

**Japan Energy Star Council
Tokyo Japan**

Agreement on Cooperation

Between
Residential Energy Services Network, Inc.
and
Japan Energy Star Council
September 2008

PREAMBLE

Residential Energy Services Network's (RESNET) mission is to ensure the success of the building energy performance certification industry, set the standards of quality, and increase the opportunity for ownership of high performance buildings. RESNET is a membership 501(c)(3) nonprofit organization. RESNET's standards are officially recognized by the U.S. mortgage industry for capitalizing a building's energy performance in the mortgage loan, certification of "White Tags" for private financial investors, and by the federal government for verification of building energy performance for such programs as federal tax incentives, the Environmental Protection Agency's ENERGY STAR program and the U.S. Department of Energy's Building America Program.

Japan Energy Star Council ("hereinafter JESC") is a part of Japan Green Homes Program. It is a vital organization to ensure the success of the building energy performance by energy certification. The council intends to strengthen the existing programs such as CASBEE, Tokyo Metropolitan Environmental Program for Building, and other similar programs in Japan. The council is composed of representatives of government, business, and academic organizations. Japan Green Homes Program is currently operating a several pilot green building projects and has been offering numerous green building seminars for the past four years under Sustainable Business Forum Japan founded in 2006. Currently the council plans to implement the energy star standard to all pilot projects and recommend the energy rating program to CASBEE and Tokyo Metropolitan Building Program since these programs are operated by self-assessment.

RESNET and JESC are hereinafter also referred to collectively as the "Parties" and individually as a "Party."

PURPOSE AND GOAL

The purpose of this Agreement is to create a harmonization of the methodology on how buildings are rated for their energy performance in North America and Japan. The goal is to meet the energy standards that will achieve a higher level of energy code compliance in Japan and the monetization of the savings from a high energy performance home.

GENERAL PROVISIONS

Through this agreement JESC will become an affiliate of the Residential Energy Services Network, Inc. (RESNET). Both organizations will strive to harmonize their standards and procedures for rating a building's energy efficiency.

TERMS OF AGREEMENT

RESNET agrees to:

- Formally recognize JESC as an affiliate of its organization.
- Authorize JESC to use the RESNET name and logo during the period of this agreement.
- Provide JESC with the following:
 - + Access to RESNET's standards for modification for the Japanese market;
 - + A monthly column in RESNET's monthly news update, "RESNET Notes;"
 - + A special link on RESNET's web site to JESC's web site.
- Assist JESC in adopting standards and procedures that will harmonize with the RESNET standards.
- Work with JESC to adopt a uniform calculation of carbon savings for improved building energy performance.
- Provide program and policy assistance to JESC on developing its rating standards and infrastructure. Assistance can be provided by RESNET

on a cost reimbursable basis in the areas identified in Annex

JESC agrees to:

- Adopt the RESNET HERS Index – the minimum requirement for this would be that JESC would use the RESNET HERS Index as a template to assign an Index as specified in the joint agreement below.
- Adopt rating standards and procedures that harmonize with the RESNET provisions for rater certification, quality assurance, codes of ethics and standards of practice
- Work with RESNET in adopting a uniform calculation of carbon savings from improving a building's energy performance

RESNET and JESC jointly agree to:

- Adopt common methods of calculating carbon emission savings from energy efficiency improvements
- Adopt a common HERS Index methodology, where a "0" represents a net zero energy building that accounts for all site fossil energy use through RESNET's definition of "Reference Electricity Production Efficiency" and where "100" represents the standard Japanese new building code home, including all home energy uses.
- Adopt common rater certification, quality assurance, code of ethics and standards of practice procedures.
- Work together to aggregate carbon emissions reduced through increased building performance for the greenhouse gases emissions trading market.

ACKNOWLEDGEMENTS

Each Party agrees to acknowledge the contributions of the other Parties on all materials produced in the course of this Agreement (including information available

in electronic format) and at all public events.

COSTS

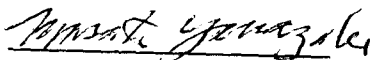
- Each party agrees to strive to fulfill this Agreement on Cooperation to the best of its ability and according to the resources available.
- Specific budgets for any collaboration will be discussed and confirmed on a project-by-project basis.
- Except as set forth herein or otherwise agreed to in writing, all costs resulting from cooperation pursuant to this Agreement and any related Annexes shall be the responsibility of the Party incurring the costs. The implementation of this Agreement is subject to applicable laws and regulations of the countries of the Parties

ENTRY INTO FORCE, TERM AND AMENDMENT

This Agreement shall enter into force upon signature by the Parties and remain in force for a period of five years. The Agreement may be amended or extended by written agreement of the Parties.

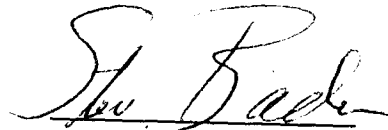
Any party may, upon a year's notification, withdraw from this agreement.

AGREED TO ON THIS DATE



Masato Yamazaki
Executive Director
JESC

Date: September 19, 2008



Steve Baden
Executive Director
RESNET

Date: 9/26/08

Annex I
Menu of Additional Support that can be Provided by RESNET

RESNET is willing to provide additional support on a cost reimbursable basis. This would include professional services and any travel expenses.

The following is a menu of potential added technical, program and policy assistance that could be provided by RESNET:

- Define core competencies needed by the Japanese inspectors;
- Develop inspector quality assurance procedures;
- Develop inspector code of ethics and standards of practice;
- Define Japanese reference home on the HERS Index;
- Provide advice on modifying rating software for Japanese ratings;
- Provide assistance in developing calculations of carbon emissions.