

REPRESENTATION PLAN

On behalf of **ENERGY PRO**

BACKGROUND TO THE DISPUTE

Energy Pro Inc. (“Energy Pro”) and CFX Ltd. (“CFX”) entered into a joint venture agreement (“JV”) after extensive negotiations in December of 2010, forming the Syrus-Catalan Wind Turbine Gearbox Joint Venture Company (“JV Company”). Subsequently, Energy Pro and CFX formed an exclusive purchase contract (“purchase contract”) with Energy Pro as the seller and CFX as the buyer of the gearboxes produced in the JV Company. Energy Pro diligently performed the Design Reviews, obtained certification from the independent certification company Future Energy Inc. and sent the first supply of gearboxes according to the purchase contract, but did not receive the 2nd and 3rd payments from CFX as was due. It became no longer commercially viable for Energy Pro to maintain the purchase contract with CFX. Consequently, on December 28, 2012, Energy Pro initiated arbitration against CFX to terminate the purchase contract under Clause 15 and requested for the termination penalty. Energy Pro has requested Future Energy to join as a third party to this arbitration.

THE ISSUES

Energy Pro feels that the relationship between the parties has fundamentally broken down. Energy Pro does not believe that it is reasonable to be held accountable for the negligence of Future Energy in certifying the gearboxes nor does Energy Pro feel that CFX is justified in suspending the purchase contract given that Energy Pro performed all of its duties in a diligent manner according to the purchase contract. Further, Energy Pro is extremely disappointed that CFX chose to default on its obligations in the purchase contract instead of taking action against Future Energy, and believes it is rightfully claiming the termination penalty.

OUR INTERESTS

Energy Pro has an interest in preserving the purchase contract. Maintaining the purchase contract

will open the opportunity for considerable profit to be made in Catalan. If a satisfactory purchase contract cannot be agreed upon, the JV will lose meaning and a significant loss will be incurred since it is only CFX that has the technology license. It is in Energy Pro's interest to amend the Purchase Contract, be remunerated for the significant loss caused by the nonperformance of CFX and not be held responsible for Future Energy's negligence. The purchase contract should be amended so as to include an express penalty clause for nonperformance of an obligation and an explicit agreement on the liability of Future Energy, mainly that it shall not be Energy Pro's responsibility.

Energy Pro comes to mediation with the following 4 interests:

1. Preserve the purchase contract with amendments;
2. Be adequately compensated for the loss suffered as a result of the nonperformance in payment by CFX;
3. Not be held responsible for Future Energy's negligence;
4. Maintain a positive and lasting relationship with CFX.

OUR ALLOCATION STRATEGY

During the opening statements, Mr. Li will outline his understanding of the issues and his respective interests. Mr. Chase will ensure Mr. Li remains open minded and considers all possible positions. During the negotiation phase of the mediation, Mr. Li and Mr. Chase will work together to explore all possible options to resolve the dispute. At the conclusion of the mediation, it will be Mr. Li who decides whether an acceptable outcome has been put on the table.

REPRESENTATION PLAN

On behalf of CFX LTD

BACKGROUND TO THE DISPUTE

Energy Pro Inc. (“Energy Pro”) and CFX Ltd. (“CFX”) entered into a joint venture agreement (“JV”) under Energy Pro’s initiative to form the Syrus-Catalan Wind Turbine Gearbox Joint Venture Company (“JV Company”). Energy Pro drafted both a purchase contract and the JV and made the purchase contract a precondition to enter the JV. The only addition to the purchase contract that CFX was able to insert was the obligation of Energy Pro to obtain certification from an independent certification company, Future Energy Inc (“Future Energy”). Subsequently, all of CFX’s objections made during the Design Reviews were ignored and CFX had no choice but to adhere to their contractual obligations. CFX issued a purchase order for 100 gearboxes and transferred the first part payment in a diligent manner. The gearboxes that CFX received were a completely different model from the specifications stipulated in the purchase contract and CFX notified Energy Pro of the difference. After receiving a reply from Energy Pro reiterating that it would not take any action on account of this negligent performance, on May 21st 2012 CFX declared that it would suspend performance pending a cure by Energy Pro.

THE ISSUES

CFX feels that the relationship between the parties has significantly diminished because CFX approached Energy Pro expressing concern regarding the lack of conformity of the gearboxes to the purchase contract only to be met with Energy Pro’s sheer denial of any responsibility. CFX is extremely disappointed in the insensible attitude that Energy Pro has taken towards this dispute. CFX believes that Energy Pro should be held accountable for their improper response to the objections made during the Design Reviews and for Future Energy’s negligence in certifying the wrong boxes since obtaining the right certification was within Energy Pro’s scope of obligation. Furthermore, since CFX rightfully suspended the purchase contract, it should not be held accountable for the late part payments nor does CFX feel that Energy Pro has rightfully terminated this purchase contract.

OUR INTERESTS

CFX has an interest in preserving the purchase contract as Energy Pro is a powerhouse in Syrus, but is prepared to terminate the purchase contract if it cannot be satisfactorily amended and if the relationship between the parties cannot be repaired. If the purchase contract is to be preserved, it should be amended so as to include express and mandatory obligation for Energy Pro to reflect the Design Reviews in their manufacturing process, an explicit agreement on the liability of Future Energy and equal rights to suspend and terminate the contract according to predetermined conditions. Future Energy's negligence should be declared an issue to be settled between Energy Pro and Future Energy; it should not affect CFX. It is in CFX's interest to be remunerated for the loss suffered as a result of Energy Pro's failure to meet the product specifications and for Energy Pro to drop the termination penalty charges against CFX.

CFX comes to the mediation with the following 6 interests :

1. Preserving the purchase agreement with amendments;
2. Being adequately compensated for the loss suffered as a result of Energy Pro's default on its contractual obligations;
3. Not being responsible for Future Energy's negligence;
4. Not being held at fault for suspending the 2nd and 3rd part payments;
5. Ceasing Energy Pro's claim to a termination penalty;
6. Maintaining a positive and lasting relationship with Energy Pro.

OUR ALLOCATION STRATEGY

During the opening statements, Mr. Yuen will outline his understanding of the issues and his respective interests. Ms. Perry will ensure Mr. Yuen remains open minded and considers all possible positions. During the negotiation phase of the mediation, Mr. Yuen and Ms. Perry will work together to explore all possible options to resolve the dispute. At the conclusion of the mediation, it will be Mr. Yuen who decided whether an acceptable outcome has been put on the table.