MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF ENERGYOF THE UNITED STATES OF

AMERICA

AND

THE MINISTRY OF INDUSTRY AND INFORMATION TECHNOLOGY OF THE PEOPLE'S REPUBLIC OF CHINA ON ELECTRIC VEHICLE AND INDUSTRIAL ENERGY EFFICIENCY COOPERATION

The Department of Energy of the United States of America and the Ministry of Industry and Information Technology of the People's Republic of China, herein referred to as "the Participants",

NOTING that in the 21st Century, mankind is facing the common problem of a worsening environment caused in part by the transportation and industrial sectors' energy consumption; and that the development of a robust electric vehicle industry and improved industrial efficiency are a means to improve the environment;

RECOGNIZING that the United States and China share a strong common interest to diversify the fuel mix in vehicles, to improve energy security, and reduce dependence on oil imports;

RECOGNIZING ongoing U.S.-China cooperation on electric vehicles through the U.S.-China Clean Energy Research Center and Electric Vehicles Initiative;

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RECOGNIZING ongoing U.S.-China cooperation on industrial energy efficiency through the Energy Efficiency Action Plan under the Ten Year Framework for Cooperation on Energy and the Environment;

ACKNOWLEDGING that consistent and transparent standards for a broad range of energy production, consumption, and related products can improve efficiency, promote trade and investment, and facilitate long-term technological development; and

DESIRING to promote intergovernmental cooperation and communication with respect to electric vehicles and industrial energy efficiency, and with the participation of other United States Government agencies and Chinese Ministries as appropriate to enhance additional trade and investment,

Have reached the following understanding:

Section 1

Planned Areas of Cooperation

1. The Participants anticipate that implementation of this Memorandum of Understanding should accelerate the development of emerging technologies and industries, pave the way for future technological innovation in energy-related fields, and promote trade and investment between the Participants' countries.

2. The Participants encourage the development of electric vehicles and related technologies, and intend to engage in relevant international standards development for plug-in hybrid electric vehicles, pure-electric vehicles, and fuel cell electric vehicles.

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3. The Participants intend to cooperate in the field of energy efficiency improvement for energy-using terminal products, including sharing of information on policy and practice regarding energy efficiency improvement of motors, internal-combustion engines and boilers, and other industrial products.

4. The Participants may in the future identify additional areas of cooperation to be conducted under this Memorandum of Understanding.

Section 2

Forms of Cooperation

1. The Participants intend to facilitate the exchange of publicly available information regarding existing and proposed technologies, standards, policies and practices for electric vehicles and industrial products.

2. The Participants intend to facilitate communications channels among relevant organizations in their respective countries to coordinate activities conducted pursuant to this Memorandum of Understanding.

3. The Participants intend to hold workshops, as necessary, to exchange information regarding electric vehicle and industrial energy efficiency developments.

4. The Participants intend to make periodic assessments of activities undertaken pursuant to this Memorandum of Understanding, summarize the achieved results, and if necessary, make adjustments to the arrangement of cooperation activities.

Section 3

Intellectual Property Rights

It is not anticipated that activities undertaken pursuant to this Memorandum of Understanding will lead to the creation of intellectual property. However, if a Participant believes that a particular activity is likely to lead to the creation of intellectual property, the Participants should hold discussions immediately and, as necessary, conclude a written agreement for the protection and allocation of intellectual property rights.

Section 4

Funding

Unless otherwise determined in writing, each Participant is to be responsible for the costs it incurs in conducting the activities contemplated by this Memorandum of Understanding.

Section 5

Commencement, Duration, Revision and Discontinuation

1. This Memorandum of Understanding is to take effect as of the date of signature and continue for 5 years.

2. The Participants may revise this Memorandum of Understanding at any time by mutual consent in writing, and may extend its term for additional periods.

3. The Participants may discontinue this Memorandum of Understanding by mutual consent in writing. Alternatively, a Participant that wishes to discontinue its participation in this Memorandum of Understanding should endeavor to provide at least 90 days advance notice in writing to the other Participant.

4. This Memorandum of Understanding does not create any legally binding obligations.

Signed at Beijing, in duplicate, on 10 July 2014, in the English and Chinese languages.

FOR THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA

FOR THE MINISTRY OF INDUSTRY AND INFORMATION TECHNOLOGY OF THE PEOPLE'S REPUBLIC OF CHINA