

**Certified translation from German into English**

**Partnership Contract  
“proKlima”**

**Agreement of 30 November 2004  
for the continuation of the Partnership Contact „proKlima“  
from the 8th of June 1998 in the version  
of the supplementary agreement dated the 6th November 1999**

**between the**

**State capital Hannover  
Town of Laatzen  
Town of Langenhagen  
Town of Seelze  
Town of Ronnenberg  
Town of Hemmingen  
Handwerkskammer Hannover (Chamber of Crafts and  
Trade)  
Bundesverband der Energieabnehmer  
(German Federal Association of Energy Consumers)  
Verbraucherzentrale Lower Saxony (Consumer  
Association)  
Citizen’s Action Group for Environmental Protection  
Thüga AG  
E.ON Ruhrgas AG  
Ruhrgas AG  
Stadtwerke Hannover AG (Public Utilities Company)**

Agreement of 30 November 2004 for the continuation of the Partnership Contract proKlima from the 8th of June 1998 in the version of the supplementary agreement dated 6th October 1999

**Partnership contract “proKlima” as an agreement on  
the protection of the climate**

**between:**

The State Capital Hannover  
Trammplatz 2  
30159 Hannover

- hereinafter referred to as LHH -

represented by:                   The Lord Mayor Dr. h. c. Herbert Schmalstieg

The Town of Laatzen  
Marktplatz 13  
30880 Laatzen

represented by:                   The Lord Mayor Hauke Jagau

The Town of Langenhagen  
Marktplatz 1  
30853 Langenhagen

represented by:                   The Mayor Dr. Susanne Schott-Lemmer

The Town of Seelze  
Rathausplatz 1  
30926 Seelze

represented by:                   The Mayor Horst Niebuhr and  
The Deputy Town Director Heiger Scholz

The Town of Ronnenberg  
Hansastraße 38  
30952 Ronnenberg

represented by:                   The Mayor Wolfgang Walther

and the Town of Hemmingen  
Rathausplatz 1  
30966 Hemmingen

represented by:                   the Mayor Claus Dieter Schacht-Gaida

Agreement of 30 November 2004 for the continuation of the Partnership Contract proKlima from the 8th of June 1998 in the version of the supplementary agreement dated 6th October 1999

The Handwerkskammer Hannover  
Berliner Allee 10  
30175 Hannover

- hereinafter referred to as HWK -

represented by:                   The President, Mr Werner Heitmüller  
  The Chief Managing Director, Mr Jans-Paul Ernsting

Bundesverband der Energieabnehmer (VEA)  
Zeißstraße 72  
30519 Hannover

- hereinafter referred to as VEA -

represented by:                   The Managing Director, Mr Manfred Panitz

The Verbraucher-Zentrale Niedersachsen e.V.  
Herrenstrasse 14  
30159 Hannover

- hereinafter referred to as VZN -

represented by:                   The Chair of the Board, Ms. Sigrid Leuschner

Bürgerinitiative Umweltschutz e. V. [The Citizens' Action Group for Environmental Protection]

Stephanusstrasse 25  
30449 Hannover

represented by:                   The Managing Director, Mr Ralf Strobach

Thüga AG  
Nymphenburger Strasse 39  
80335 Munich

represented by:                   Dr. Friedrich Wilhelm Knebel, Deputy Director of Network  
  Usage for Electricity, Gas and Waterworks

E.ON Ruhrgas AG  
Huttropstrasse 60  
45138 Essen

represented by:                   Mr. Uwe Bieber, Graduate Business Administrator, Department  
  Head of the Sales Division- North, E.ON Ruhrgas AG

and the

Stadtwerke Hannover AG  
Ihmeplatz 2  
30449 Hannover

- hereinafter referred to as "Stadtwerke" -

represented by:                   The Commercial Director and Chairman of the Board,  
  Mr. Michael G. Feist and the Technical Director, Dr. Hans-

Jürgen Ebeling

as partners, the following agreement on the protection of the climate, also notably: this partnership contract "proKlima", is hereby concluded.

### **Preamble:**

The aforementioned contractual parties (hereinafter: the Partners) are aware of their special responsibility to protect the earth's atmosphere, the climate and the environment. Politicians and industry have presented concrete objectives for reducing the level of CO<sub>2</sub> on a national and global level in the generally recognised declarations on intentions and personal obligations. These declarations and both the personal obligation of the German industry at the climate summit in Berlin and the climate protection program were and are the reason for the partners and the metric for a further commitment even in those areas which otherwise, in the absence of existing economic efficiency, would either not at all or only to a slight extent have been realized. Therefore, by way of this agreement they wish to make a joint exemplary sustainable contribution to achieving the global targets for climate protection on a local and regional level.

### **§ 1**

#### **Object of the agreement**

- (1) The object of the agreement is the direct and indirect promotion and successful control of measures and projects of third parties for saving primary energy and reducing CO<sub>2</sub> and the use of regenerative energies and the rational application of energy for the purpose of protecting the climate.
- (2) In order to achieve these targets the partners undertake to support each other, form a non-trading partnership (GbR) and thereby set up a climate protection fund.

### **§ 2**

#### **Organisation of the cooperation**

- (1) An advisory council, a board of trustees and an office will be set up for organizing the cooperation.
- (2) The advisory council will have a consulting function and shall submit the board of trustees measure proposals with a qualified right to propose according to sect. (5). It shall also have a right to veto according to sect. (4) and § 3 B sect. (4).

(3) The advisory council has 17 members and is comprised as follows:

LHH:	3 representatives
Town of Laatzen:	1 representative
Town of Langenhagen:	1 representative
Town of Seelze:	1 representative
Town Ronnenberg:	1 representative
Town of Hemmingen:	1 representative
HWK:	1 representative
VEA:	1 representative
VZN:	1 representative
Citizen's Action Group Environmental Protection	1 representative
Thüga:	1 representative
E. ON Ruhrgas AG:	1 representative
Stadtwerke:	3 representatives

(4) The board of trustees shall decide in principle on budget plans, on the set up of subsidy programmes and the related guidelines, on the promotion of individual projects as well as on all matters of fundamental importance to the Fund. The board of trustees shall inform the advisory council immediately of its decisions. Should the advisory council use its right to veto, then it shall submit this immediately and justify it.

(5) In the event that 70% of the advisory council members present decide in favour of a measure the board of trustees undertakes to include this measure in the allocation of the funds.

(6) The board of trustees shall have 7 members with voting rights and shall be made up as follows:

LHH:	2 representatives
Town of Langenhagen:	1 representative
Town of Seelze:	1 representative
Town of Laatzen:	1 representative
Stadtwerke:	2 representatives

The towns of Ronnenberg and Hemmingen shall send one permanent member each to the board of trustees. If a representative from the towns of Langenhagen, Seelze or Laatzen are prevented the voting right will be exercised by the town of Ronnenberg or the town of Hemmingen by arrangement.

- (7) The office shall manage and be responsible for the coordination and information for implementing the climate protection measures and controlling their success as well as for the administration of the climate protection fund. The office shall assess the measure proposals of the partners and third parties based on the principles and criteria of Enclosure 1 and shall prepare the bases for the decisions for the advisory council and the board of trustees based on the guidelines for allocating the funds (Enclosure 2). The head of the office shall legally represent the GbR towards third parties.
- (8) The activities within the framework of the office shall be assigned to the Stadtwerke. A special service contract will be entered into for this **(Enclosure 3)**.
- (9) The advisory council and the board of trustees shall each meet at least once a year respectively. The chairpersons of the advisory council and board of trustees are to be each be voted in for a term of office three years. The chairpersons shall invite to the respective meetings, organise the agenda and arrange the subsequent work after the meetings. The office shall take part in the meetings.
- (10) The advisory council and the board of trustees shall decide insofar as nothing else is regulated, with a simply majority. They have a quorum if at least half of the members of the advisory council or the board of trustees are present.
- (11) If at least representatives of three partners request that the chairman of the advisory council convenes an advisory council meeting or at least two members of the board of trustees request that the chairman of the board of trustees shall convene a meeting of the board of trustees then the bodies are to be convened with an advance notice of 4 weeks.
- (12) No attendance fee shall be paid for participation in the meetings of the advisory council and the board of trustees. Only proven expenses shall be reimbursed.

### **§ 3**

#### **Climate protection fund**

##### **A: Source of funds**

- (1) A climate protection fund will be set up to fulfil the common tasks within the framework of this agreement.
- (2) The partners listed by name in sect. (3) undertake to make the payments into the climate protection fund as laid down below for the term of this agreement.
- (3) The payments of these partners shall be determined as follows:

(3.1) The amounts stated below refer to all years, in which the contract shall be legally valid without interruption. The amounts will be calculated pro rata for the period in which it is valid, in relation to one full year for all other years. This shall have no effect on § 5 sect. (1) clause 1.

(3.2) The Stadtwerke shall pay an annual amount up to: **4 million Euros**

The following shall apply as computation base for the annual payments to be made:

- a) the sales proceeds, derived from price surcharges approved by the responsible authorities and other responsible bodies exclusively for this purpose, generated by the Stadtwerke in the current year respectively and in addition
- b) 6.5% \*) of the profits remitted to the VVGmbH by the Stadtwerke in the respective previous fiscal year.

A maximum however: **2 million Euros**

(3.3) The LHH shall pay:  
an annual amount up to **1 million Euros**

3.25% of the profits remitted to VVGmbH by the Stadtwerke in the respective previous fiscal year shall apply as computation base for the annual payments to be made.

(3.4) The Town of Langenhagen shall pay:  
An annual amount up to **100 TEUR**

2.5% of the licence fees for electricity and gas to which the Town of Langenhagen is entitled from the respective previous fiscal year of the Stadtwerke Hannover shall apply as computation base for the annual payments to be made.

(3.5) The Town of Laatzen shall pay:  
An annual amount up to: **10 TEUR**

2.5% of the licence fees for gas to which the Town of Laatzen is entitled from the respective previous fiscal year of the Stadtwerke Hannover shall apply as computation base for the annual payments to be made.

(3.6) The Town of Seelze shall pay:  
An annual amount to the tune of up to: **40 TEUR**

2.5% of the licence fees for electricity and gas to which the Town of Seelze is entitled from the respective previous fiscal year of the Stadtwerke Hannover shall apply as computation base for the annual payments to be made.

- (3.7) The Town of Ronnenberg shall pay:  
An annual amount to the tune of up to: **10 TEUR**

2.5% of the licence fees for gas to which the Town of Ronnenberg is entitled from the respective previous fiscal year of the Stadtwerke Hannover shall apply as computation base for the annual payments to be made.

- (3.8) The Town of Hemmingen shall pay:  
An annual amount to the tune of up to: **10 TEUR**

2.5% of the licence fees for gas to which the Town of Hemmingen is entitled from the respective previous fiscal year of the Stadtwerke Hannover shall apply as computation base for the annual payments to be made.

- (4) The payments of the Stadtwerke according to computation base (3.2 a) shall be made as monthly payments on account, on the basis of corresponding planned figures for the year, to the 15<sup>th</sup> of each month respectively. After the final computation figures are available it may be necessary for a compensation payment to be charged.

- (4.1) The annual payments of the Stadtwerke according to computation base (3.2 b) and that of the LHH are to be made to 30<sup>th</sup> June of each and any year, those of the Towns of Langenhagen, Laatzen, Seelze, Ronnenberg and Hemmingen to 30<sup>th</sup> September of each and any year.

## **B: Allocation of funds and monitoring**

- (1) Only funds which have been paid in may be disposed of.
- (2) Funds not used in one year will be transferred over as additional funds into the budget of the respective subsequent year. Earnings incurred by the climate protection fund after completion of a fiscal year (e.g. from interest yield) shall remain in the fund and shall be used in addition to the payments of the partners for the purpose of the contract.
- (3) The costs of the office, of the board of trustees and of the advisory council, incurred in connection with their tasks, are to be covered in advance from the funds available in a fiscal year. Attention is to be paid that the money is used economically.
- (4) The board of trustees shall decide on the use of the remaining funds of a fiscal year, whereby the advisory council shall have a final veto right to reject individual measures.
- (5) It has to be insured that 10% of the money available flows into the surrounding districts and 90% into the region of the Town of Hannover seen over the term of the contract. An exception can be made to this provision if the board of trustees decides that it shall be distributed differently.

- (6) The funds are to be used for specific purposes for measures which are worthy of promotion. Any remaining funds after ending of the contract are to be re-circulated to finance a purpose in line with the aim of this contract.
- (7) The “principles and criteria for assessing suitable measures for the climate protection fund” (**Enclosure 1**) and the “Guidelines for the allocation of funds” (**Enclosure 2**) shall be used as a basis for determining the possibility of promotion of an individual measure.
- (8) The partners are to aim at having good publicity when presenting the essential results of the common work. The office shall make proposals for this and submit these to the advisory council and the board of trustees for a decision to be made.

#### **C: Control of the funds**

- (1) The office will be in charge of the bookkeeping. Interest yield from payments shall flow into the fund.
- (2) The office shall submit a financial report to the board of trustees, showing all incoming and outgoing funds, on the use of the funds of the previous year by the middle of each and any year,
- (3) The office shall draft an annual statement of accounts pursuant to the provisions of § 242 HGB [Commercial Code]. The annual statement of accounts shall be audited by a certified auditor in accordance with § 316 HGB.
- (4) The board of trustees shall approve the financial report with a simple majority. The board of trustees shall adopt the audited annual statement of accounts.

### **§ 4**

#### **Amendments to this agreements and loyalty**

- (1) Against the background of the increasing competitive nature of the guided energy supply industry, the partners hereby agree that in the case of significant and not just temporary changes in the actual, economic or legal relationships compared with those existing upon conclusion of this contract, these obligations and other conditions are to be amended to the changed circumstances.

- (2) No oral agreements have been reached. Any changes and supplements to this contract must be made in writing in order to be enforceable. A revocation of the afore-mentioned written form clause must also be made in writing to be enforceable.

## **§ 5**

### **Entry into force and termination of contract**

- (1) This agreement replaces the previous agreement of 8 June 1998 (in the version of the supplementary agreement of 6 October 1999) including any ancillary agreements. This contract goes into effect upon signing.
- (2) During the term of the agreement each partner shall be entitled to terminate this agreement by observing a six-month period of notice to the end of a calendar year. The termination is to be declared in writing to the office.
- (3) All rights and obligations ensuing from agreement shall expire upon termination. This shall also include any claims towards the climate fund.

Enclosure 1: Principles and criteria for assessing suitable measure for the climate protection fund.

Enclosure 2: Guidelines on the allocation of funds

Enclosure 3: Service contract

**Hannover, the 30th November 2004**

**signatures:**

State Capital Hannover

Town of Langenhagen

Town of Seelze

Town of Laatzen

Town of Ronnenberg

Town of Hemmingen

Handwerkskammer Hannover

Thüga AG

E.ON Ruhrgas AG

Bundesverband der  
Energieabnehmer e. V.

Verbraucherzentrale  
Niedersachsen e. V.

Bürgerinitiative Umweltschutz e. V.

Stadtwerke Hannover AG

<b>Enclosure 1</b> to the partnership contract "ProKlima" 1	Page
Principles and criteria for assessing the measures suitable for the climate protection fund	

1	In principle, <b>only additional measures</b> for protecting the climate are to be financed by the climate protection fund, which would not be able to be realized financially without the climate protection fund or to which the applicants are not already obliged anyway by laws, contracts or other obligatory stipulations.
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Explanations:

**Not to be financed by the climate protection fund** are e.g.:

- costs for environmental protection measures laid down by law or resulting from approval procedures,
- costs for the feed-in remunerations for electricity from renewable energies or BHKW demanded by law or by licence contract,
- costs for consultation and information services of the Stadtwerke Hannover to the extent customary so far
- costs for measures already decided or commenced so far at the SWH per directors' resolution or at third parties without economic or financing reservation,
- operating or capital costs for measures executed in the past,

Measures required in the licence contracts or in municipal energy concepts, which are **subject to the economic feasibility** or similar reservations, are to be examined in each individual case for their suitability for financing from the climate fund according to the principle 2.

2.	<b>Only the costs which are not reasonable for the business</b> of principally suitable measures are capable of being financed by the climate protection fund.
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Explanations:

Under "costs which are not reasonable for the business" are principally the **additional costs** of a climate protection measure of the contractual partner or third party to be understood, which are covered neither for the contractual partner nor another applicant **on the basis of marginal costs/revenues which may be spent**.

In the case of measures carried out by third parties, the Stadtwerke Hannover AG will assess the marginal revenues, which can be spent, from the perspective of a potential third party investor (e.g. with decentral KWK or regenerative electricity generation). Costs, which may be refinanced through cost allocation methods, etc., may **not** be financed by the climate protection fund (e.g. costs recognized by the electricity price watchdog for LCP/IRP measures).

In principle, **only costs** of measures, **not** however **missed contribution margins** of the Stadtwerke Hannover AG or other applicants in connection with this can be financed from the climate protection fund.

**Enclosure 1** to the partnership contract "ProKlima"

Page

2

Principles and criteria for assessing the measures suitable for the climate protection fund

### **3 Assessment criteria**

A **universal assessment** of all measure proposals is to be carried out **according to the following criteria:**

- CO<sub>2</sub> efficiency (priority) from the perspectives
- Economy } (decisive)
- Climate protection fund }
- Stadtwerke
- (absolute) CO<sub>2</sub> reduction/a
- Multiplier effect
- Market launch of new technologies

### **4 Methods of evaluation**

As two of the criteria can not be quantified at all and also the calculation of the CO<sub>2</sub> efficiency often has to be based on a host of assumptions or sometimes cannot be carried out concretely there will **generally be a graduated evaluation** with grades between 1 (very good) and 5 (unsatisfactory) (or ++ to --). Wherever possible this evaluation with the CO<sub>2</sub> efficiency should be proven with calculated values. The **individual evaluations will not be summarized to a total valuation.**

The proposed and evaluated measures/projects are presented in a tabular form and for the CO<sub>2</sub> efficiency also graphically **according to the areas of measures**

- Improved efficiency in the demand for heat
- Improved efficiency in the demand for electricity
- Improved efficiency in electricity and (coupling) heat supply
- Use of renewable energies and others

**Guidelines for the allocation of funds**

**1. Principles**

- (1) These guidelines for the allocation of funds are a part of the partnership contract "ProKlima".
- (2) The funds from the climate protection fund are to be used for specific purposes for measures worthy of promotion.
- (3) The funds will be allocated based on these guidelines.

**II. Object of the use of the funds**

- (1) In accordance with the objective of the partnership contract "ProKlima" measures and projects
  - for saving primary energy, CO<sub>2</sub> and other gases damaging for the climate
  - for the use of regenerative energies
  - and the rational use of energy
  - for the purpose of protecting the climate with the allocation of financial means from the climate protection fund of the partnership contract "ProKlima"

will be supported.

- (2) In principle, only additional measures for protecting the climate are to be financed with the climate protection fund, which would not be able to be realized financially without the climate protection fund or to which the applicants are not already obliged anyway by laws, contracts or other obligatory stipulations.
- (3) The funds from the climate protection fund are to be allocated for measures, which are carried out in the region of the partner towns, or in the supply area of the Stadtwerke Hannover AG.

**III. Recipients of the funds**

Recipients of the funds may be

- natural persons and
- legal entities under private an public law.

**IV. Prerequisites for the entitlement to funds**

- (1) A financial support from the climate protection fund shall only take place for measures, which have not yet begun. The conclusion of one of the delivery and service contracts to be allocated to the execution shall principally apply as commencement of the project.

**Guidelines for the allocation of funds**

- (2) The office can in an individual case approve a premature begin of a measure upon request. The request is to be justified.

**V. Type and scope of the allocation of the funds**

(1) Type

- a. The funds shall principally be allocated in the form of a non-repayable grant, which is tied to a specific purpose.
- b. The recipient of the funds must carry a reasonable share of the costs himself.

(2) Scope

- a. The grant may be paid in various amounts depending on the measure.
- b. When assessing the type and scope of the financial support only allowable costs and expenses will be taken into account. This includes the costs and expenses, which
- are incurred within the framework of carrying out climate protection measures according to section 1 of these guidelines and
  - are caused by measures, which result in additional primary energy and climatic gas savings compared with the contemporary case (reference case) and
  - exceed the costs and expenses considered reasonable for the business.
- c. Measures will be evaluated according to the efficiency, according to Enclosure 1 of the partnership contract "ProKlima".
- d. The decision on how the funds will be allocated will be made pursuant to § 2 no. 2, 4 and 5 of the partnership contract "ProKlima".
- e. There shall be no entitlement to the financial support of measures from the climate fund.

**VI. Submission of the proposals for measures**

- (1) The proposals for measures are to be addressed to the office in writing.
- (2) Depending on the type of the measure the applications should contain the following details:
1. Applicant of the measure proposal,
  2. Object and objective of the measure,
  3. Description of the technology used with details of the comparison or reference case,

**Guidelines for the allocation of funds**

4. Level of savings of primary energy and climatic gas compared with the reference case,
5. Financing plan
6. Calculation of annual and total costs,
7. Proportion of the allowable costs and expenses according to sect. V (2) b of these guidelines,
8. Feasibility analysis taking special account of the allowable costs and expenses,
9. Type, scope and period of the execution,
10. Duration of the effect and continuation or subsequent use of the measure and
11. The application of financial support from other bodies.

(3) The office can request further documents for assessing the suitability for promotion.

**VII. Payment procedures and general information on the administration**

(1) Payment procedures

- Payments shall be made in the case of capital measures once after completion of the measure in the amount as approved after receipt and examination of a record of the total costs. Depending on the proof provided of the progress of the project instalment payments may be granted from the grant upon request. A different payment procedure may be agreed in the case of other measures.
- The office shall be responsible for the proper payment of the funds.

(2) Economic efficiency and thrift

- The recipient of the funds undertakes to use the funds for the measure economically and correctly.
- Should it become apparent in the execution of the measure that essential changes are necessary in the execution the recipient of the funds undertakes to inform the office immediately and justify the change. The board of trustees shall decide on the approval of the change in measure, and can should no approval be given, decide to withdraw the grant either in whole or in parts, and to demand repayment of the subsidies, which have already been paid, pursuant to sect. VIII (5) of these guidelines.
- The recipient of the funds undertakes to inform the office of further grants for the measure by third parties. In the case of additional grants for the measure by a third party the board of trustees may decide on a reduction or deletion of the grant from the climate protection fund.

**VIII. Proof of use**

(1) Subject to another decision of the board of trustees in an individual case the recipient will provide proof of the use of the funds according to the intended purpose as follows:

**Guidelines for the allocation of funds**

a. Proof of costs

- Proof shall be provided of the costs by submission of a total record of costs. The total record of costs is to be submitted to the office within three months after the measure has ended.
- The use of instalments from the grant according to sect. VII (1) a. of these guidelines will be proven within three months after payment by means of suitable documents.

b. Case report

- A case report on the executed measure is to be submitted to the office within a deadline to be fixed respectively.
- (2) The recipient of the funds undertakes upon acceptance of funds from the climate protection fund to consent to an examination of the intended use of the funds by the recipient of the funds. If nothing else is determined by the board of trustees the examination will be carried out by the office.
- (3) An examination of the use of the funds may take place within 5 years after allocation of the funds.
- (4) Should the given purpose of the measure either not or partly not have been achieved and/or should the recipient of the funds have violated these guidelines, the board of trustees shall make a decision on a repayment of the funds. Interest may be charged from the date of the payment to the tune of 4 % p.a. above the bank rate applicable on the date of the decision for repayment.

**IX. Entry into force and validity**

- (1) These guidelines shall enter into force upon the legally valid signing of the partnership contract "ProKlima".
- (2) The guidelines are valid subject to a change up to the expiry of the partnership contract "ProKlima".

**Service contract  
According to § 2 sect. 8 of the partnership contract "ProKlima"**

between

the contractual partners of the partnership contract "ProKlima"

and

the Stadtwerke Hannover AG

the following is hereby agreed:

§ 1

- (1) The object of this service contract shall be the assignment of the tasks of the office according to § 2 sect. 7 of the partnership contract "ProKlima" to and their execution by the Stadtwerke Hannover AG. These tasks shall include:
- the coordination and information for implementation of the climate protection measures and controlling their success,
  - the organizational, commercial, financial and fiscal administration of the climate protection fund,
  - the assessment of the measure proposals of the partners and third parties,
  - the preparation of the decision principles for the advisory council and the board of trustees,
  - the advance and subsequent preparation of the meetings of the advisory council and the board of trustees.
- (2) The processing of general promotion programme is not included in the afore-mentioned basic tasks of the office, but requires a separate commissioning of the office or third parties by the board of trustees. General promotion programmes shall be seen as programmes for climate protection, which define measures capable of being promoted for a large number of applicants and thus cause a particular amount of work for information, consultation, technical examination and financial processing.

§ 2

- (1) The Stadtwerke Hannover AG shall receive for managing the office of the partnership contract "ProKlima" and the associated tasks according to §1 sect. 1 a flat-rate annual remuneration, which shall be financed from the climate fund. This shall cover all costs for personnel and incidental personnel costs. The general administration costs for the office shall be borne by the Stadtwerke. The remuneration shall be due at the middle of a fiscal year upon invoicing by the Stadtwerke respectively. For years, in which the contract has not been legally valid without interruption, the remuneration will be calculated pro rata for the period in the calendar year.
- (2) The remuneration shall be DM 250,000 for the first fiscal year of the climate fund.
- (3) The remuneration will be examined for the subsequent years and if applicable the amount amended. The board of trustees shall make a decision upon the amount of the remuneration respectively in connection with the economic plan for the year concerned.
- (4) Should the board of trustees decide on general promotion programmes according to § 1 sect. 2 then the expected costs for their processing are to be determined separately in connection with the decision of the board of trustees on these programmes respectively. The remuneration for the body commissioned with the execution of these programmes shall be made separately accordingly and shall also be decided by the board of trustees.
- (5) A special budget is to be provided in the financial plan and approved by the board of trustees for creating extensive reports and brochures intended for the public.

§ 3

- (1) The entry into force and the term of this agreement is principally coupled with the corresponding provisions of the partnership contract "ProKlima".
- (2) The Stadtwerke Hannover AG may independent of this terminate this service contract without stating any reasons by observing a six-month deadline to the end of each and any calendar year.

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End of Translation

Moers, 14 February 2005  
I, Pamela Lynn Green, authorized translator for the  
Higher Regional Court of Düsseldorf, hereby certify  
that this is a true and faithful translation of the original  
document in the German language presented to me.  
316E-3216