Grant Funds to enter into transactions with entities listed pursuant to the U.S. Foreign Assets Control Regulations (31 Code of Federal Regulations Parts 500-598) or relevant Executive Orders as ineligible to participate in transactions, directly or indirectly, with U.S. organizations and persons. NTI calls Grantee's attention to the list of entities published in the Weapons of Mass Destruction Trade Control Regulations (31 Code of Federal Regulations 539 and the list of Weapons of Mass Destruction Proliferators and Their Supporters published pursuant to Executive Order 13382; partial list provided as Exhibit "C"). Grantee understands that the list may change from time to time. Prohibited transactions with the parties listed pursuant to the Weapons of Mass Destruction Trade Control Regulations and subject to this limitation include, without limitation: (i) procuring any goods, technology or services, or entering into any agreement for the procurement of any goods, technology or services from listed organizations; (ii) providing any assistance to or obligating funds for such purpose with listed organizations; or (iii) importing into the U.S. any goods, technology, or services produced or provided by listed organizations, any of the entities

described in the above regulations or executive order. For entities listed pursuant to Executive Order 13382 and certain Parts of the Foreign Assets Control Regulations (e.g., listed Foreign Terrorist Organizations) the prohibition covers all business transactions and funds transfers of any kind.

21. It is understood and agreed that NTI shall not receive from Grantee any confidential or secretive information or State or commercial secrets of Grantee or of any third party (the "Confidential Information"). Grantee represents and warrants that any information provided to NTI or any third party (other than authorized representatives, agents, agencies or instrumentalities) in the course of entering into this Agreement or performing any work hereunder, including, without limitation, such information as shall be contained in the reports contemplated in the Agreement, shall not be Confidential Information of Grantee or any third party.
22. The parties agree that a facsimile copy of any implementation document hereunder shall be equally binding as the original implementation documents.

The undersigned duly authorized officers of the Grantee and NTI accept and agree to, on behalf of the Grantee and NTI, respectively, the foregoing terms and conditions which shall become effective on the date last written below ("Effective Date").

**GRANTEE:**

Fund for Development of Conversion Companies

By: 

Vladimir Ivanovich Zhigalov  
Chairman of the Board

Date: 09 February 2007**NTI:**

Nuclear Threat Initiative, Inc.

By: 

Charles B. Curtis, President

Date: March 1, 2007

**Exhibit "A"**

**Creation of an Energy Efficiency Center  
on the Open Technopark Site**

**PROGRAM**

## City of Sarov

**Program Summary**  
**Creation of an Energy Efficiency Center**  
**on the Open Technopark Site**

Program name:	Creation of an Energy Efficiency Center on the Open Technopark Site
Date of Program development decision / Date of Program approval (appropriate regulation title and number):	Protocol No. 01/06 of the meeting of the Board of Directors of the Fund for Development of Conversion Companies (FDCC) of February 26, 2006
Program director:	FDCC
Key Program developers:	Nuclear Threat Initiative, Inc. (NTI) and FDCC
Program goals and objectives:	<p>Creation of new civilian jobs for personnel no longer employed in nuclear defense positions in support of the nonproliferation process and stability in nuclear cities.</p> <p>Key objectives:</p> <ul style="list-style-type: none"> <li>• Provide employment and create new jobs.</li> <li>• Develop existing and establish new civil production facilities.</li> <li>• Preserve and develop social infrastructure.</li> </ul>
Program and Subprogram completion dates and milestones:	Implementation period: 2006–2009
List of key activities:	Implementation of the project titled “Creation of an Energy Efficiency Center on the Open Technopark Site”
Program and key activities to be implemented by:	FDCC and LLC «Technologies Transfer Center «Sistema-Sarov»
Expected end results of Program implementation:	<ul style="list-style-type: none"> <li>• Establish a self-supporting Effective Energy Center on the Open Technopark site.</li> <li>• Apply innovative energy conservation developments.</li> <li>• Create favorable business conditions to attract investments for the projects in question.</li> </ul>
Program implementation monitoring system:	<p>Program implementation shall be monitored by:</p> <ul style="list-style-type: none"> <li>• FDCC;</li> <li>• Nuclear Threat Initiative, Inc.</li> </ul>
End recipient and owner of the equipment	LLC «Technologies Transfer Center «Sistema-Sarov»



## Introduction

The Nuclear Threat Initiative, Inc. (NTI), a nonprofit public charity organization established and registered in the United States of America to reduce the risk of the use of weapons of mass destruction and to prevent their proliferation, is providing gratuitous technical aid (assistance) in support of disarmament and conversion, specifically, by creating permanent, commercially viable new jobs on the site of the Sarov City business park ("Open Technopark") for the personnel of the Russian Federal Nuclear Center--Russian National Scientific Research Institute of Experimental Physics (RFNC--VNIIEF) and other specialists in the Closed Administrative and Territorial Unit (ZATO) in the city of Sarov, Nizhny Novgorod Oblast, and funding business initiatives.

This Program provides for the execution of a Grant Agreement by and between NTI and the Fund for Development of Conversion Companies (FDCC) whereby FDCC is expected to be allocated the sum of up to One Million US Dollars (US \$1,000,000.00) for the implementation of the project titled "Creation of an Energy Efficiency Center on the Open Technopark Site" for a period through December 31, 2009.

The Fund for Development of Conversion Companies (FDCC) was established in 1997 in the closed nuclear city of Sarov for the funding of projects intended to create new nonmilitary jobs. Since 1997, FDCC has provided financial support to more than 60 projects and created more than 2,000 jobs.

This project is necessary because the reduction in the nuclear weapons complex has eliminated thousands of jobs related to the development of nuclear weapons in the Sarov nuclear weapons laboratory (VNIIEF) and its Avangard plant for assembly/disassembly of nuclear weapons. Any prospect of massive unemployment may deter or delay these critical conversion activities.

Conversion is critical because the existing Russian nuclear complex exceeds Russia's security requirements in the post-cold war era. In the long-term, such a situation becomes unacceptable. Conversion is the only path towards an effective and permanent solution to this problem. The Russian government has acknowledged this need over the past several years, and serious work has begun to provide conversion of the entire nuclear complex. The Russian Atomic Energy Agency (formerly the Russian Federation Ministry of Atomic Energy) has stated that the problem of conversion in Sarov takes priority as part of the overall conversion program. Paramount importance is being attached to the creation of innovative infrastructure—a key element of which is the Open Technopark—and to project implementation on the site of the Open Technopark using VNIIEF specialists.

The sum of up to One Million US Dollars (\$1,000,000.00) allocated for FDCC is expected to create approximately 100 jobs—not much compared to the thousands of jobs to be required. But their effect will be significant if compared with other initiatives. First of all, the NTI funds allocated to civilian projects via FDCC will be combined with Russian funds of AFK (joint-stock financial corporation) Sistema and, further down the road, possibly with funds from other sources, if another partner can be engaged in addition to NTI. Secondly, the FDCC projects are part of a broader integrated strategy aimed at creating jobs in the city of Sarov. Thirdly, approval of a FDCC project by NTI will shed light on an important aspect of conversion which has been insufficiently dealt with so far, namely, the vital need for funding at an early stage or even at inception of new business initiatives which are often associated with a relative risk by definition. Such funding appears inadequate not only in the Russian nuclear cities, but also elsewhere in Russia.

The basic innovative infrastructure for the implementation of new innovative projects using VNIIEF specialists is provided by the Open Technopark.

The fundamental document to establish the Open Technopark (*Innovative Program for RFNC--VNIIEF Development* drafted in 2003) calls for the development of the Open Technopark as a key element of program implementation. The concept was approved by a joint decision of the leadership of

the Russian Atomic Energy Agency and the Government of Nizhny Novgorod Oblast and agreed to by the Administration of the President of the Russian Federation in the Volga Federal District.

The Open Technopark is located 5 km away from Sarov, in the village of Satis which, is accessible to foreign partners.

The Open Technopark is located in the vicinity of the Closed Administrative and Territorial Unit (ZATO) of the city of Sarov (Diveyev Raion of Nizhny Novgorod Oblast) and is regarded as a technology implementation site for the development of civilian technologies offered by RFNC-VNIIEF and its partners. The location of the Open Technopark in an open territory outside the ZATO will provide free access both to Russian and foreign companies.

The creation of an innovative infrastructure such as the Open Technopark in a territory accessible to Russian partners will make the commercialization of VNIIEF's innovative developments more effective and will create new jobs for any laid-off highly-qualified specialists. Consequently, the Technopark's strategic goals include the following:

- Commercialize the technologies offered by RFNC-VNIIEF and its partners, including the implementation of industry-level and region-level technologies;
- Create a world-class technopark;
- Attract commercial-sector partners and cooperate with businesses operating in Nizhny Novgorod Oblast.

One of the priority projects to be implemented on the site of the Open Technopark is a project titled "Creation of an Energy Efficiency Center." The main activities of the Energy Efficiency Center will include electric power generation and sales and modular power plant manufacturing and sales. As a result of the project implementation such type of equipment will be able to satisfy needs in electric power of a number of industrial facilities on the territory of the region and neighboring regions. The demonstration site built during the project's first implementation phase will be capable of satisfying the Open Technopark's requirements in both electric power and heat.

The manufactured modular electric power plants will help address the issue of regional electric power supplies and make the regional power infrastructure more sound and environmentally friendly. In addition, the proposed electric power plants appear more affordable than similar systems available in the market thanks to the elimination of the middleman chain in moving the product to the end user and due to the use of domestically manufactured parts and components.

### **1. Problem Description and Substantiation of the Need for Problem Solution Using Programmatic Methods**

The city of Sarov is one of the country's leading federal defense nuclear centers. Established more than half a century ago, the Nuclear Center has accumulated certain scientific, production, and human resources which enable it to resolve extremely complex scientific, technological, industrial, and engineering problems in the area of development, manufacturing, testing, and supporting various types of nuclear weapons.

At the same time, the recent years saw a significant reduction in the actual funding of RFNC-VNIIEF and Avangard plant defense projects which is very inadequately compensated for by an increase in civilian projects. This is caused primarily by insufficient government funding of conversion-related projects and, secondly, by the continuing low effective demand for high-tech developments in Russia. As a result, the accumulated science and technology capability does not seem to be realized in full by the city constantly threatened by significant personnel cutbacks and layoffs. Any further decline in defense contracts will result in a substantial reduction in the RFNC-VNIIEF personnel engaged in defense projects. Avangard plant shall be completely converted to civil production.

Therefore, the city of Sarov needs to create, as soon as possible, approximately 4,000 self-supporting jobs for the laid-off RFNC-VNIIEF and Avangard plant specialists. There is no way that a solution to this problem could be postponed or delayed.

The financial resources required to resolve the problem of creating about 4,000 jobs in Sarov are estimated at approximately US \$40–120 million. These should result in the establishment of new civilian production companies, high-tech in nature if possible, which will serve as a starting point for the formation of a new tax base to ensure a subsidy-free urban development.

This objective could be achieved using the following two options:

- (a) By allocating special federal budget funds dedicated to ZATO restructuring and to annual subsidies and subventions in support of the city's social infrastructure;
- (b) By attracting investors willing to participate in the creation and development of conversion companies at the Sarov City ZATO and the Open Technopark site.

## **2. Key Program Goals, Objectives, and Implementation Period**

The main goals of the Program include mitigation of the risk of the use of weapons of mass destruction and the prevention of their proliferation; ensuring a stable and safe operation of the city's infrastructure; retention of human resources; and an increase in employment based on the conversion of city-forming companies and businesses.

A direct purpose of this project is to create permanent, commercially viable new jobs for former RFNC-VNIIEF employees on the site of the Open Technopark as part of one of the priority areas of the Technopark development, "Energy Efficiency and Ecology." The Energy Efficiency Center will create both local and regional power stations and support their operations in order to achieve maximum energy efficiency, to use a clean, environmentally sound fuel, and to supply electric power to the Open Technopark buildings. The Energy Efficiency Center is designed to meet the electric power requirements through the use of effective innovative solutions; it will also allow to take advantage of the unique capabilities of scientists and specialists.

The ultimate goal is to advance the transition to a smaller and safer Russian nuclear weapons complex in concert with the Russian security requirements in the twenty-first century.

The following is suggested as successful implementation criteria for the project in question:

- Number of newly-created jobs for former VNIIEF employees;
- Schedule implementation for the Energy Efficiency Center project;
- Sales levels upon completion of the preparation period.

The program implementation period is from 2006 to 2009.

## **3. Program Implementation Mechanism**

The Program will be implemented based on the existing interaction mechanism between the FDCC and the entities created by the FDCC.

The FDCC has been in existence for over 9 years and has a well-established and well-organized system. NTI will be able to rely on these existing mechanisms and suggest improvements where appropriate for the implementation of the project titled "Creation of an Energy Efficiency Center on the Open Technopark Site."

The existing FDCC mechanisms are described in both the FDCC constitutional documents and FDCC internal regulations.

NTI representative began to participate in the Fund's activities in 2002.

NTI is expected to take part in the review of this project without introducing its own separate, duplicating review process. To ensure that their participation is effective, NTI representatives are

expected to visit the Open Technopark site several times a year to provide direct monitoring of the project implementation. All reasonable efforts will be used to ensure that such participation is suitable for NTI. However, it should not be expected that NTI will necessarily elect to participate in each activity at the project site. If this is the case, logistical arrangements will be made to ensure NTI's participation by means of telecommunications.

As the Open Technopark site offers free access to foreign partners, no special access procedures will be used.

The Fund does not deal only with highly-skilled nuclear weapons specialists, i.e., with those who represent the main concern, namely, that of "brain drain." Instead, the Fund believes that its mission is to create jobs for all categories of employees who will lose their jobs as a result of the nuclear complex reductions and conversion, including blue-collar workers, laborers, and support personnel. In addition, some workers may have no relevant training background or experience at all in (or may not be associated with) the nuclear weapons business, but need to support the new business. Creation of jobs for such personnel will actually support the goal of the conversion in a broader perspective than the mere prevention of "brain drain."

In general, the project titled "Creation of an Energy Efficiency Center on the Open Technopark Site" appears largely focused on the Russian market. Foreign customers are deemed very desirable, but are harder to attract. In some cases, NTI may be able to provide assistance in identifying foreign customers.

Transparency verification of FDCC operations by NTI will be achieved by the participation of an NTI representative on the FDCC Board of Trustees and Board of Directors.

#### **4. Program Funding**

Funding will be provided based on the decisions of the Board of Directors of the Fund for Development of Conversion Companies with participation of a NTI representative by using the NTI funds in an amount up to One Million US Dollars (\$1,000,000.00) to be provided as gratuitous technical aid (assistance) and funds of AFK "Sistema" to be transferred to LLC "Technologies Transfer Center "Sistema-Sarov", a managing company of the Open Technopark.

A prerequisite for considering project funding will be the submission and approval of a business plan for the project titled "Creation of an Energy Efficiency Center on the Open Technopark Site."

After the funding has been approved, NTI funds will be transferred to the FDCC. FDCC will pay purchase of equipment under the program. FDCC will deliver this equipment to LLC "Technologies Transfer Center "Sistema-Sarov" for the final implementation of the program. The project implementation will be reviewed twice a year. NTI may have its representative physically present at such review or may agree to participate by means of telecommunications. NTI will also be allowed to delegate the project review responsibility, in whole or in part, to "independent experts" who normally perform this function for the Fund.

#### **5. Program Management and Progress Review**

Since the FDCC is an incorporated entity with a well-developed management system and procedures, the basic proposition is that NTI shall participate in the existing system rather than create a new approach based on an NTI format. However, if NTI has certain specific requirements that have not been incorporated yet in the existing FDCC procedures and system, supplementary conditions and guarantees that meet such NTI requirements could be added.

Proposals for NTI's participation are set forth in the remaining portion of this section.

The Board of Trustees and the Board of Directors shall be in charge of Program management and progress review, with possible participation of a Nuclear Threat Initiative, Inc. representative and the Fund Director.

The FDCC shall be supervised by a number of bodies as described in the FDCC Bylaws and prospectus.

The highest controlling body is the Board of Trustees. It consists of high-ranking officers, mostly capable of exerting certain economic and political influence. The Trustees shall provide supervision and meet only from time to time. An NTI representative shall be included on the Board of Trustees as a member. Participation in each meeting shall be unnecessary, although it would appear reasonable to attend the initial meeting and then meet annually. NTI is anticipated to be able to determine the exact nature and extent of its participation in the Board of Trustees.

The next-highest FDCC governing body is the Board of Directors responsible for making funding decisions. NTI representatives may participate in the Board's activities whenever the project titled "Creation of an Energy Efficiency Center" is being reviewed at all stages of project implementation.

Administrative work will be performed in the FDCC by a small number of people headed by the Director. It is not expected that NTI will wish to participate in the day-to-day activities of the FDCC. It is expected, however, that NTI will have good working relations with the Director and key staff members and will be able to contact them frequently if so desired (again, not necessarily on a personal level).

It is proposed that NTI retain the right to request its own independent audits of the FDCC to monitor the use of NTI funds. However, NTI will use its own discretion whether to exercise this option or not, in view of the fact that some audits by NTI would, at least in part, duplicate the audits already completed. NTI will be also able to recommend what exact steps should be taken to update or improve the existing auditing procedures. However, the option to appoint certain audits should be retained by NTI.

## **6. Social and Economic Benefits of the Program**

The Program implementation will allow to create required conditions for sustained mitigation of the risk of use of the weapons of mass destruction and prevention of their proliferation and for the development of civilian production companies in order to increase the output of science-intensive, high-technology products, to retain highly-qualified human resources, and to improve the social comfort level and status of professional activities.

Assistance will be provided in commercializing innovative developments in the area of energy efficiency.

The most important result of the Program implementation is its social benefit reflected in the employment of about 100 people laid off from the basic VNIIEF production areas.

The economic benefit of the Program implementation will be determined by the proceeds from the implementation of the conversion project and the creation of a new self-supporting business.

Appendix to Item 4 of Attachment A of the Program  
**"CREATION OF AN ENERGY EFFICIENCY CENTER ON THE OPEN TECHNOPARK SITE"**

**Financial plan for the project entitled  
 "Creation of an Energy Efficiency Center on the Open Technopark Site"**

**1. Investment expenses**

The project is funded by a grant in the amount of \$ 1,000,000.00 made available from funds of Nuclear Threat Initiative, Inc. (NTI), a non-profit charitable organization.

**2. NTI funds will be used for:**

The grant authorized by NTI will be used for construction of a stand-alone energy center in the framework of the Open Technopark located near City of Sarov and, specifically, for purchase (production, testing and delivery) of Capstone C-65 cogenerators, gas-turbine equipment items.

Capstone C-65 cogenerators are the main equipment items of the stand-alone energy center of the Open Technopark.

**3. Cost estimate**

No	Name	Designation	Price per unit, USD	Quantity	Amount, USD
<b>Capstone cogenerators:</b>					
1	C65iCHP dual mode HP C65 gas turbine generator with built-in heat-utilizer 65+115 kW, 400V, 50 Hz fired by natural gas at 5.2 atm	65C-HD4-DU00	\$96,873.00	10	\$968,730.00
2	Kit for hookup to high-pressure fuel line	507849-101	\$730	10	\$7,300.00
3	Control cable to integrate microturbines into a cluster, Multipac cable kit, 5 m	509949-100	\$180	10	\$1,800.00
4	Multiunit remote monitoring SW (2...100), remote monitoring and control software (ASUTP)	CRMS-M	\$2,170.00	1	\$2,170.00
5	PowerServer CPS-100, control controller	512675-101	\$20,000.00	1	\$20,000.00
	<b>Total for Capstone cogenerators</b>				<b>\$1,000,000.00</b>

\*) In the course of the project implementation, any cost item of this cost estimate may be modified within the total amount indicated herein.

**4. The amount authorized for the grant (\$ 1,000,000.00) will be transferred entirely to a special bank account of FDCC.**

5. The list of stages for production and delivery of Capstone C65iCHP cogenerators

№	Work Description	Duration since the date when Agreement is signed, months					
		1	2	3	4	5	6
1	Purchase of parts to assemble cogenerators	■	■				
2	Assembly of cogenerators			■			
3	Cogenerator factory test				■		
4	Delivery of equipment					■	■

Terms of the equipment delivery:

- production and delivery of cogenerators will be made within 16 weeks,
- power units should be supplied by the manufacturer as turnkey ready items.

#### 6. Work Schedule

Design and construction activities for the energy center building should be completed by the equipment delivery date. The stages of installation, start-up and commissioning the facility into operation will be implemented after the equipment delivery.

№	Stage	Duration since the date when equipment is delivered, months					
		1	2	3	4	5	6
1	Installation activities:						
	1.1 Smoke stacks	■	■				
	1.2 Indoor utility equipment	■	■				
	1.3 Installation of electrical equipment		■	■	■		
	1.4 Installation of gas equipment		■	■			
	1.5 Installation of process equipment		■	■	■		
2	Start-up activities and training operating personnel through conducting instructional briefings		■	■	■	■	
3	Commissioning the facility into operation						■

\*) Co-funding of the project is provided in compliance with the terms of "Grant Agreement" between Nuclear Threat Initiative, Inc. (NTI) and Foundation for the Development of Conversion Companies.

## **7. Supplier's warranty and its terms**

The Supplier acting as an authorized partner of Capstone undertakes to provide the following warranty that encompasses all models of Capstone MicroTurbine micro-turbine generators, and additional units and systems manufactured by Capstone in series for use in stationary power systems (hereafter — Equipment).

This undertaking is applicable to new Equipment purchased from the Supplier for the first time, and is not transferable with the Equipment in case of its resale.

### **Scope of application**

The Supplier undertakes that any standard part of Capstone MicroTurbine microturbine generator or any additional module or system produced by Capstone installed in compliance with the requirements of the manufacturer, accepted for operation with the participation of the Supplier's representative authorized by Capstone under the Authorized Service Provider (ASP) Program, being used in compliance with the Equipment specifications and being regularly maintained during the warranty period will be repaired or replaced with the new ones at Buyer's discretion if defects in operation or in materials are found, or the assembly is found to be of low quality. This warranty does not cover wearing parts and expendable materials (including fuel and air filters).

This warranty includes parts and labor needed to dismantle, repair or replace and install them with the exception of the Equipment installed at a marine platform when the warranty covers only replaced or repaired parts and does not cover labor.

This warranty becomes void if the Buyer fails to submit a Record of Equipment Acceptance into Industrial Operation signed by the Buyer or its authorized representative to the Supplier within 30 days after the date of such acceptance.

This warranty becomes void if maintenance did not include replacement of wearing parts (fuel and air filters, TET thermocouple, fuel injector, battery, spark-plugs) conducted in compliance with the schedule and procedure set by Capstone Company.

This warranty becomes void if the Buyer fails to provide either shared or dedicated communication channel for remote monitoring and testing of the Equipment within 60 days after accepting the Equipment to industrial operation.

### **Defects**

Normal wear and depreciation of the Equipment, effects of aggressive and/or erosive environment or fuel, and the need to replace expendable materials (including fuel and air filters) or change in the Equipment production rate caused by these factors are not considered as defects.

### **Warranty Period**



For Capstone MicroTurbine microturbine generators operating in parallel with the network, stand-alone or in the dual mode, fired by natural gas of high or low pressure, sulfurous gas, sewage gas, propane (including the liquefied one) or liquid fuel such as kerosene or diesel oil; with built-in recuperator or without recuperator, the warranty period is 12 months from the moment of acceptance into industrial use or 15 months after it was delivered, or 1000 start/stop engine cycles, depending on the fact which of the events will be the first.

For compressors on air bearings (Foil Bearing Low Pressure Natural Gas Compression System, account number is FB-RFC) used in microturbine generators fired by low-pressure gas, the warranty is valid only for gas pressure in the supply delivery pipe of 1.38 kPa – 103.42 kPa (0.015 atm. – 1.055 atm.). Warranty period is 12 months from the moment of acceptance into the industrial use or 15 months after it was delivered, or 1000 start/stop engine cycles, depending on the fact which of the events will be the first.

For the compressor used with liquid fuel (diesel oil, kerosene), the warranty period is 12 months from the moment of acceptance into the industrial use or 15 months after it was delivered, or 4000 work hours, depending on the fact which of the events will be the first.

For the software for remote monitoring and control of microturbine generator operation (Capstone Remote Monitoring System – CRMS), the warranty covers compliance with the specifications identified in the manuals and descriptions of CRMS system. The warranty period is 90 days from the moment of acceptance of a microturbine generator into the industrial use.

#### **Replaceable parts warranty**

The warranty for parts and modules replaced or repaired by the Supplier in compliance with terms of this warranty is valid during the period of time not exceeding the warranty period for Capstone MicroTurbine Company's microturbine generator that these parts are installed to.

#### **Warranty repair**

Every type of repair, maintenance and troubleshooting of the Equipment shall be performed by Supplier's specialists ASP-certified by Capstone, with the use of new or repaired parts supplied or certified by Capstone.

If any part, which is not manufactured or not certified by Capstone, is used instead or for replacement of a part of Capstone Micro Turbine micro turbine generators during the warranty period, the warranty ceases to be effective.

Any request for repair or replacement of parts or modules of micro turbine generators should be submitted by the Buyer to the Supplier within 30 days after detection of a fault. All parts replaced by the Supplier under the warranty terms specified herein become property of the Buyer. Any kind of maintenance or replacement of parts shall be recorded in protocols and records signed by authorized representatives of the Buyer and Supplier.

#### **Exceptions**

Supplier makes no warranty whatsoever for the items as follows:

1. System software (Firmware) used for micro turbine generator operation. Supplier shall make maximum possible efforts to solve all the problems relevant to system software.
2. Parts and labor for repair of parts, which may be required consequent to the following situations: vandalism, accidents, improper operation, lack of maintenance, improper application, improper storage, natural phenomenon, negligence, mental distress of Buyer's personnel or modification of Equipment not authorized by Supplier
3. Parts and labor for repair of parts, which are external to micro turbine generators and are not manufactured by Capstone.
4. Parts, tools and labor for routine maintenance service.
5. Parts, labor and cost of accessory tools, which may be required for troubleshooting and repair needed as a result of operation of Equipment under conditions that do not comply with the Capstone specifications, including but not limited to instances of instantaneous change of parameters of mains (breaks, short circuits) during operation in parallel with mains, fuel feeding into supply networks with characteristics (pressure, temperature), exceeding prescribed limits.
6. Direct or consequential damages, expenditures or losses of any kind, which Equipment Buyer or any third party may bear because of loss of performance, inception of faults or violation of liabilities, covered by foregoing warranty, including, but not limited to loss of profit, loss of revenue, loss or damage of any other equipment and/or any other property.

Supplier does not transfer to any other physical or legal person the authority to assume or to create on its behalf any other liabilities or to assume any other responsibility in relation to Capstone equipment.

#### **Force majeure**

Supplier will not be liable for non-performance of warranty caused by Buyer's personnel strike, natural phenomenon or any other events beyond the direct or indirect control of Supplier.

**Technical characteristics of the equipment items to be purchased –  
Capstone C-65 turbogenerators**

No	Parameters	«Capstone» C65			
1	Electric power, kW	65			
2	Heat power (produced by heat-exchanger)	130.0 kW		0.111 Gcal	
3	Electrical efficiency	29 (± 2%)			
4	Overall efficiency (with heat utilization)	80 + 85%			
5	Fuel inlet pressure	5.2-5.6 bar	5.132-5.526 atm	520-560 kPa	
6	Minimum gas heating value	350 Btu/scf or 13,048 kJ/m <sup>3</sup>			
7	Natural gas flow rate	23 nm <sup>3</sup> /h			
8	Natural gas specific consumption at nominal capacity	0.35 nm <sup>3</sup> /kW*h			
9	Air flow rate for compressor	425 l/s	0.425 m <sup>3</sup> /s	25.5 m <sup>3</sup> /min	
10	Air flow rate to cool electronics unit	236 l/s	0.236 m <sup>3</sup> /s	14.16 m <sup>3</sup> /min	
11	Air flow rate for battery controller		0.175 m <sup>3</sup> /s	10.5 m <sup>3</sup> /min	
12	Working range of micro-turbine temperature	-50 ÷ 50 °C (start-up outside up to -20 °C)			
13	Overall size, weight	2110*762*1956 mm 1042 kg (SA) 698 kg (GC) (295 kg of accumulator battery)			
14	Gas flow at exhaust at nominal capacity	1551.5 m <sup>3</sup> /h	0.431 m <sup>3</sup> /s	431 l/s	25.87 m <sup>3</sup> /min
15	Exhaust temperature	305 °C			
16	Peak permissible level of back pressure to the exhaust path of micro-turbines	8 inches of water column or 2 kPa			
17	Heat energy output at nominal conditions	0.136 Gcal	571000 kJ/h	158.5 kW	
18	NO <sub>x</sub> emissions at 15% O <sub>2</sub>	< 9 ppmv or < 16.9 mg/m <sup>3</sup>			
19	CO emissions at 15% O <sub>2</sub>	40 ppmv or 45.8 mg/m <sup>3</sup>			
20	Noise level	70 db			
21	Frequency of current: • Operating in parallel with the network • Stand-alone operation	50/60 Hz 10 ÷ 50/60 Hz			
22	Peak current for phase	100, A			
23	Output voltage	3 phases, 3- or 4 -wire star with tightly grounded midpoint wire or grounded through active resistance (R ≤ 100 Ohm)			
24	Working voltage range: • Work simultaneously with the network • Autonomous work	360 - 528 VAC 360 ÷ 480 VAC			
25	Rotation frequency without load	45,000 rpm			
26	Rated turbine rotation frequency	96,000 rpm			
27	Maximum turbine rotation frequency	120,000 rpm			
28	Time to reach nominal conditions	2 + 3 min			
29	Type of bearing	Aerial			

## Requirements for fuel

Capstone	Heating value of fuel	Rated fuel supply
Model C65 (fired by natural gas at average pressure)	36,162 + 42,128 kJ/m <sup>3</sup> Natural gas, methane	849,000 kJ/h or 235.8 kW

**Exhibit "B"****Nuclear Threat Initiative, Inc. (NTI)  
Reporting Instructions**

At the end of each of the Grantee's fiscal years up to December 31, 2009 inclusively, NTI will need to receive, for the purpose of its official record-keeping, an annual or final report, as appropriate, which shall (i) describe, in the form of a statement of facts, what exactly has been accomplished through the use of Grant Funds and (ii) provide complete financial statements under the Grant.

**I. Statement of Facts**

Each such report shall summarize the activities supported by the Grant and briefly describe the results so accomplished. The report will be used by NTI personnel to evaluate your work and to provide a summary of your work to the Board of Directors. The following checklist may, to the extent it is related to our Grant provided to your organization, serve as guidelines in the preparation of your reports:

- a. Has the Project achieved the goals outlined in your organization's Proposal? If not, how do your results differ from such goals? Please explain each milestone accomplished. What is your vision of the Project's future?
- b. Please generally describe Project activities funded by the Grantee through the use of the NTI funds over the last fiscal year
- c. What developments or concept implementations related to the problems covered by this Grant have been achieved as a result of this Project? What exactly happened in this area, if anything, and what changed the atmosphere around the problem?
- d. Please describe any tangible project results. What has the Project "generated"?
- e. Please describe the Project's impact on the problem it covers. What supporting information demonstrates the Project's impact?
- f. Please provide copies of any important reports, books, or media products resulting from your work related to the Grant.
- g. Please describe those Project activities that will be conducted next year.

**II. Financial Statement**

Each financial statement should be as detailed as possible and include the following:

- h. A line item comparison of budgeted versus actual expenses as they relate *specifically to this award.*
- i. A statement certifying the all Grant Funds have been used for the Grant's purposes. If the Grant amount has not been used completely, please explain the proposed use of the remaining amount.
- j. A summary of any increase in the Project cash funds, including a description of any contingency shortfalls or surpluses. Has the Grant helped your organization in generating monetary funds from other sources? If not, why not?
- k. Copy of the bank statement from December 31<sup>st</sup> of each year.
- l. Copy of FDCC's annual audit report.

**III. Delivery of the Statement of Facts and Financial Statement**

The above reports must be submitted within the last thirty (30) days of the Grantee's fiscal year. Such reports shall be delivered to the following address:

Mrs. Laura S. H. Holgate  
Vice President for Russia / NIS Programs  
Nuclear Threat Initiative, Inc.  
1747 Pennsylvania Avenue NW  
7th Floor  
Washington, DC 20006

## Exhibit "C"

## Selected Entities Subject to 31 Code of Federal Regulations Part 539 "WMD Trade Control Regulations" and Executive Order 13382

AEROSPACE INDUSTRIES ORGANIZATION (a.k.a. SAZMANE SANAYE HAVA FAZA; a.k.a. "AIO"), Langare Street, Nobonyad Square, Tehran, Iran [NPWMD]

ATOMIC ENERGY ORGANIZATION OF IRAN (a.k.a. SAZEMAN-E ENERGY ATOMI), P.O. Box 14144-1339, End of North Kargar Avenue, Tehran, Iran [NPWMD]

BANK SEPAH, Imam Khomeini Square P.O. Box 11364-9569, Tehran, Iran; all offices worldwide [NPWMD]

BANK SEPAH INTERNATIONAL PLC, 5-7 Eastcheap, London EC3M 1JT, United Kingdom [NPWMD]

BALTIC STATE TECHNICAL UNIVERSITY, wherever located, including 1/21, 1-ya Krasnoarmeiskaya UI, 198005 St. Petersburg, Russia [63 FR 42089, July 30, 1998]

BEIJING ALITE TECHNOLOGIES CO., LTD (a.k.a. ALCO; a.k.a. BEIJING HAILI LIANJI KEJI YOUXIAN GONGSI), 12A Beisanhuan Zhong Road, P.O. Box 3042, Beijing, China; and all other locations worldwide [NPWMD]

CHINA GREAT WALL INDUSTRY CORPORATION (a.k.a. CGWIC; a.k.a. ZHONGGUO CHANGCHENG GONGYE ZONGGONGSI), No. 30 Haidian Nanlu, Beijing, China; Moscow, Russia; and all other locations worldwide [NPWMD]

CHINA NEW ERA GROUP (a.k.a. China Xinshidai Company, a.k.a. New Era Group; a.k.a. XSD; a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

CHINA NATIONAL PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CHINA NATIONAL PRECISION MACHINERY I/E CORP; a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION, a.k.a. CPMIEC, a.k.a. ZHONGGUO JINGMI JIXIE JINCHUKOU ZONGGONGSI), No. 30 Haidian Nanlu, Beijing, China; and all other locations worldwide [NPWMD]

CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CPMIEC), wherever located [July 30, 2003]

CHINA XINSHIDAI COMPANY (a.k.a. China New Era Group; a.k.a. New Era Group; a.k.a. XSD, a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

CPMIEC (a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION), wherever located [July 30, 2003]

D. MENDELEYEV UNIVERSITY OF CHEMICAL TECHNOLOGY OF RUSSIA, wherever located, including 9 Miusskaya Sq., Moscow 125047, Russia [64 FR 2935, January 8, 1999]

DERAKHSIANDEH, AHMAD, c/o BANK SEPAH, No. 33 Hormozan Building, Pirozan St., Sharak Ghods, Tehran, Iran, DOB 11 Aug 1956; POB Iran (individual) [NPWMD]

ELECTRONICS INSTITUTE, P.O. Box 4470, Damascus, Syria [NPWMD]

FEDERAL RESEARCH AND PRODUCTION COMPLEX ALTAI, Russia [69 FR 67617-18, November 18, 2004]

G.W. AEROSPACE, INC. (a.k.a. GREAT WALL AEROSPACE, INC.), 21515 Hawthorne Blvd., Suite 670, Torrance, CA 90503; California Corporate Number C1458237 (United States) [NPWMD]

GLAVKOSMOS, wherever located, including 9 Krasnoproletarskaya St., 103030 Moscow, Russia [63 FR 42089, July 30, 1998]

HIESONG TRADING CORPORATION, Pyongyang, Korea, North [NPWMD]

HIGHER INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY (a.k.a. HIAST, a.k.a. INSTITUT DES SCIENCES APPLIQUEES ET DE TECHNOLOGIE; a.k.a. INSTITUT SUPERIEUR DES SCIENCES APPLIQUEES ET DE TECHNOLOGIE; a.k.a. ISAT, a.k.a. ISSAT), P.O. Box 31983, Barzeh, Damascus, Syria [NPWMD]

KOHAS AG, Route des Aisciaux 15, Fribourg, FR 1700, Switzerland; C.R. No. CH-217.0.135.719-4 (Switzerland) [NPWMD]

KOREA COMPLEX EQUIPMENT IMPORT CORPORATION, Rakwondong, Pothonggang District, Pyongyang, Korea, North [NPWMD]

KOREA INTERNATIONAL CHEMICAL JOINT VENTURE COMPANY (a.k.a. CHOSON INTERNATIONAL CHEMICALS JOINT OPERATION COMPANY; a.k.a. CHOSUN INTERNATIONAL CHEMICALS JOINT OPERATION COMPANY; a.k.a. INTERNATIONAL CHEMICAL JOINT VENTURE CORPORATION), Hamhung, South Hamgyong Province, Korea, North, Man gyongdae-kuyok, Pyongyang, Korea, North; Mangyungdae-gu, Pyongyang, Korea, North [NPWMD]

KOREA KWANGSONG TRADING CORPORATION, Rakwon-dong, Pothonggang District, Pyongyang, Korea, North [NPWMD]

KOREA MINING DEVELOPMENT TRADING CORPORATION (a.k.a. CHANGGWANG SINYONG CORPORATION; a.k.a. EXTERNAL TECHNOLOGY GENERAL CORPORATION; a.k.a. NORTH KOREAN MINING DEVELOPMENT TRADING CORPORATION, a.k.a. "KOMID"), Central District, Pyongyang, Korea, North [NPWMD]

KORFA PUGANG TRADING CORPORATION, Rakwon-dong, Pothonggang District, Pyongyang, Korea, North [NPWMD]

KORFA RYONBONG GENERAL CORPORATION (a.k.a. KOREA YONBONG GENERAL CORPORATION; f.k.a. LYONGAKSAN GENERAL TRADING CORPORATION), Pot'onggang District, Pyongyang, Korea, North, Rakwon-dong, Pothonggang District, Pyongyang, Korea, North [NPWMD]

KOREA RYONGWANG TRADING CORPORATION (a.k.a. KOREA RYENGWANG TRADING CORPORATION), Rakwon-dong, Pothonggang District, Pyongyang, Korea, North [NPWMD]

KOREA RYONHA MACHINERY JOINT VENTURE CORPORATION (a.k.a. CHOSUN YONHA MACHINERY JOINT OPERATION COMPANY; a.k.a. KOREA RYENHA MACHINERY J/V CORPORATION; a.k.a. RYONHA MACHINERY JOINT VENTURE CORPORATION), Central District, Pyongyang, Korea, North; Mangungdae-gu, Pyongyang, Korea, North; Mangyongdae District, Pyongyang, Korea, North [NPWMD]

LIMMT ECONOMIC AND TRADE COMPANY, LTD. (a.k.a. LIMMT (DALIAN FTZ) METALLURGY AND MINERALS CO., LTD.; a.k.a. LIMMT (DALIAN FTZ) MINMETALS AND METALLURGY CO., LTD.; a.k.a. LIMMT (DALIAN) METALLURGY AND MINERALS CO., LTD.), 2501-2508 Yuexiu Mansion, No 82 Xinkai Road, Dalian, Liaoning 116011, China; and all other locations worldwide [NPWMD]

MAI (a.k.a. MOSCOW AVIATION INSTITUTE), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

MESBAH ENERGY COMPANY (a.k.a. "MEC"), 77 Armaghan Gharbi Street, Valiasr Blvc, Tchrn, Iran [NPWMD]

MOSCOW AVIATION INSTITUTE (a.k.a. MAI), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]

NATIONAL STANDARDS AND CALIBRATION LABORATORY (a.k.a. NATIONAL CALIBRATION CENTRE, a.k.a. NSCL), P.O. Box 4470, Damascus, Syria [NPWMD]

NEW ERA GROUP (a.k.a. China New Era Group; a.k.a. China Xinshidai Company; a.k.a. Xinshidai; a.k.a. XSD) [69 FR 56260, September 20, 2004]



NOVIN ENERGY COMPANY (a.k.a Energy Novin; a.k.a. Noveen Energy Company), End of North Karegar Avenue, Tehran, Iran [NPWMD]

SANAM INDUSTRIAL GROUP (a.k.a Sanam Industries Group) Pasdaran Road 15, Tehran, Iran

SCIENTIFIC STUDIES AND RESEARCH CENTER (a.k.a CENTRE D'ETUDES ET RECHERCHES, a.k.a "SSRC"), P.O. Box 4470, Damascus, Syria [NPWMD]

SHAHID BAKERI INDUSTRIAL GROUP (a.k.a "SBIG"), Tehran, Iran [NPWMD]

SHAHID HEMMAT INDUSTRIAL GROUP (a.k.a. "SHIG"), Damavand Tehran Highway, Tehran, Iran [NPWMD]

STEIGER, Jakob, c/o KOHAS AG, Fribourg, FR, Switzerland; DOB 27 Apr 1941; POB Altstätten, SG, Switzerland (individual) [NPWMD]

TANCHON COMMERCIAL BANK (f.k.a. CHANGGWANG CREDIT BANK, f.k.a. KOREA CHANGGWANG CREDIT BANK), Saemul 1-Dong Pyongchon District, Pyongyang, Korea, North [NPWMD]

TOSONG TECHNOLOGY TRADING CORPORATION, Pyongyang, Korea [NPWMD]

XINSHIDAI (a.k.a. China New Era Group; a.k.a. China Xinshidai Company; a.k.a. New Era Group; a.k.a. XSD) [69 FR 56260, September 20, 2004]

XSD (a.k.a. China New Era Group, a.k.a. China Xinshidai Company a.k.a. New Era Group, a.k.a. Xinshidai) [69 FR 56260, September 20, 2004]

YA MAHDI INDUSTRIES GROUP (a.k.a. Ya Mahdi Industrial Research Complex; a.k.a. Ya Mahdi Industrial Complex, a.k.a. "YMA") PO Box 19395-4797, Tehran, Iran

Attachment to paragraph 4 to Appendix A of the Passport of the program "Creation of an energy efficiency center on the Open Technopark site"

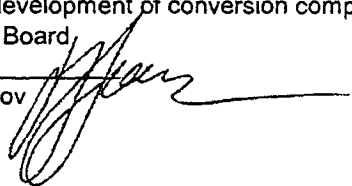
**Cost estimate of the project "Creation of energy efficiency center on the Open Technopark site"**

No	Name	Designation	Price per unit, US\$	Quantity	Sum, US\$
<b>Capstone heat-electric generators:</b>					
1	C65iCHP dual mode HP gas	65C-HD4-DU00	96 873,00	10	968 730,00
	Turbogenerator C65 with built-in heat-utilizer 65+115 kW 400V 50 Hz fired by natural gas 5.2 atm				
2	External fuel kit high pressure	507849-101	730	10	7 300,00
	Kit for hookup to high-pressure fuel line				
3	Multipac cable kit 5m	509949-100	180	10	1 800,00
	Control cable to integrate microturbines into a cluster				
4	Multiunit remote monitoring SW (2...100)	CRMS-M	2 170,00	1	2 170,00
	Remote monitoring and control software (ASUTP)				
5	PowerServer CPS-100	512675-101	20 000,00	1	20 000,00
	Control controller				
	<b>Total for Capstone cogenerators</b>				<b>1 000 000,00</b>

\*) In the course of the project implementation any cost item of this cost estimate may be modified within the total amount indicated herein.

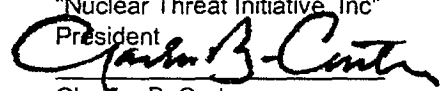
Foundation for development of conversion companies  
President of the Board

Vladimir I. Zhigalov



"Nuclear Threat Initiative, Inc"  
President

Charles B. Curtis



## СОГЛАШЕНИЕ О ГРАНТЕ

между

«NUCLEAR THREAT INITIATIVE, INC.»

и

ФОНДОМ РАЗВИТИЯ КОНВЕРСИОННЫХ ПРОИЗВОДСТВ

ОРГАНИЗАЦИЯ: Фонд развития конверсионных производств (Получатель гранта)

ПРОЕКТ: Создание центра эффективной энергетики на территории Открытого технопарка

ГРАНТ №: 6069

УТВЕРЖДЁННАЯ СУММА: вплоть до \$1.000.000,00 («Грант»)

1. Настоящий грант предназначен для достижения целей, упомянутых в предложении, поданном в письменной форме в «Nuclear Threat Initiative, Inc.» (NTI), некоммерческую благотворительную организацию, созданную и зарегистрированную в Соединенных Штатах Америки, и озаглавленном «Создание центра эффективной энергетики на территории Открытого технопарка», который содержится в **Приложении «А»** к настоящему Соглашению (далее такие цели именуются «Проект», а предложение именуется «Программа»). Платежи, полученные Получателем гранта, не могут быть использованы ни на какие другие цели без предварительного письменного согласия NTI. В настоящем Соглашении термины «Грант» и «фонды (средства) по гранту» включают в себя средства, пожертвованные (ст. 582 Гражданского Кодекса Российской Федерации) Получателю гранта со стороны NTI в вышеупомянутом объеме («Фонды»).
2. Получатель гранта согласен, что ни один из Фондов по гранту не будет использован, непосредственно или косвенно, на участие в какой-либо политической кампании или на вмешательство в неё от имени или против какого-либо кандидата на общественную должность, на то, чтобы влиять на законодательство, проводить кампании по регистрации избирателей или предоставлять средства отдельным лицам или другим организациям. Далее, ни один из Фондов по гранту не будет использован для финансирования или поддержания другим путём административных или накладных расходов, гонораров или издержек Получателя гранта.
3. Нижеподписавшееся должностное лицо, представляющее Получателя гранта, настоящим удостоверяет, что Получатель гранта является, согласно Гражданскому Кодексу Российской Федерации, закону № 7-ФЗ от 12 января 1996 г. (ред. от 02.02.2006 г.) «О некоммерческих организациях», некоммерческой организацией и, следовательно, извлечение прибыли не является главной целью деятельности Получателя гранта. Согласно условиям Устава, принятого при учреждении Получателя гранта, в соответствии с поправкой к нему, главной целью учреждения и деятельности Получателя гранта является оказание содействия проведению проектов, в ходе которых на территории открытого делового парка («Открытого технопарка») создаются рабочие места для сотрудников закрытого административного территориального образования (ЗАТО) города Сарова Нижегородской области, Россия. Законы и нормы, применимые к Получателю гранта, а также Устав Получателя гранта, запрещают распределять любые доходы или активы или использовать их

на благо частных лиц или некоммерческих организаций, если это не служит выполнению миссии Получателя Гранта, или же не является оппортунистической в разумеваемых пределах. Получатель Гранта не имеет публичных (акционерных), которые имущественно заинтересованы в доходах или активах такой организации. Законы и нормы, применимые к Получателю Гранта, а также Устав Получателя Гранта, не позволяют его организации: (а) участвовать в деятельности, не предусмотренной Уставом Получателя Гранта, за исключением осуществления такой деятельности в благотворительных, научных или образовательных целях; (б) пытаться любым образом влиять на законодательство; и (с) прямо или косвенно участвовать каким-либо образом в политических кампаниях или вмешиваться в них в пользу или в оппозицию любому кандидату на государственную, муниципальную или общественную должность.

4. В настоящее время представлять, назначенный НТИ, является выбранным членом Правления Получателя Гранта и членом Попечительского Совета Получателя Гранта. Получатель Гранта согласен, что, начиная с даты вступления в силу (как определено ниже) настоящего Соглашения и в течение периода времени вплоть до 31 декабря 2009 г., в случае ухода с должности, увольнения, смерти или смерти назначенного лица (лиц), Получатель Гранта предпримет все необходимые меры, чтобы обеспечить избрание такого другого лица (лиц), которое НТИ может назначить, чтобы заполнить созданную в связи с этим вакансию. В связи с тем, что доступ в город Сааров ограничен, Получатель Гранта согласен приложить усилия к обеспечению того, чтобы совещания Правления и Попечительского Совета Получателя Гранта достаточно хорошо планировались заранее, что позволит лицу, назначенному НТИ, сделать соответствующее участие в них. В случае, если лицо, назначенное НТИ, не может принять участие в каком-либо таком совещании, Получатель Гранта также предпримет разумные меры, чтобы дать возможность лицу, назначенному НТИ, участвовать в совещании по телефону, телевидению или посредством аналоговой электронной связи.

5. В той степени, в которой фонды по Грantu остаются нестратифицированными или комбинированными по истечении 2009 года, Получатель Гранта может использовать такие фонды в целях финансирования мероприятий в соответствии с Программой. В случае, если такие фонды (i) не используются в течение разумного периода времени на конкретные цели в соответствии с Программой или (ii) в период после 2009 года Проект видоизменяется настолько существенно, что более не соответствует первоначально заявленным целям, то все неизрасходованные фонды по Грantu должны быть возвращены Получателю Гранта в адрес НТИ или иного ее правопреемника незамедлительно в разумный период времени.

6. В случае, если Получатель Гранта перестает соответствовать правовому статусу «некоммерческой организации» по Гражданскому Кодексу РФ, то настоящее Соглашение будет аннулировано односторонним решением НТИ, а все неизрасходованные фонды по Грantu возвращаются в адрес НТИ незамедлительно в разумные сроки.

7. Получатель Гранта согласен немедленно уведомить НТИ, в письменной форме, если: (i) Получатель Гранта лишается статуса «некоммерческой организации» в соответствии с Гражданским Кодексом Российской Федерации; (ii) Получатель Гранта имеет разумные причины полагать, что он перестанет иметь статус «некоммерческой организации» в соответствии с Гражданским Кодексом Российской Федерации; или (iii) Получатель Гранта имеет причины считать, что Гронт не может использоваться или не может проложиться использоваться для конкретных целей, изложенных в прилагаемой Программе.

8. NТI сохраняет за собой право заранее рассматривать, комментировать или иным образом утверждать любые заявления, объявления или сообщения, которые Получатель гранта намеревается сделать для прессы или общественности относительно участия NТI в Проекте. Получатель гранта может, однако, ссылаться на поддержку со стороны NТI работы, проводимой Получателем гранта, в общем смысле, когда Получатель гранта выполняет Проект.
9. Получатель гранта согласен соблюдать и выполнять, во всех отношениях, все законы, правила, нормы, указы и требования органов государственной власти, имеющие отношения к Проекту, и подчиняться им.
10. Получатель гранта будет сотрудничать с NТI в предоставлении любой дополнительной информации и в соблюдении любых законов, правил, норм или процедур, что могут потребовать какие-либо органы государственной власти, для того чтобы NТI соблюдала их требования и могла утверждать, на основе фактов, что она соблюла все требования всех законов, правил или норм по отношению к этому Гранту и Проекту.
11. Получатель гранта утверждает и гарантирует, что им не будет осуществляться никакой деятельности в Соединённых Штатах Америки с использованием Фондов по гранту. Однако вышеупомянутое не препятствует Получателю гранта приобретать от имени исполнителей проектов, инвестируемых за счет гранта, оборудование и другие товары, произведенные в Соединенных Штатах Америки и необходимые для использования в таких проектах в виде нефинансового вклада. Кроме того, от имени исполнителей проектов, инвестируемых за счет гранта, Получатель гранта может продавать покупателю, базирующемуся в Соединенных Штатах Америки, оборудование и другие товары, произведенные исполнителями вышеупомянутых проектов.
12. Получатель гранта согласен иметь и вести тщательные и полные бухгалтерские книги и документацию по составленным в связи с Проектом счетам и понесенным в связи с Проектом расходам. Получатель гранта будет вести такие бухгалтерские книги и записи таким образом, что весь приход и расход, все возмещения, компенсации и доходы от Фондов по гранту будут показаны в этих записях отдельно. Получатель гранта будет хранить записи, документацию возмещений, компенсаций и доходов от Фондов гранта, а также копии отчетов, представленных в NТI, и подтверждающей документации, по меньшей мере, в течение четырёх (4) лет после окончания использования Фондов гранта и сделает всё это доступным для инспекций со стороны NТI, когда возникнет разумная потребность, со времени принятия этого гранта Получателем гранта и в течение такого периода.
13. Как качество сделанной работы, так и прогресс в направлении достижения Получателем гранта целей гранта, будут рассматриваться NТI. NТI может контролировать и проводить официальные оценки операций и достижений по этому Гранту, что может включать, но не ограничиваться этим, посещения персоналом NТI для наблюдения за Получателем гранта и/или за помещениями, проектами, программами и операциями получателя/заёмщика денежных средств от Получателя гранта, а также для ревизии финансовых и других записей и материалов, связанных с деятельностью, финансируемой этим Грантом. Получатель гранта согласен приложить разумные усилия к тому, чтобы помочь NТI в организации своевременного доступа к имеющим отношение к делу местам, и обязуется любым иным образом своевременно сотрудничать с NТI и помогать ей в проведении такого мониторинга

и оценки деятельности. Если НТИ будет проводить инспекцию или оценку в помещениях Получателя гранта или любого получателя Фондов по гранту, Получатель гранта предоставит и потребует от получателя Фондов по гранту, чтобы он предоставил все разумно относящиеся к проекту помещения и помощь для безопасного и удобного исполнения этих обязанностей.

14. Ожидается, что сумма, утверждённая по этому Гранту, будет перечислена полностью на специальный банковский счет ФРКП.
15. Получатель гранта предоставит более детальную отчётность, как описано в Программе и в Приложении «В», приложенных к сему Соглашению. В дополнение, НТИ будет иметь право на копии каждого и всех отчётов, документов, финансовых данных, деловых планов и других материалов, относящихся к использованию Фондов по гранту.
16. В случае нарушения Получателем гранта любого положения или условия предоставления настоящего гранта, включая невыполнение Проекта в строгом соответствии с Программой и т.п., НТИ, наряду с использованием других законных прав и средств, по условиям настоящего Соглашения сохраняет за собой право прекратить грант по своему усмотрению. Такое решение НТИ будет для Получателя гранта окончательным и обязательным. По прекращении настоящего гранта по указанной причине, все неизрасходованные фонды по гранту, которые не были истрачены на Проект, должны быть возвращены в адрес НТИ или любого ее правопреемника незамедлительно в разумный период времени.
17. Получатель гранта должен обезопасить и уберечь НТИ, её директоров, должностных лиц, работников, консультантов, представителей и агентов (коллективно, представителей стороны НТИ) от всех выдвинутых третьей стороной исков, обязательств, тяжб, требований, убытков, приговоров суда, штрафов, наказаний, процентов, расходов и издержек (включая, но не ограничиваясь этим, разумные расходы на учёт и гонорар адвоката), связанных с этим Грантом или Проектом или проистекающих из них, включая, но не ограничиваясь этим, любые иски (коллективно, претензии), являющиеся результатом какого-либо нарушения в заявлениях или гарантиях Получателя гранта, сделанных в отношении этого Соглашения, Программы или Проекта, либо являющиеся результатом какого-либо нарушения положений настоящего Соглашения или каких-либо проявлений халатности, или оплошностей со стороны Получателя гранта, его директоров, должностных лиц, работников, консультантов, представителей или агентов, относящихся к деятельности, проводимой согласно этому Соглашению, или каким-либо образом связанных с ней. Однако, вышеупомянутое не привлечение к ответственности не применимо в той степени, в которой такие претензии вызваны халатностью, недосмотром или ошибкой представителя (представителей) стороны НТИ.

Не ограничиваясь упомянутым выше, Получатель гранта должен: (i) быть ответственным за получение любых необходимых лицензий и разрешений и уплат в любом размере налога на добавленную стоимость или других налогов, пошлин, сумм обложения или взносов, налагаемых российскими государственными или местными органами власти, а также должен обезопасить НТИ от всех связанных с этим дополнительных расходов и подчиняться любым государственным, региональным, местным и муниципальным законам, кодексам и нормам, применимым к работе по Проекту; (ii) быть ответственным за ущерб, нанесённый людям или собственности, который возник в результате недосмотра или халатности Получателя гранта; (iii) обезопасить и уберечь НТИ и его представителей от любого и всех исков или тяжб, возникающих в результате повреждений, потерь или смерти, случайных или

происшедших другим путём, случившихся во время выполнения этого Проекта, включая иски, предъявленные по имуществу затронутой стороны; и (iv) быть ответственным за мониторинг и надзор за использованием финансовых ресурсов, ассигнованных Получателем гранта на использование в связи с деловыми инициативами.

18. Получатель гранта понимает, что со стороны NTI не имеется никакого обязательства обеспечивать какую-либо дальнейшую поддержку Получателя гранта. NTI рассматривает каждое прошение о гранте на индивидуальной основе.
19. Настоящее Соглашение и прилагаемые к нему документы составляют вместе полный комплект договорённостей между NTI и Получателем гранта в отношении сути дела и заменяют все предыдущие соглашения и договорённости, устные или письменные. Настоящее Соглашение не может быть исправлено или изменено иначе, чем в письменной форме, подписанной NTI и Получателем гранта. Настоящее Соглашение должно считаться подготовленным в соответствии с законами округа Колумбия, США, и во всех отношениях должно интерпретироваться и управляться законами округа Колумбия, США. В случае конфликта или расхождений между версией этого Соглашения на английском языке и любой переводной версией этого Соглашения, следует руководствоваться английской версией этого Соглашения.
20. Получатель гранта обязуется не привлекать к участию в просьбе структуры, которые включены в список юридических и физических лиц, не допускающихся к прямому или косвенному участию в сделках с лицами и организациями США на основании Федерального постановления США по контролю за иностранным имуществом («Свод федеральных постановлений США», том 31, главы 500-598), а также обязуется никаким иным образом не использовать Фонды по гранту, на заключение сделок с этими структурами. NTI обращает внимание Получателя гранта на перечень лиц и организаций, опубликованный в Федеральном постановлении по контролю за торговлей оружием массового уничтожения («Свод федеральных постановлений США», Том 31, глава 539 и Перечень лиц и организаций, уличенных в распространении оружия массового поражения, и поддерживающих их лиц и организаций, опубликованный согласно Правительственному распоряжению № 13382; частичный перечень приводится в Приложении «Б»). Получатель гранта понимает, что названный перечень может периодически изменяться. Запрещенные сделки со Сторонами, включенными в перечень на основании Федерального постановления по контролю за торговлей оружием массового уничтожения, на которые распространяется действие данного ограничения, включают, без ограничений: (i) закупку любых изделий, технологий или услуг у включенных в перечень организаций или заключение с включенными в перечень организациями договоренностей по закупкам изделий, технологий или услуг; (ii) любую форму содействия включенным в перечень организациям или выделение средств в этих целях; (iii) ввоз в США изделий, технологий или услуг, изготовленных или предоставленных включенными в перечень организациями или любыми юридическими или физическими лицами, описанными в указанных выше постановлениях и исполнительном приказе. В отношении лиц и организаций, включенных в перечень на основании Правительственного распоряжения № 13382 и некоторых других разделов Федерального постановления США по контролю за иностранным имуществом (например, включенных в перечень Иностранных террористических организаций), запрет охватывает все коммерческие сделки и любые переводы денежных средств.
21. Установлено и согласовано, что NTI не получает от Получателя гранта никакой конфиденциальной или секретной информации или государственных секретов или

коммерческих секретов Получателя гранта или каких-либо сторонних организаций («Конфиденциальной информации»). Получатель гранта заявляет и гарантирует, что любая информация, переданная NTI или сторонним организациям (помимо уполномоченных представителей, агентов, государственных учреждений или административных органов) в ходе заключения настоящего Соглашения или выполнения каких-либо работ по нему, в том числе, без каких-либо ограничений, информация, которая включается в предусмотренные Соглашением отчеты, не является Конфиденциальной информацией Получателя гранта или каких-либо сторонних организаций.

22. Стороны согласны в том, что факсимильные копии исполнительных документов по Соглашению являются точно так же обязывающими, как и оригиналы исполнительных документов.

Нижеподписавшиеся должным образом уполномоченные должностные лица со стороны Получателя гранта и NTI принимают, от имени Получателя гранта и NTI, соответственно, эти положения и условия, согласны с ними, и они вступают в силу, начиная с последней даты, указанной ниже («Дата вступления в силу»).

**ПОЛУЧАТЕЛЬ ГРАНТА:**

**NTI:**

Фонд развития конверсионных производств «Nuclear Threat Initiative, Inc.»

Подпись: \_\_\_\_\_

Жигалов Владимир Иванович  
Председатель Правления

Подпись \_\_\_\_\_

Чарльз Б. Куртис, Президент

Дата: \_\_\_\_\_

09 февраля 2007г

Дата: \_\_\_\_\_

March 1, 2007



Приложение А

**ПРОГРАММА**

**«Создание центра эффективной энергетики на территории  
Открытого технопарка»**

г. Саров

Город Саров  
**Паспорт Программы**  
 «Создание центра эффективной энергетики на территории Открытого технопарка»

Наименование Программы	Программа «Создание центра эффективной энергетики на территории Открытого технопарка»
Дата принятия решения о разработке Программы, дата её утверждения (наименование и номер соответствующего нормативного акта)	Протокол заседания Правления Фонда Развития Конверсионных Производств № 01/06 от 26 февраля 2006 г.,
Директор Программы	ФРКП
Основные разработчики Программы	“Nuclear Threat Initiative, Inc.” (NTI), ФРКП
Цели и задачи Программы	Создание новых рабочих мест в гражданской сфере для сотрудников, высвобождающихся от работ по ядерной военной тематике с целью обеспечения процесса нераспространения, обеспечение устойчивого положения в ядерных городах. Основные задачи: -обеспечение занятости населения и создание новых рабочих мест; -развитие действующих и создание новых гражданских производств; -сохранение и развитие социальной инфраструктуры.
Сроки и этапы реализации Программы и Подпрограмм	Сроки реализации – 2006-2009 г.г.
Перечень основных мероприятий	Реализация проекта «Создание центра эффективной энергетики на территории Открытого технопарка»
Исполнители Программы	ФРКП и ООО «Центр трансфера технологий «Система-Саров»
Ожидаемые конечные результаты реализации Программы	<ol style="list-style-type: none"> <li>1. Создание самокупаемого Центра эффективной энергетики на территории Открытого технопарка;</li> <li>2. Применение инновационных разработок в области энергоснабжения;</li> <li>3. Создание благоприятного делового климата, способствующего привлечению инвестиций в данное направление.</li> </ol>
Система организации контроля за исполнением Программы	Контроль за исполнением Программы осуществляют: <ul style="list-style-type: none"> <li>• ФРКП;</li> <li>• “Nuclear Threat Initiative, Inc.”</li> </ul>
Конечный получатель и собственник оборудования	ООО «Центр трансфера технологий «Система-Саров»

## Введение

“Nuclear Threat Initiative, Inc.” (NTI), являющийся благотворительной некоммерческой организацией, созданной и зарегистрированной в Соединенных Штатах Америки в целях ослабления риска использования оружия массового уничтожения и предотвращения его распространения, предоставляет безвозмездную техническую помощь (содействие) для оказания поддержки в осуществлении разоружения, проведения конверсии, в частности создание постоянных, коммерчески жизнеспособных новых рабочих мест на территории Открытого технопарка города Сарова для сотрудников РФЯЦ-ВНИИЭФ и других специалистов ЗАТО город Саров Нижегородской обл., финансирование деловых инициатив.

Настоящая Программа предполагает заключение Соглашения о гранте между NTI и Фондом развития конверсионных производств (ФРКП), согласно которому ФРКП предполагается к выделению до одного миллиона долларов США (\$ 1000000,00) для реализации проекта «Создание центра эффективной энергетики на территории Открытого технопарка» на срок по 31 декабря 2009 года.

Фонд развития конверсионных производств (ФРКП) был учрежден в 1997 году в закрытом ядерном городе Сарове для финансирования проектов по созданию новых рабочих мест в невоенной области. С 1997г. ФРКП предоставил финансовую поддержку более чем 60 проектам и создал более 2000 рабочих мест.

Данный проект необходим, так как сокращение ядерного оружейного комплекса аннулирует тысячи рабочих мест, связанных с разработкой ядерного оружия, в ядерной оружейной лаборатории в Сарове (ВНИИЭФ) и на его заводе сборки/разборки ядерного оружия («Авангард»). Перспектива широкомасштабной безработицы может помешать этой очень необходимой работе по конверсии или отсрочить ее.

Конверсия существенна, так как российский ядерный комплекс сегодня больше, чем требуется России для ее безопасности в эпоху после холодной войны. В длительной перспективе эта ситуация становится неприемлемой. Конверсия представляет собой единственный путь эффективно и на постоянной основе решать эту проблему. В последние годы российское правительство признало эту необходимость, и началась серьезная работа по конверсии по всему ядерному комплексу. Российское агентство по Атомной энергии (ранее Министерство по атомной энергии РФ) указало, что во всей этой конверсионной программе проблема конверсии в Сарове является первоочередной. Особое внимание уделяется созданию инновационной инфраструктуре, ключевым элементом которой является Открытый технопарк и реализации проектов на его территории с привлечением специалистов ВНИИЭФ.

Сумма в размере до одного миллиона долларов США (\$ 1000000,00), выделенная для ФРКП, как ожидается, создаст порядка 100 рабочих мест – небольшое количество по сравнению с тысячами рабочих мест, в которых будет потребность. Но в сочетании с другими инициативами эффект будет значительным. Во-первых, фонды NTI, ассигнуемые на гражданские проекты через ФРКП, будут сочетаться с российскими фондами АФК Система и, в дальнейшем, возможно, с фондами из других источников, если сможет быть привлечен дополнительный партнер, помимо NTI. Во-вторых, проекты ФРКП являются частью широкой комплексной стратегии по созданию рабочих мест в г. Сарове. В третьих, утверждение NTI проекта для ФРКП высветит важный аспект конверсии, который не получил до сих пор достаточного внимания, а именно, жизненную необходимость финансирования на ранней стадии или еще в зародыше новых деловых инициатив, которые по своей природе часто относительно рискованны. В российских ядерных городах, а на самом деле в России вообще, такое финансирование является недостаточным.

В качестве основной инновационной инфраструктурой для реализации новых инновационных проектов, с привлечением специалистов ВНИИЭФ, является Открытый технопарк.

Основополагающий документ для создания Открытого технопарка - «Инновационная программа развития РФЯЦ-ВНИИЭФ», разработанная в 2003 г., предусматривает развитие Открытого технопарка, как ключевого элемента реализации этой программы. Данная концепция утверждена Совместным решением руководства Российского агентства по Атомной энергии, Правительства Нижегородской области, а так же согласована с администрацией Президента РФ в Приволжском Федеральном округе.

Открытый технопарк расположен в 5 км от г. Саров, на территории п. Сатис, на территории свободной для доступа иностранных партнеров.

Открытый технопарк расположен вблизи от Закрытого административно-территориального образования (ЗАО) г. Саров (Дивеевский район Нижегородской области) и рассматривается как технико-внедренческая площадка для развития технологий РФЯЦ-ВНИИЭФ и его партнеров в гражданской сфере. Расположение Открытого технопарка на открытой территории вне ЗАО обеспечит свободный доступ как российским, так и зарубежным компаниям.

Создание инновационной инфраструктуры, такой как Открытый технопарк, на свободной для доступа российских партнеров территории, позволит повысить эффективность процесса коммерциализации инновационных разработок ВНИИЭФ и создать новые рабочие места для высвобождающихся высококвалифицированных специалистов. Таким образом, в качестве стратегических целей технопарка выделены:

- коммерциализация технологий РФЯЦ-ВНИИЭФ и его партнеров, включая внедрение технологий отрасли и региона;
- создание технопарка мирового уровня;
- привлечение партнеров из коммерческого сектора, кооперация с предприятиями Нижегородской области.

Одним из приоритетных проектов для реализации на территории Открытого технопарка является проект «Создание центра эффективной энергетики». Основные виды деятельности «Центра эффективной энергетики»: производство и продажа электроэнергии, а также производство и продажа модульных электростанций. В результате реализации проекта такого типа оборудование сможет обеспечивать потребности в электроэнергии ряда промышленных объектов на территории области и близлежащих регионов. Демонстрационная площадка, создаваемая на первом этапе реализации проекта, сможет обеспечить электроэнергией и теплом «Открытый технопарк».

Производимые модульные электростанции помогут решить проблему энергоснабжения регионов, сделать энергетическую инфраструктуру регионов более рациональной и экологичной. Кроме того, предлагаемые электростанции более доступны по цене, чем имеющиеся на рынке аналоги, это достигается за счет отсутствия цепочки посредников при движении товара к конечному потребителю и применения отечественных комплектующих.

### **1. Содержание проблемы и обоснование необходимости ее решения программными методами.**

Город Саров является одним из ведущих федеральных оборонных ядерных центров страны. Созданный свыше полувека назад, Ядерный центр накопил научно-производственный и кадровый потенциал, позволивший решать сложнейшие научно-технические и промышленно-технологические задачи в области разработки, изготовления, испытания и сопровождения различных типов ядерного оружия.

Вместе с тем, произошедшее в последние годы значительное снижение реального финансирования работ по оборонной тематике в РФЦЦ ВНИИЭФ и на заводе "Авангард" (финансирование работ по оборонной тематике в РФЦЦ ВНИИЭФ и на заводе "Авангард" далеко не в полной мере возмещается парашиванием работ по гражданским направлениям. Проксодит это, во-первых, из-за того, что бюджетное финансирование работ по оборонной тематике ведётся в недостаточных объёмах, а во-вторых, из-за того, что индустриальный спрос на высокотехнологичные разработки остаётся в России на низком уровне. В результате не в полной мере используются накопленный научно-технический потенциал города, осуществляется угроза сокращения кадров и увеличения значительной части сотрудников. При дальнейшем сокращении оборонного заказа численность занятых на заказах оборонной тематики в РФЦЦ ВНИИЭФ должна значительно сократиться. Завод "Авангард" должен полностью перейти на выпуск гражданской продукции.

Таким образом, в г. Саров необходимо в ближайшем времени создать около 4 тысяч самоocupаемых рабочих мест для вывобождаемых специалистов РФЦЦ ВНИИЭФ и завода "Авангард". Решение этой проблемы не может быть перенесено или отложено.

Необходимые финансовые ресурсы для решения задачи по созданию около 4000 рабочих мест в г. Саров оцениваются величиной около 40-120 миллионов долларов США. Результатом должно являться создание новых гражданских производств, по возможности, высокоотехнологичных, и формирование на их основе новой налоговой базы, обеспечивающей бюджетное развитие города.

Эта задача может быть решена двумя путями:

- а) целевым выделением федеральных бюджетных средств на реструктуризацию ЗВТО и на ежегодные дотации и субвенции на поддержку социальной инфраструктуры города;
- б) привлечением инвесторов, готовых принять участие в создании и развитии конвенционных производств в ЗВТО город Саров и на территории Открытого технопарка

## 2. Основные цели, задачи и сроки реализации Программы

Основными целями Программы является ослабление риска использования оружия массового уничтожения и предотвращение его распространения, обеспечение устойчивого и безопасного функционирования инфраструктуры города, сохранение потенциала и повышение занятости населения в условиях конверсии градообразующих предприятий.

Непосредственной целью этого проекта является создание постоянных, коммерчески жизнеспособных новых рабочих мест из числа сотрудников РФЦЦ-ВНИИЭФ, на территории Открытого технопарка в рамках одного из приоритетных направлений развития технопарка «Энергооборужение и экология». Центр эффективной энергетики будет создавать местные и региональные силовые станции и обеспечивать их функционирование, с тем, чтобы достичь максимальной энергетической эффективности, использовать чистое топливо, безопасное для окружающей среды, а также обеспечивать электроэнергией здания в Открытом технопарке. Центр эффективной энергетики предназначен для обеспечения потребности в электричестве за счет применения эффективных инновационных решений, он даст возможность использовать уникальные потенциалы научных и специалистов.

Конечная цель состоит в том, чтобы содействовать переходу к меньшему и более безопасному российскому ядерному оружейному комплексу, в соответствии с потребностями безопасности России в двадцать первом столетии.

В качестве параметров успешности реализации данного проекта предусматривается использовать:

- количество созданных рабочих мест для бывших сотрудников ВНИИЭФ;
- исполнение обязательств плана реализации проекта «Центр эффективной энергетики»;

- объемы реализации после завершения подготовительного периода.

Срок реализации программы с 2006 по 2009 год.

### 3. Механизм реализации программы.

Программа реализуется на основе имеющегося механизма взаимодействия ФРКП и созданных им структур.

ФРКП существует более 9 лет. Он имеет хорошо установленную и организованную систему. НТИ сможет опираться на эти существующие механизмы, предлагая улучшения там, где это подходит для реализации проекта «Создание центра эффективной энергетики на территории Открытого технопарка»

Существующие механизмы ФРКП изложены в учредительных и внутренних нормативных документах.

Представители НТИ начали участвовать в деятельности Фонда с 2002 г.

Предполагается, чтобы НТИ участвовал в рассмотрении данного проекта, но не вводил свой собственный отдельный, копирующий процесс рассмотрения. Для того чтобы участие было эффективным, представители НТИ, как ожидается, будут посещать территорию Открытого технопарка несколько раз в год и наблюдать за выполнением проекта непосредственно. Будут приниматься все разумные меры, для того чтобы это участие было для НТИ удобным. Однако не следует ожидать, что НТИ решит обязательно участвовать в каждой деятельности на месте проведения работ. В таком случае будут приняты организационные меры для того, чтобы участие НТИ осуществлялось посредством телекоммуникационной связи.

В связи с тем, что территория Открытого технопарка является свободной территорией для доступа иностранных партнеров, специальных процедур доступа не предусмотрено.

Фонд не занимается только высоко квалифицированными специалистами в ядерном оружии, т.е. теми, кто олицетворяют собой главную заботу - обеспокоенность «утечкой мозгов». Вместо этого, фонд считает своей задачей создание рабочих мест для всех категорий работников, которые потеряют работу в связи с сокращением ядерного комплекса и с конверсией, включая производственных рабочих, чернорабочих и обслуживающий персонал. Кроме того, некоторые работники вообще не имеют соответствующей подготовки и опыта в ядерном оружейном бизнесе (или не связаны с ним), но нуждаются в том, чтобы поддерживать новый бизнес. Создание рабочих мест для таких работников фактически поддержит цель конверсии, которая видится более широкой, чем просто предотвращение «утечки мозгов».

В общем, проект «Создание центра эффективной энергетики на территории Открытого технопарка» в значительной степени нацелен на российский рынок. Иностранные заказчики считаются очень желательными, но их труднее привлечь. В некоторых случаях НТИ, возможно, сможет помочь найти иностранных заказчиков.

Проверка прозрачности деятельности ФРКП для НТИ достигается участием представителя НТИ в Попечительском Совете и в Правлении ФРКП.

### 4. Финансирование Программы.

Финансирование осуществляется на основании решений Правления Фонда Развития Конверсионных Производств с участием представителя НТИ с привлечением средств НТИ в размере до одного миллиона долларов США (\$ 1000000,00), представляемых в виде безвозмездной технической помощи (содействия) и средств АФК «Система», переданных управляющей компанией Открытого технопарка ООО «Центр трансфера технологий «Система-Саров».

Обязательным условием для рассмотрения возможности финансирования проекта является предоставление и утверждение бизнес-плана проекта «Создание центра эффективной энергетики на территории Открытого технопарка».

После утверждения финансирования фонды NTI будут переданы в ФРКП. ФРКП оплачивает приобретение оборудования по программе. ФРКП передаст это оборудование для окончательной реализации программы в ООО «Центр трансфера технологий «Система-Саров». Контроль за реализацией проекта осуществляется дважды в год. NTI может иметь представителя, физически присутствующего на этом рассмотрении, или же может договориться об участии посредством телекоммуникационной связи. NTI будет также иметь возможность поручить эту обязанность по рассмотрению проекта, в целом или по частям, «независимым экспертам», которые обычно выполняют эту функцию для Фонда.

### **5. Организация управления Программой и контроль за ходом ее реализации.**

Поскольку ФРКП является учрежденным юридическим лицом с хорошо разработанной системой управления и процедурами, основное предложение состоит в том, что NTI участвует в существующей системе, а не создает новый подход по схеме NTI. Но если NTI имеет некоторые конкретные требования, которые еще не учитываются существующими процедурами и системой ФРКП, то можно будет добавить дополнительные условия и гарантии, удовлетворяющие этим требованиям NTI.

В остальной части этого раздела описаны предложения по участию NTI.

Организация управления Программой и контроль за ходом ее выполнения возлагается на Попечительский Совет и Правление с возможным участием представителей (представителя) Фонда «Nuclear Threat Initiative, Inc.», а также директора Фонда.

Руководство ФРКП осуществляют несколько органов, как описано в его Уставе и в его брошюре.

Высшим контролирующим органом является Попечительский Совет. Он состоит из должностных лиц высокого ранга, большей частью с экономическим и политическим весом. Попечители осуществляют надзор и встречаются лишь от случая к случаю. Представитель фонда NTI является членом Попечительского Совета. Участие в каждой встрече может не быть обязательным, хотя кажется разумным участвовать в первоначальной встрече и затем встречаться один раз в год. Предлагается, чтобы NTI имела возможность решать точный характер и степень своего участия в Попечительском Совете.

Правление ФРКП является следующим высшим органом, и оно отвечает за принятие решений о финансировании. Представители фонда NTI могут участвовать в работе Правления при рассмотрении проекта «Создание центра эффективной энергетики» на всех этапах его реализации.

Административная работа в ФРКП выполняется небольшим числом людей, возглавляемых директором. Не ожидается, что NTI пожелает участвовать в каждодневной работе ФРКП. Но ожидается, что NTI будет иметь хорошие взаимоотношения с директором и ключевыми сотрудниками, и будет иметь возможность, если пожелает, часто контактировать с ними (опять же, не обязательно лично).

Предлагается, чтобы NTI оставила за собой право требовать проведения своих собственных независимых ревизий ФРКП для наблюдения за использованием фондов NTI. Но NTI оставит за собой право выбирать, использовать ли эту возможность, принимая во внимание тот факт, что отдельные ревизии со стороны NTI, по крайней мере, отчасти повторяли бы ревизии, которые уже были сделаны. NTI будет также иметь возможность рекомендовать, какие именно шаги следует предпринять для уточнения или улучшения существующего процесса

ревизии. Однако возможность назначения отдельных ревизий со стороны NTI следует сохранить.

#### **6. Социально-экономическая эффективность Программы.**

Выполнение Программы позволит создать необходимые условия устойчивого ослабления риска использования оружия массового уничтожения и предотвращения его распространения, развития гражданских производств по увеличению выпуска наукоемкой высокотехнологической продукции, сохранить высококвалифицированный кадровый потенциал, повысить уровень социальной комфортности и престижность осуществления профессиональной деятельности.

Будет оказано содействие в коммерциализации инновационных разработок в области энергосбережения.

Важнейшим результатом реализации Программы является ее социальный эффект, заключающийся в трудоустройстве около 100 человек, высвобожденных с основных производств ВНИИЭФ.

Экономический эффект от реализации Программы определяется получением доходов от реализации конверсионного проекта, создания нового самокупаемого предприятия.



Приложение к п. 4 Приложения А Паспорта  
Программы  
"СОЗДАНИЕ ЦЕНТРА ЭФФЕКТИВНОЙ  
ЭНЕРГЕТИКИ НА ТЕРРИТОРИИ ОТКРЫТОГО  
ТЕХНОПАРКА"

**Финансовый план по проекту  
"Создание центра эффективной энергетики на территории Открытого технопарка"**

**1. Инвестиционные затраты**

Финансирование проекта осуществляется грантом в размере \$ 1 000 000,00 из средств некоммерческой благотворительной организации «Nuclear Threat Initiative, Inc.» (NTI).

**2. Направление распределения денежных средств NTI**

Грант, выделенный Фондом NTI, пойдет на строительство автономного энергетического центра в рамках Открытого технопарка, расположенного вблизи г.Саров и будет направлен на приобретение (изготовление, испытания и поставку) газотурбинного оборудования - теплоэлектростанций Capstone C-65.

Теплоэлектростанции Capstone C-65 являются основным оборудованием автономного энергетического центра Открытого Технопарка.

**3. Смета затрат**

№	Наименование	Обозначение	Цена ед., долл. США	Кол-во	Сумма, долл. США
<b>Теплоэлектростанции Capstone:</b>					
1	C65iCHP dual mode HP gas	65C-HD4-DU00	96 873,00	10	968 730,00
	Турбогенератор C65 с встроенным теплоутилизатором 65+115 кВт 400В 50 Гц природный газ 5.2 атм				
2	External fuel kit high pressure	507849-101	730	10	7 300,00
	Комплект сопряжения с топливопроводом				
3	Multipac cable kit 5m	509949-100	180	10	1 800,00
	Кабель управления для объединения MT в кластер				
4	Multiunit remote monitoring SW (2...100)	CRMS-M	2 170,00	1	2 170,00
	Программное обеспечение удаленного мониторинга и управления (АСУТП)				
5	PowerServer CPS-100	512675-101	20 000,00	1	20 000,00
	Контроллер управления				
	<b>Итого теплоэлектростанции Capstone</b>				<b>1 000 000,00</b>

\*) В ходе реализации проекта статьи затрат данной сметы могут корректироваться в рамках установленной суммы

4. Сумма, утвержденная по гранту (\$ 1 000 000,00) будет перечислена полностью на специальный банковский счет ФРКП.

**5. Перечень этапов изготовления и поставки оборудования – теплоэлектрогенераторов Capstone C65iCHP**

№ п/п	Наименование работ	Месяцы (с момента подписания Соглашения)					
		1	2	3	4	5	6
1	Закупка комплектующих для сборки теплоэлектрогенераторов	■	■				
2	Сборка теплоэлектрогенераторов			■			
3	Заводские испытания теплоэлектрогенераторов				■		
4	Поставка оборудования					■	■

Условия поставки оборудования:

- изготовление и поставка теплоэлектрогенераторов составляет 16 недель,
- энергоблоки должны поставляться в полной заводской готовности.

**6. График производства работ**

К моменту поставки оборудования должны быть завершены проектно-строительные работы здания энергоцентра. После поставки оборудования будут выполняться монтажный и пуско-наладочный этапы, ввод объекта в эксплуатацию.

№ п/п	Наименование этапа	Месяцы (с момента поставки оборудования)					
		1	2	3	4	5	6
1	Монтажные работы:						
	1.1 Дымовые трубы	■	■				
	1.2 Внутреннее инженерное оборудование	■	■				
	1.3 Монтаж электротехнического оборудования		■	■	■		
	1.4 Монтаж газового оборудования		■	■			
	1.5 Монтаж технологического оборудования		■	■	■		
2	Пуско-наладочные работы и обучение в форме инструктажа эксплуатационного персонала		■	■	■	■	
3	Ввод объекта в эксплуатацию						■

\*) Софинансирование проекта осуществляется в соответствии с условиями «Соглашения о гранте» между «Nuclear Threat Initiative, Inc.» (NTI) и Фондом Развития Конверсионных Производств.

## 7. Гарантийные обязательства поставщика и условия их предоставления

Поставщик, на правах авторизованного партнера компании Capstone Turbine, берет на себя нижеследующие гарантийные обязательства, которые распространяются на все модели микротурбинных генераторов Capstone MicroTurbine, дополнительные модули и системы, произведенные серийно компанией Capstone для использования в стационарных энергетических системах (далее по тексту «Оборудование»).

Настоящие обязательства распространяются на новое Оборудование, приобретаемое впервые у Поставщика, и не подлежат передаче вместе с Оборудованием в случае его перепродажи.

### Область применения

Поставщик гарантирует, что любая стандартная часть микротурбинного генератора Capstone MicroTurbine, дополнительный модуль или система, произведенные компанией Capstone, установленные в соответствии с требованиями компании-производителя, принятые в эксплуатацию с участием полномочного представителя Поставщика, авторизованного компанией Capstone по программе Authorized Service Provider (ASP), эксплуатирующиеся в соответствии со спецификацией Оборудования, находящиеся на регулярном обслуживании в течение гарантийного периода; в случае обнаружения неисправности в работе, дефекта в материалах или некачественной сборки, будут отремонтированы или заменены на новые, по выбору Покупателя. Настоящая гарантия не распространяется на быстро изнашиваемые части и расходные материалы (включая топливные и воздушные фильтры).

Настоящая гарантия включает сами части и работу по их демонтажу, ремонту или замене и установке. Исключение составляет случай, когда Оборудование установлено на морской платформе, при котором гарантия включает только заменяемые или ремонтируемые части и не включает работ.

Настоящая гарантия теряет свою силу в случае, если Поставщик не получил от Покупателя Оборудования подписанный Покупателем или его полномочным представителем акт приемки Оборудования в промышленную эксплуатацию в течение 30 дней после проведения такой приемки.

Настоящая гарантия теряет свою силу в случае, если обслуживание не включало замену изнашиваемых частей (топливного и воздушных фильтров, термопары ТЕТ, топливных инжекторов, батареи, свечи зажигания) в соответствии с периодичностью и регламентом, установленным компанией Capstone.

Настоящая гарантия теряет свою силу в случае, если Покупатель в течение 60 дней после приемки Оборудования в промышленную эксплуатацию не организовал и не предоставил Поставщику в пользование коммутируемый или выделенный канал связи для удаленного мониторинга и диагностики Оборудования.

### **Неисправности**

Неисправностью не считается нормальный износ и амортизация Оборудования, воздействие коррозионной и/или эрозионной среды или топлива, необходимость замены расходных материалов (включая воздушные и топливные фильтры) или изменение производительности Оборудования, вызванное этими условиями.

### Срок действия

Для микротурбинных генераторов Capstone MicroTurbine, работающих в режиме параллельно с сетью, автономно или в двухмодовом режиме; с использованием природного газа высокого или низкого давления, сернистого газа, биологического газа, пропана (в том числе сжиженного) или

жидкое топливо в виде керосина или дизеля; с встроеным рекуператором или без рекуператора. Гарантийный период составляет 12 месяцев с момента приемки в промышленную эксплуатацию или 15 месяцев с момента поставки или 1000 циклов старт/стоп двигателя, в зависимости от того, какое из событий наступит раньше.

Для компрессора на воздушных подшипниках (Foil Bearing Low Pressure Natural Gas Compression System, учетный номер FB-RFC), используемого в микротурбинных генераторах, работающих на газе низкого давления. Гарантийные обязательства действуют только при давлении газа в подводящей магистрали 1.38 кПа – 103.42 кПа (0.015 атм. – 1.055 атм.). Гарантийный период составляет 12 месяцев с момента приемки в промышленную эксплуатацию или 15 месяцев с момента поставки или 1000 циклов старт/стоп двигателя, в зависимости от того, какое из событий наступит раньше.

Для компрессора, используемого с жидким топливом (дизель, керосин). Гарантийный период составляет 12 месяцев с момента приемки в промышленную эксплуатацию или 15 месяцев с момента поставки или 4000 часов работы, в зависимости от того, какое из событий наступит раньше.

Для программного обеспечения удаленного мониторинга и управления работой микротурбинных генераторов (Capstone Remote Monitoring System – CRMS). Гарантийные обязательства состоят в соответствии спецификациям, указанным в руководствах и описаниях системы CRMS. Гарантийный период составляет 90 дней с момента приемки микротурбинного генератора в промышленную эксплуатацию.

#### **Гарантия на заменяемые части**

Гарантийные обязательства на части и модули, замененные или отремонтированные Поставщиком в соответствии с условиями настоящих гарантийных обязательств, действуют в течение периода времени, не превышающего гарантийный срок на микротурбинный генератор Capstone MicroTurbine, в котором эти части установлены.

#### **Гарантийный ремонт**

Любой ремонт, обслуживание и диагностика Оборудования производится только специалистами Поставщика, имеющими ASP сертификат компании Capstone, с использованием новых или восстановленных частей, поставленных или сертифицированных компанией Capstone.

Использование или замена частей микротурбинных генераторов Capstone MicroTurbine на любую часть, не произведенную или не сертифицированную компанией Capstone, в течение гарантийного периода, прекращает действие настоящих гарантийных обязательств.

Любой запрос на выполнение ремонта или замены частей или модулей микротурбинных генераторов должен поступить Поставщику в течение 30-ти дневного срока после обнаружения неисправности Покупателем. Все части, замененные Поставщиком в соответствии с условиями настоящих гарантийных обязательств, становятся собственностью Поставщика. Проведение любого вида обслуживания и ремонта фиксируются в протоколах и актах, подписываемых полномочными представителями Поставщика и Покупателя.

#### **Исключения**

Настоящие гарантийные обязательства не распространяются на следующие позиции:

1. Системное программное обеспечение (Firmware), используемое для работы микротурбинного генератора. Поставщик приложит максимально возможные усилия для решения проблем, связанных с системным программным обеспечением.

2. Части и работы по ремонту частей, которые могут потребоваться в результате наступления событий, совершенных по следующим причинам: вандализм, несчастные случаи, неправильная эксплуатация, отсутствие обслуживания, неверное применение, неправильное хранение, явления природы, небрежность, психическое расстройство персонала Покупателя или неавторизованная Поставщиком модификация Оборудования.
3. Части и работы по ремонту частей, внешних по отношению к микротурбинным генераторам и не произведенных компанией Capstone.
4. Части, инструменты и работы для проведения регулярного сервисного обслуживания.
5. Части и работы, а также стоимость дополнительных инструментов, которые могут потребоваться для диагностирования проблем и ремонта, вызванных эксплуатацией Оборудования в условиях, отличающихся от тех, которые указаны в спецификациях компании Capstone; включая, но не ограничиваясь, случаями мгновенного изменения параметров электричества (скачки, короткое замыкание) при параллельной работе с сетью, подачи топлива в подводящую магистраль с параметрами (давление, температура), выходящими за установленные пределы.
6. Любые дополнительные или косвенные потери и расходы, которые Покупатель Оборудования или третья сторона может нести в результате потери производительности, возникновения неисправностей или нарушения гарантий, покрываемых настоящими обязательствами; включая, но не ограничиваясь неполучением прибыли, потерей дохода, поломкой или потерей любого другого оборудования и/или любой другой собственности.

Поставщик не передает никакому физическому или юридическому лицу полномочий принимать или создавать от имени Поставщика какие-либо другие обязательства или принимать какую-либо другую ответственность, связанную с оборудованием Capstone.

#### **Форс мажор**

Поставщик не несет ответственности за неисполнение гарантийных обязательств, вызванных забастовкой персонала Покупателя, явлениями природы или любыми другими событиями, которые не находятся под непосредственным и прямым контролем Поставщика.

**Технические характеристики закупаемого оборудования –  
турбогенераторов Capstone C-65**

№	Параметры	«Capstone» C65		
1	Электрическая мощность, кВт	65		
2	Тепловая мощность (двух теплообменник)	130,0 кВт	0,111 Гкал	
3	Электрический КПД	29 (± 2%)		
4	Общий КПД (с утилизацией тепла)	80 ± 85%		
5	Давление топлива на входе	5,2-5,6 бар	5,132-5,526 атм.	520-560 кПа
6	Минимальная теплотворная способность газа	350 Btu/scf или 13048 кДж/м <sup>3</sup>		
7	Расход природного газа	23 м <sup>3</sup> /ч		
8	Удельный расход природного газа на номинальной мощности	0,35 м <sup>3</sup> /кВт*ч		
9	Расход воздуха в компрессор	425 л/с	0,425 м <sup>3</sup> /с	25,5 м <sup>3</sup> /мин
10	Расход воздуха на охлаждение блока электроники	236 л/с	0,236 м <sup>3</sup> /с	14,16 м <sup>3</sup> /мин
11	Расход воздуха на контроллер батареи		0,175 м <sup>3</sup> /с	10,5 м <sup>3</sup> /мин
12	Рабочий диапазон температур МТ	-50 ± 50 °С (запуск на улице до -20 °С)		
13	Габариты, вес	2110*762*1956, мм 1042 кг (SA), 698 кг (GC) (295 кг аккумулят. бат.)		
14	Расход газа на выхлопе на номинальной мощности	1551,5 м <sup>3</sup> /ч	0,431 м <sup>3</sup> /с	431 л/с 25,87 м <sup>3</sup> /мин
15	Температура выхлопа	305 °С		
16	Максимальный допустимый уровень обратного давления на выхлопной тракт МТ	8 дюймов водяного столба или 2 кПа		
17	Выход тепловой энергии на номинальном режиме	0,136 Гкал	571000 кДж/ч	158,5 кВт
18	Выбросы NO <sub>x</sub> при 15% O <sub>2</sub>	< 9 ppmv Или < 16,9 мг/м <sup>3</sup>		
19	Выбросы CO при 15% O <sub>2</sub>	40 ppmv Или 45,8 мг/м <sup>3</sup>		
20	Уровень шума	70 дБ		
21	Частота тока: • работа параллельно с сетью • автономная работа	50/60 Гц 10 – 50/60 Гц		
22	Максимальный ток на фазу	100, А		
23	Выходное напряжение	3 фазы, 3-х или 4-х проводная звезда с глухо заземленной нейтралью или заземленной через активное сопротивление (R ≤ 100 Ом)		
24	Рабочий диапазон напряжений: • работа параллельно с сетью • автономная работа	360 ± 528 VAC 360 ± 480 VAC		
25	Число оборотов на холостом ходу	45000, мин <sup>-1</sup>		
26	Номинальное число оборотов турбины	96000, мин <sup>-1</sup>		
27	Максимальное число оборотов турбины	120000, мин <sup>-1</sup>		
28	Время выхода на номинальный режим	2 ± 3, мин		
29	Тип подшипников	Воздушные		

**Требования к топливу**

Capstone	Теплотворная способность топлива	Номинальная подача топлива
Model C65 (натуральный газ среднего давления)	36162 ± 42128 кДж/м <sup>3</sup> натуральный газ, метан	849000 кДж/ч или 235,8 кДж/с (кВт)

## Приложение «В»

### «Nuclear Threat Initiative, Inc.» (NTI) Инструкции по составлению отчётов

В конце каждого финансового года Получателя гранта, вплоть до 31 декабря 2009 г. включительно, NTI требуется получить, для ведения её официальной документации, отчёт годовой или заключительный (что окажется более подходящим), который: (i) опишет, в виде изложения фактов, что именно было достигнуто с помощью Фондов по гранту, и (ii) обеспечит полную финансовую отчётность по Гранту.

#### I. Отчёт с изложением фактов

В каждом таком отчёте должно быть кратко подытожено, какие работы были выполнены при поддержке за счет гранта, и описаны результаты, которые при этом были достигнуты. Отчёт будет использован сотрудниками NTI для оценки вашей работы и для представления обзора вашей работы Совету директоров. Следующий перечень, в той степени, в какой он имеет отношение к нашему Гранту, выданному вашей организации, может служить руководством при подготовке ваших отчётов:

- a. Достиг ли Проект целей, очерченных в Предложении вашей организации? Если нет, как результаты расходятся с этими целями? Объясните каждую вещь, которая была достигнута. Каким вы видите будущее Проекта?
- b. Опишите в общем работы по Проекту, финансируемые Получателем гранта с помощью фондов NTI в течение последнего финансового года.
- c. Какие разработки или внедрения решений по проблемам, на которые направлен этот Грант, были сделаны в результате этого Проекта? Что именно произошло в этой области, если вообще что-либо произошло, что изменило атмосферу вокруг проблемы?
- d. Опишите осязаемые результаты проекта. Что «произвёл» Проект?
- e. Опишите воздействие Проекта на проблемы, к которым он относится. Какая подтверждающая информация демонстрирует влияние Проекта?
- f. Представьте копии значительных отчётов, книг или продукции СМИ, происходящие из ваших работ в связи с Грантом.
- g. Опишите деятельность по Проекту, которая будет проводиться в следующем году.

## II. Финансовый отчёт

Каждый финансовый отчёт следует по возможности детализировать, и в него должно войти следующее:

- h. Постатейное сравнение предусмотренных сметой и фактических расходов, относящихся *конкретно к нашему Гранту*.
- i. Заявление, удостоверяющее, что все Фонды гранта были израсходованы на цели гранта. Если весь целиком Грант не был израсходован, то объясните, пожалуйста, предполагаемос использование неизрасходованной суммы
- j. Краткая сводка любого увеличения денежных средств для Проекта, включая описание всех непредвиденных недостач или излишков. Помог ли этот грант вашей организации в том, чтобы получить денежные средства из других источников? Если нет, то почему?
- k. Копия банковской выписки от 31 декабря каждого года.
- l. Копия годового аудиторского отчета ФРКП

## III. Поставка Отчёта с изложением фактов и Финансового отчёта

Описанные выше отчёты должны быть представлены в течение тридцати (30) последних дней финансового года Получателя гранта. Таковые отчёты следует посылать по адресу:

Mrs. Laura S. H. Holgate  
Vice President for Russia/NIS Programs  
Nuclear Threat Initiative, Inc.  
1747 Pennsylvania Avenue NW  
7th Floor  
Washington, DC 20006



**Приложение "С"**

**Список избранных юридических и физических лиц, подпадающих под положения Закона о торговле оружием массового уничтожения, Свод федеральных постановлений США, том 31, глава 539**

**Правительственное распоряжение № 13382**

АВИАЦИОННО-КОСМИЧЕСКАЯ ПРОМЫШЛЕННАЯ ОРГАНИЗАЦИЯ (также известная как «САЗМАНЕ САНАЙЕ ХАВА ФАЗА» (SAZMANE SANAYE HAVA FAZA); также известная как "АЮ"), ул. Лангаре, площадь Нобонияд, Тегеран, Иран [Постановление о нераспространении ОМУ].

ИРАНСКАЯ ОРГАНИЗАЦИЯ ПО АТОМНОЙ ЭНЕРГЕТИКЕ (также известная как «САЗЕМАН-Е ЭНЕРДЖИ АТОМИ), Почтовый ящик 141144-1339, Конец Северного Карегарского проспекта, Тегеран, Иран [Постановление о нераспространении ОМУ].

БАНК «СЕПА», площадь имама Хомейни, почтовый ящик № 11364-9569, Тегеран, Иран; все отделения во всех странах мира [Постановление о нераспространении ОМУ].

БАНК «СЕПА ИНТЕРНШЭНЛ Пи-Эл-Си», 5-7 Истхип, Лондон ЕСЗМ 1JT, Великобритания [Постановление о нераспространении ОМУ].

БАЛТИЙСКИЙ ГОСУДАРСТВЕННЫЙ ТЕХНИЧЕСКИЙ УНИВЕРСИТЕТ, независимо от места расположения, в т.ч. по следующему адресу: Россия, 198005 Санкт-Петербург, ул. 1-ая Красноармейская, 1/21 [Свод федеральных постановлений США, т. 63, гл. 42089, 30 июля 1998 г.]

ПЕКИНСКАЯ КОМПАНИЯ «АЛИТЭ ТЕКНОЛОДЖИЗ ЛТД.» (также известная как АЛКО, также известная как ПЕКИН ХАИЛИ ЛИАТХЕ КЕДЖИ ЮКСИАН ГОНГСИ) Улица Беисанхуан, д. 12А, почтовый ящик № 3042, Пекин, Китай, и все другие адреса во всех странах мира [Постановление о нераспространении ОМУ].

КИТАЙСКАЯ ПРОМЫШЛЕННАЯ КОРПОРАЦИЯ «ВЕЛИКАЯ СТЕНА» (также известная, как CGWIC, также известная, как ZHONGGUO CHANGCHENG CONGYE ZONGGONGSI), Хайдан Налу, № 30, Пекин, Китай; Москва, Россия, и все другие адреса во всех странах мира [Постановление о нераспространении ОМУ].

КИТАЙСКАЯ ГРУППА «НОВАЯ ЭРА» (она же Китайская компания Циншидаи (Xinshidai); она же Группа «Новая Эра»; она же XSD; она же Xinshidai) [Свод федеральных постановлений США, т. 69, гл. 56260, 20 сентября 2004 г.]

КИТАЙСКАЯ НАЦИОНАЛЬНАЯ ИМПОРТНО-ЭКСПОРТНАЯ КОРПОРАЦИЯ ПО ТОЧНОМУ МАШИНОСТРОЕНИЮ (также известная как КИТАЙСКАЯ НАЦИОНАЛЬНАЯ И/Э КОРПОРАЦИЯ ПО ТОЧНОМУ МАШИНОСТРОЕНИЮ; также известная как КИТАЙСКАЯ ИМПОРТНО-ЭКСПОРТНАЯ КОРПОРАЦИЯ ПО ТОЧНОМУ МАШИНОСТРОЕНИЮ, также известная как СРМІЕС; также известная как ЖОНГГУО ДЖИНГМИ ДЖИКСИ ДЖИНЧУКОУ ЗОНГГОНГСИ), Хайдиан Нанлу 30, Пекин, Китай, и все другие адреса во всех странах мира [Постановление о нераспространении ОМУ].

КИТАЙСКАЯ ИМПОРТНО-ЭКСПОРТНАЯ КОРПОРАЦИЯ ПО ТОЧНОМУ МАШИНОСТРОЕНИЮ (она же СРМИЕС), независимо от места расположения [30 июля 2003 г.]

КИТАЙСКАЯ КОМПАНИЯ ЦИНШИДАИ (XINSHIDAI) (она же Китайская группа «Новая Эра», она же она же Группа «Новая Эра»; она же XSD; она же Xinshidai) [69 FR 56260, 20 сентября 2004 г.]

СРМИЕС (она же КИТАЙСКАЯ ИМПОРТНО-ЭКСПОРТНАЯ КОРПОРАЦИЯ ПО ТОЧНОМУ МАШИНОСТРОЕНИЮ), независимо от места расположения [30 июля 2003 г.]

РОССИЙСКИЙ ХИМИКО-ТЕХНОЛОГИЧЕСКИЙ УНИВЕРСИТЕТ ИМ. Д. МЕНДЕЛЕЕВА, независимо от места расположения, в т.ч. по адресу: Россия 125047 г. Москва, Миусская пл., 9 [Свод федеральных постановлений США, т.64, гл. 2935, 8 января 1999 г.]

ДЕРАХШАДЕ, АХМАД, для вручения по адресу: БАНК «СЕПА», д. 33, здание Хормозан, улица Пирозан, Шарак Ходс, Тегеран, Иран; дата рождения: 11 августа 1956 г.; место рождения: Иран (частное лицо) [Постановление о нераспространении ОМУ].

ИНСТИТУТ ЭЛЕКТРОНИКИ, почтовый ящик № 4470, Дамаск, Сирия [Постановление о нераспространении ОМУ]

ФЕДЕРАЛЬНЫЙ НАУЧНО-ПРОИЗВОДСТВЕННЫЙ КОМПЛЕКС «АЛТАЙ», Россия [Свод федеральных постановлений США, т.69, гл. 67617-18, 18 ноября, 2004 г.]

G.W. АЭРОСПЕЙС, ИНК. (также известная как Авиацонно-космическая корпорация «Великая Стена») Готорн бульвар, № 21515, Офис 670, Торранс, Калифорния 90503. Калифорнийский корпоративный номер C1458237 (Соединенные Штаты) [Постановление о нераспространении ОМУ].

ГЛАВКОСМОС, независимо от места расположения, в т.ч. по адресу: Россия 103030 г. Москва, ул. Краснопролетарская, 9 [Свод федеральных постановлений США, т. 63, гл. 42089, 30 июля 1998 г.]

ТОРГОВАЯ КОРПОРАЦИЯ «ХЕСОНГ», Пхеньян, Северная Корея [Постановление о нераспространении ОМУ].

ИНСТИТУТ ПРИКЛАДНОЙ НАУКИ И ТЕХНОЛОГИИ (HIGHER INSTITUTE OF APPLIED SCIENCE AND TECHNOLOGY) (также известный как HIAST; также известный как INSTITUT DES SCIENCES APPLIQUEES ET DE TECHNOLOGIE; также известный как INSTITUT SUPERIEUR DES SCIENCES APPLIQUEES ET DE TECHNOLOGIE; также известный как ISAT; также известный как ISSAT), почтовый ящик № 31983, Барзе, Дамаск, Сирия [Постановление о нераспространении ОМУ]

КОХАС АГ, улица Арсено, 15, Фрибург, FR 1700, Швейцария; С.Р. # СН-217.0.135.719-4 (Швейцария) [Постановление о нераспространении ОМУ].

КОРЕЙСКАЯ КОМПЛЕКСНАЯ КОРПОРАЦИЯ ПО ИМПОРТУ ОБОРУДОВАНИЯ, Округ Раквондонг Потонггянь, Пхеньян, Северная Корея, [Постановление о нераспространении ОМУ].

КОМПАНИЯ «КОРЕЙСКОЕ МЕЖДУНАРОДНОЕ ХИМИЧЕСКОЕ СОВМЕСТНОЕ ПРЕДПРИЯТИЕ» (также известная как КОМПАНИЯ «ШОСОН» ПО СОВМЕСТНОМУ ПРОИЗВОДСТВУ ХИМИКАЛЕЙ, также известная как КОМПАНИЯ «ШОСУН» ПО СОВМЕСТНОМУ ПРОИЗВОДСТВУ ХИМИКАЛЕЙ, также известная как КОРПОРАЦИЯ «МЕЖДУНАРОДНОЕ ХИМИЧЕСКОЕ СОВМЕСТНОЕ ПРЕДПРИЯТИЕ»), Ханхун, Южная провинция Ханьонг, Северная Корея; Ман Гионглае-книок, Пхеньян, Северная Корея, Мангюнглае-гу, Пхеньян, Северная Корея [Постановление о нераспространении ОМУ]

КОРЕЙСКАЯ ТОРГОВАЯ КОРПОРАЦИЯ КВАНСОНГ, Баквон-донг, Округ Потонггян, Пхеньян, Северная Корея [Постановление о нераспространении ОМУ]

КОРЕЙСКАЯ ГОРНОДОБЫВАЮЩАЯ ТОРГОВАЯ КОРПОРАЦИЯ (также известная как КОРПОРАЦИЯ ЧАНГВАНГ СИНЬОНГ; также известная как ГЕНЕРАЛЬНАЯ КОРПОРАЦИЯ ВНЕШНИХ ТЕХНОЛОГИЙ; также известная как ГОРНОДОБЫВАЮЩАЯ ТОРГОВАЯ КОРПОРАЦИЯ СЕВЕРНОЙ КОРЕИ; также известная как «КОМИД»), Центральный Округ, Пхеньян, Северная Корея [Постановление о нераспространении ОМУ]

КОРЕЙСКАЯ ТОРГОВАЯ КОРПОРАЦИЯ ПУНЪЯНЬ, Раквон-донг, Округ Потонггян, Пхеньян, Северная Корея [Постановление о нераспространении ОМУ]

КОРЕЙСКАЯ КОРПОРАЦИЯ ОБЩЕГО НАЗНАЧЕНИЯ «РИОНБОНГ» (также известная как КОРЕЙСКАЯ КОРПОРАЦИЯ ОБЩЕГО НАЗНАЧЕНИЯ «ЙОНБОНГ», ранее известная как КОРПОРАЦИЯ ОБЩЕГО НАЗНАЧЕНИЯ «ЛИОНГАКСАН», Округ Потонггян, Пхеньян, Северная Корея; Раквон-донг, Округ Потонггян, Пхеньян, Северная Корея [Постановление о нераспространении ОМУ].

КОРЕЙСКАЯ ТОРГОВАЯ КОРПОРАЦИЯ «РИОНГВАНГ» (также известная как КОРЕЙСКАЯ ТОРГОВАЯ КОРПОРАЦИЯ «РИЕНГВАНГ», Раквон-донг, Округ Потонггян, Пхеньян, Северная Корея, [Постановление о нераспространении ОМУ].

КОРПОРАЦИЯ «КОРЕЙСКОЕ СОВМЕСТНОЕ ПРЕДПРИЯТИЕ «РИОНХА» ПО ПРОИЗВОДСТВУ МАШИННОГО ОБОРУДОВАНИЯ» (также известная как СОВМЕСТНО ЭКСПЛУАТИРУЕМАЯ КОМПАНИЯ «ЧОСУН ЮНХА» ПО ПРОИЗВОДСТВУ МАШИННОГО ОБОРУДОВАНИЯ; также известная как КОРПОРАЦИЯ «КОРЕЙСКОЕ СОВМЕСТНОЕ ПРЕДПРИЯТИЕ «РИЕНХА» ПО ПРОИЗВОДСТВУ МАШИННОГО ОБОРУДОВАНИЯ; также известная как КОРПОРАЦИЯ «РИОНХА» ПО ПРОИЗВОДСТВУ МАШИННОГО ОБОРУДОВАНИЯ), Центральный округ, Пхеньян,

Северная Корея; Мангундае-гу, Пхеньян, Северная Корея; округ Мангйонгдае, Пхеньян, Северная Корея, [[Постановление о нераспространении ОМУ].

ЭКОНОМИЧЕСКАЯ И КОММЕРЧЕСКАЯ КОМПАНИЯ С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ ЛММТ (также известная, как ЛММТ (ДАЛИАН, ФТЗ), КОМПАНИЯ С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ ПО ПРОИЗВОДСТВУ МЕТАЛЛУРГИЧЕСКОЙ ПРОДУКЦИИ И МИНЕРАЛОВ, также известная как ЛММТ (ДАЛИАН), КОМПАНИЯ С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ ПО ПРОИЗВОДСТВУ МЕТАЛЛУРГИЧЕСКОЙ ПРОДУКЦИИ И МИНЕРАЛОВ) 2501-1508 Юксиу Мэншен, № 82, улица Хинкаи, Далиан, Лиаонинг 116011, Китай, а также другие адреса во всех странах мира [Постановление о нераспространении ОМУ].

МАИ (он же МОСКОВСКИЙ АВИАЦИОННЫЙ ИНСТИТУТ), независимо от места расположения, в т.ч. по адресу: Россия 125871 г. Москва, Волоколамское шоссе, 4 [Свод федеральных постановлений США, т. 64, гл. 2935, 8 января 1999 г.]

ЭНЕРГЕТИЧЕСКАЯ КОМПАНИЯ «МЕСБАХ» (также известная как «МЕК»), улица Армагхан Гхарби, Бульвар Валиаср, Тегеран, Иран [Постановление о нераспространении ОМУ].

МОСКОВСКИЙ АВИАЦИОННЫЙ ИНСТИТУТ (он же МАИ), независимо от места расположения, в т.ч. по адресу: Россия 125871 г. Москва, Волоколамское шоссе, 4 [64 FR 2935, 8 января 1999 г.]

НАЦИОНАЛЬНАЯ ЛАБОРАТОРИЯ СТАНДАРТОВ И КАЛИБРОВКИ (также известная как НАЦИОНАЛЬНЫЙ ЦЕНТР КАЛИБРОВКИ; также известная как NSCL), почтовый ящик № 4470, Дамаск, Сирия [Постановление о нераспространении ОМУ].

ГРУППА «НОВАЯ ЭРА» (она же Китайская группа «Новая Эра», она же она же Китайская компания Циншидаи, она же Xinshidai, она же XSD) [69 FR 56260, 20 сентября 2004 г.]

ЭНЕРГЕТИЧЕСКАЯ КОМПАНИЯ «НОВИН» (также известная как Энерджи Новин; также известная как Энергетическая компания «Новин»); конец Северного Карегарского проспекта, Тегеран, Иран [Постановление о нераспространении ОМУ].

ПРОМЫШЛЕННАЯ ГРУППА «САНАМ» (также известная как Группа «Санам Индастриз»), улица Пасдаран 15, Тегеран, Иран.

НАУЧНО-ИССЛЕДОВАТЕЛЬСКИЙ ЦЕНТР (также известный как CENTRE D'ETUDES ET RECHERCHES, также известный как «SSRC»), почтовый ящик № 4470, Дамаск, Сирия [Постановление о нераспространении ОМУ].

ПРОМЫШЛЕННАЯ ГРУППА «ШАХИД БАКЕРИ» (также известная как «СБИГ» ("SBIG")), Тегеран, Иран [Постановление о нераспространении ОМУ].

ПРОМЫШЛЕННАЯ ГРУППА «ШАХИД ХЕММАТ», (также известная как «ШИГ» ("SHIG")), шоссе «Дамаванд Тегеран», Тегеран, Иран [Постановление о нераспространении ОМУ].

СТИГЕР, Якоб, для вручения по адресу: КОХАС АГ, Фрибург, FR, Швейцария, родился 27 апреля 1941 года в г. Алстаттен, SG, Швейцария (частное лицо). [Постановление о нераспространении ОМУ].

КОММЕРЧЕСКИЙ БАНК «ТАНЧОН» (ранее известный как КРЕДИТНЫЙ БАНК «ЧАНГВАНГ»; ранее известных как КОРЕЙСКИЙ КРЕДИТНЫЙ БАНК «ЧАНГВАНГ», округ Саемул 1-Донг Пьончон, Пхеньян, Северная Корея [Постановление о нераспространении ОМУ]

ТОРГОВАЯ КОРПОРАЦИЯ «ТОСОНГ ТЕКНОЛОДЖИ», Пхеньян, Корея [Постановление о нераспространении ОМУ].

ЦИНШИДАИ (XINSHIDAI) (она же Китайская группа «Новая Эра», она же Китайская компания Циншидаи (Xinshidai), она же группа «Новая Эра», она же XSD) [Свод федеральных постановлений США, т. 69, гл. 56260, 20 сентября 2004 г.]

XSD (она же Китайская группа «Новая Эра», она же Китайская компания Циншидаи (Xinshidai), она же группа «Новая Эра», она же Xinshidai) [Свод федеральных постановлений США, т. 69, гл. 56260, 20 сентября 2004 г.]

ГРУППА «Я МАХДИ ИНДАСТРИЗ», также известная как Научно-исследовательский промышленный комплекс «Я Махди»; также известная как Промышленный комплекс «Я Махди»; также известная как «УМА»); почтовый ящик 19395-4797, Тегеран, Иран.

Приложение 1 к п. 4 Приложения А Паспорта Программы  
 "Создание центра эффективной энергетики на  
 территории Открытого технопарка"

Смета затрат по проекту "Создание центра эффективной энергетики на территории Открытого технопарка"

№	Наименование	Обозначение	Цена ед., долл. США	Кол-во	Сумма, долл. США
<b>Теплоэлектрогенераторы Capstone:</b>					
1	C65iCHP dual mode HP gas Турбогенератор C65 с встроенным теплоутилизатором 65+115 кВт 400В 50 Гц природный газ 5.2 атм	65C-HD4-DU00	96 873,00	10	968 730,00
2	External fuel kit high pressure Комплект сопряжения с топливопроводом	507849-101	730	10	7 300,00
3	Multipac cable kit 5m Кабель управления для объединения MT в кластер	509949-100	180	10	1 800,00
4	Multiunit remote monitoring SW (2...100) Программное обеспечение удаленного мониторинга и управления (АСУТП)	CRMS-M	2 170,00	1	2 170,00
5	PowerServer CPS-100 Контроллер управления	512675-101	20 000,00	1	20 000,00
<b>Итого теплоэлектрогенераторы Capstone</b>					<b>1 000 000,00</b>

\*) В ходе реализации проекта статьи затрат данной сметы могут корректироваться в рамках установленной суммы

Фонд развития конверсионных производств  
 Председатель правления

 Владимир И. Жигалов

"Nuclear Threat Initiative, Inc"

Президент

 Куртис



Form **8868**  
(Rev. April 2007)  
Department of the Treasury  
Internal Revenue Service

### Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
  - If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form).
- Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

**Part I Automatic 3-Month Extension of Time.** Only submit original (no copies needed).

Section 501(c) corporations required to file Form 990-T and requesting an automatic 6-month extension—check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

**Electronic Filing (e-file).** Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for section 501(c) corporations required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on e-file for Charities & Nonprofits.

<b>Type or print</b> <small>File by the due date for filing your return. See instructions.</small>	Name of Exempt Organization <b>Nuclear Threat Initiative, Inc.</b>	Employer identification number <b>52-2289435</b>
	Number, street, and room or suite no. If a P.O. box, see Instructions. <b>1747 Pennsylvania Ave NW, STE 700</b>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>Washington DC 20006</b>	

Check type of return to be filed (file a separate application for each return):

- |   |   |                                    |
|---|---|------------------------------------|
| <input type="checkbox"/> Form 990               | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL            | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ            | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input checked="" type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ Margo Francis

Telephone No. ▶ (202) 296-4810 FAX No. ▶ (202) 296-4811

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the whole group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a section 501(c) corporation required to file Form 990-T) extension of time until February 15, 2008, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year 20\_\_\_\_ or  
▶  tax year beginning July 1, 2006, and ending June 30, 2007.

2 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

<b>3a</b> If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b> \$
<b>b</b> If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	<b>3b</b> \$
<b>c</b> Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b> \$ <u>0.00</u>

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 4-2007)

BJA