

**AGREEMENT OF UNDERSTANDING  
ON CREATION AND DEVELOPMENT OF THE INTERNATIONAL  
ENGINEERING CENTER ("IEC")  
IN THE SPHERE OF THE OIL AND GAS INDUSTRY**

For the purpose of the establishment and development of the international partnership relationships and experience exchange, development of modern engineering technologies, their implementation and applied use, the upgrade of professional competences in the field of the oil and gas industry,

basing on the current legislation of the Russian Federation and the partner countries of the Arabian Gulf participating in implementation of the current project, and acting for the benefit of legitimate interests of the parties to the current Agreement,

admitting that the sphere of the oil and gas industry holds an important place in the life and development plans of any of the states whose residents are parties to the current Agreement, and also requires improving the applied engineering technologies, which the Parties to this Agreement are mutually interested in,

The Parties below have entered into **the Agreement on of understanding on creation and development of the International Engineering Center "IEC" in the sphere of the oil and gas industry.**

**1. PARTIES TO THE CURRENT AGREEMENT**

The Parties to the current Agreement in the role of the founders of the International Engineering Center ("IEC") in the oil and gas industry (hereinafter IEC) are

**1) Riyada Group (The Kingdom of Bahrain)**

The investor of the project, the organizer of the agency office and office of the IEC in the Kingdom of Bahrain, the organizer of the International Training Center based on the universities participating in the Agreement.

**2) Universities and research institutes (The Russian Federation)**

2.1) Federal State Budgetary Educational Institution of Higher Education "Samara State technical university", Samara

The University is the basing technical university in Samara Region and possesses a wide specter of competences in the field of the deep-well drilling, oil and gas production and transportation, protection of the environment.

2.2) Tambov State University named after G.R. Derzhavin, Tambov

The University has an established scientific school and competencies in the sphere of protecting metals and equipment against corrosion in non-aqueous media, and is also one of the leading universities in the Russian Federation in the areas of environmental management and ecology.

2.3) Grozny State Oil Technical University named after acad. M. D. Millionshchikov, Grozny

The University has a wide range of competencies in the oil and gas sector and in the development and operation of unconventional and renewable energy sources, as well as experience in establishing and maintaining relationships with the Middle Eastern partners.

2.4) Bryansk State Technical University, Bryansk

One of the leading training centers in the field of automation of technological processes, the development and operation of automatic control systems, as well as in the direction of oil transportation technologies.

2.5) Udmurt Federal Research Center, Ural regional office of the Russian Academy of Sciences, Izhevsk

The research center conducts complex research in the field of materials science, engineering, control systems, chemistry and ecology, industrial engineering, including in the interests of oil and gas, oilfield services companies and oil and gas engineering enterprises.

3) Administration company OOO «MCC», Moscow

The administrating partner of the project, the coordinator of the IEC activities.

4) Russian investor.

## 2. BASIC PROVISIONS AND PRINCIPLES OF CREATION AND ACTIVITIES OF IEC

1) All activities of the IEC and its participants are based on friendly, partnership relationships based on observance of the principles of cooperation and mutual assistance in achieving the goals set.

2) Coordination of all IEC activities is carried out by the established Administration Company, whose tasks include

2.1) Strategic planning of IEC activities;

2.2) Legal registration of the IEC;

2.3) Organization of negotiations and business visits of participants of the IEC, as well as potential participants willing to join the project;

2.4) Coordination of the interaction of all IEC participants with among themselves.

3) Project investors provide funding of the IEC activities, as well as creating of a platform for the development of the IEC in their countries.

4) Universities and Research Institutes, through their competences, partnership relationships and trained specialists, provide:

4.1) Preparation and implementation of training programs for specialists in the oil and gas industry on the basis of partner universities in the Russian Federation and on the basis of the IEC agency office in the territory of the Kingdom of Bahrain;

4.2) The solution of technological problems of the oil industry of the Arabian Gulf, including technology

enhanced oil recovery;  
creating and applying new chemicals;  
heavy and ultraheavy oil production;  
transportation and processing of heavy oil and high-sulfur oil;  
improve the quality of oil;  
oil and gas wells drilling using innovative methods and techniques;  
desulphurisation of petroleum and petroleum products during oil refining;  
heavy oil recycling;  
creation of new additives to petroleum products;  
impact on the oil reservoir by acoustic methods;  
Acoustic cleaning of tanks and pipelines from heavy residues  
and other technologies related to the oil and gas industry.

5) On the basis of the current Agreement, an investment partnership agreement will subsequently be concluded for the financial, technological and personnel support of the implementation of the Parties projects.

6) The International Engineering Center attracts the scope of work, organizes projects of joint activities of the Parties for the implementation of the objectives established by this Agreement, and subsequently by the investment partnership agreement. The parties to this agreement have a priority right to perform contracting and other work in such projects.

7) The current Agreement on the establishment of the IEC assumes the possibility of joining to it other educational and scientific institutions that have the skills, potential and competences useful for realization of the objectives under the Agreement and the Investment Partnership Agreement, based on the results of consideration of applications for accession to the Agreement on the establishment of the IEC and Investment partnership.

8) Consideration of applications for accession to the Agreement on the establishment of the IEC and for the entry into the Investment Partnership of a new partner, as well as the adoption of a final decision on these issues, is carried out by the general meeting of the Parties to the Agreement on the establishment of the IEC.

9) The Parties to the current Agreement of understanding express their consent to the creation of the International Engineering Center "MIC" in the oil and gas industry and participate in its activities on the aforementioned conditions, and undertake to make every effort, acting in good faith, responsibly and initiatively, to implement this project and achieve its goals.

3. SIGNATURES AND COMPANY DATA OF THE PARTIES TO THE  
AGREEMENT ON OF UNDERSTANDING ON CREATION AND DEVELOPMENT OF  
THE INTERNATIONAL ENGINEERING CENTER "IEC"  
IN THE SPHERE OF THE OIL AND GAS INDUSTRY

The President of Riyadh Group

Shaikha Dheya bint Ebrahim Al Khalifa



(signature)

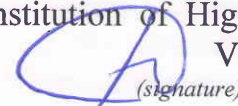
Pro-rector of the Federal State Budgetary Educational Institution of Higher Education  
"Samara State Technical University"



(signature)

A.A. Pimenov

Rector of the Federal State Budgetary Educational Institution of Higher Education  
"TSU them. G.R. Derzhavin"



(signature)

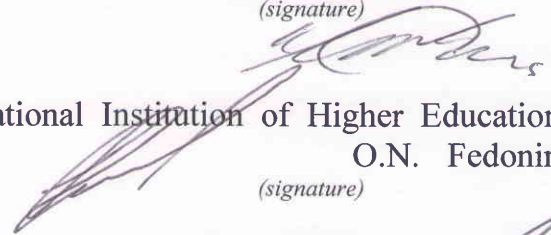
V.Yu. Stromov

Pro-rector of the Federal State Budgetary Educational Institution of Higher Education  
"GSOTU by Acad. M.D. Millionshikov"

(signature)

M.Ya. Pashaev

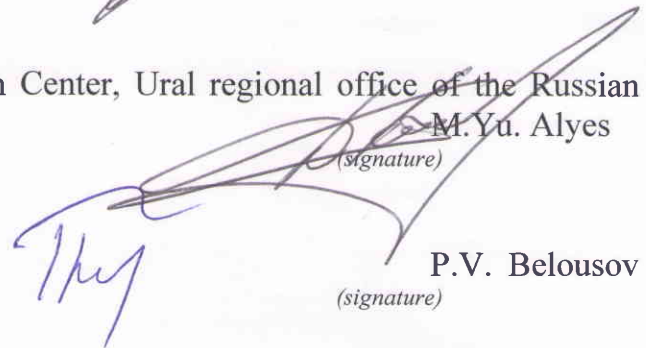
Rector of the Federal State Budgetary Educational Institution of Higher Education  
"Bryansk State Technical University"



(signature)

O.N. Fedonin

Director of the Udmurt Federal Research Center, Ural regional office of the Russian  
Academy of Sciences



(signature)

M.Yu. Alyes

OOO "MCC" CEO



(signature)

P.V. Belousov