

**China-United States
HVACR Industry
Intellectual Property Rights
Memorandum of Understanding**

Introduction

As the global economy grows, and competition and innovation in the international marketplace increase, the protection of intellectual property rights (IPR) becomes increasingly important. Intellectual property is defined as property that can be protected under law, including copyrightable, patented, and trademarked works, ideas, discoveries, and inventions. IPR violations harm company innovation and profits, worker livelihoods and consumer health and safety. The China and U.S. heating, ventilation, air conditioning and refrigeration (HVACR) industry organizations noted in this Memorandum of Understanding (MOU), agree to the following three principles which reflect the industry's commitment to guard against IPR violations; protect intellectual property rights; and strengthen China-U.S. industry relations.

Principles

Principle 1: Protection of Intellectual Property at Trade Exhibitions

Intellectual property rights protection is a priority at trade exhibitions. Procedures should be established and information provided to assist exhibitors that encounter IPR violations, and zero tolerance policies for counterfeit products should be enforced.

Principle 2: Open Communication

Open communication, education and training are essential to promoting intellectual property rights awareness among all segments of the HVACR supply chain. Efforts should be made to educate manufacturers, distributors, installers, customers, trade associations, and government representatives on the importance of protecting intellectual property.

Principle 3: Collaboration

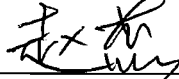
Relationship building is critical in protecting intellectual property rights. China and U.S. industry representatives should share strategies to address these concerns, and work with local officials in a collaborative global effort regarding the protection of IPR.

Conclusion

The principles outlined in this MOU emphasize the importance of preserving intellectual property rights and addressing those that attempt to violate these rights. International cooperation, information sharing and camaraderie between China and U.S. industry organizations are vital to accomplishing these goals. By working together, China and the U.S. will protect their manufacturers, while maintaining the strength and integrity that characterize the global HVACR industry.

***This IPR Memorandum of Understanding is signed
on January 29, 2007 in Dallas, Texas.***

China Refrigeration and Air-Conditioning Industry Association (CRAA)

Signature: 


Printed Name: ZHAO Rui

Chinese Association of Refrigeration (CAR)

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Printed Name: ZHANG PING

Beijing International Exhibition Centre (BIEC)

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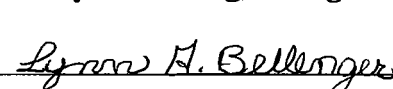
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