



FERRIS STATE UNIVERSITY

April 27, 1999

Mr. Doug Rothwell, CEO
Michigan Economic Development Corporation
Victor Office Center 4th Floor
201 N. Washington Square
Lansing MI 48913

Dear Doug:

I'm pleased to report to you that my business journey to Moscow, Russia was a success. Wednesday, April 21 was the highlight of our trip as I jointly signed our historic Russian trade agreement with Mr. Yevgeny Yegorov, the Minister of the City of Moscow. The official agreement is enclosed here in both Russian and English texts. Identical documents were signed and remain with Moscow officials.

It was a privilege to represent the State of Michigan and the Michigan Economic Development Corporation at this signing ceremony. As you know, the negotiations took about seven months to consummate and I want to commend Dana Cole of your office for her tremendous assistance in developing the agreement.

The finalization of this agreement was one aspect of a three-day training session we provided Russian small business owners and city officials on how to develop small business in Russia and how to manage a city government utilizing democratic/free market principles. Ferris State University has been a leader in providing entrepreneurial development to various foreign countries and we believe this business/trade agreement demonstrates concrete evidence of Michigan's commitment to a healthy global economy.

It may be interesting for the Governor to note that Bill Smith (FSU) was with our group and the Governor will recall that it was he and Bill Smith who began this relationship with the Russians five years ago, which ultimately lead to this agreement. Joe Rallo, FSU's Dean of the College of Business, was invaluable by arranging the Russian interpreter and other Russian resources to complete this deal. Also, the Small Business Association of Michigan was active in developing our relationship with Russia.

Thank you for your leadership and please share this agreement with the Governor and extend my appreciation to the Governor for his support.

Sincerely,

Robert T. Ortwein
Vice President for External Affairs and
Secretary to the Board of Trustees

Rse
Enc

c: ✓ Dana Lee Cole
Sharon Rothwell

OFFICE OF THE VP FOR EXTERNAL AFFAIRS
AND SECRETARY TO THE BOARD OF TRUSTEES
1349 Cramer Cir., BIS 415, Big Rapids, MI 49307-2737
Phone 616 592-3600 Fax 616 592-3683

AGREEMENT

ON MUTUAL COOPERATION IN THE FIELD OF SMALL BUSINESS
BETWEEN

THE DEPARTMENT OF SUPPORT AND DEVELOPMENT OF SMALL BUSINESS
OF MOSCOW CITY GOVERNMENT OF RUSSIA

AND

THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
OF THE STATE OF MICHIGAN, UNITED STATES OF AMERICA

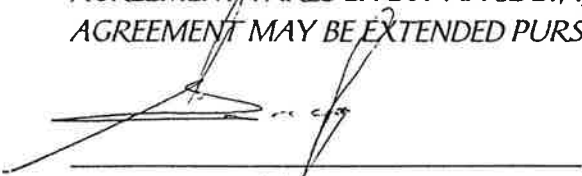
The Department of Support and Development of Small Business of Moscow City Government and the Michigan Economic Development Corporation of the State of Michigan, United States of America, based on principle of equality and mutual benefit, wishing to strengthen and develop business/trade relations and mutual cooperation between Moscow and the State of Michigan, have agreed as follows:

- I. The challenge of stimulating mutual cooperation and business relations with foreign business/trade partners is of the highest concern to both the Department of Support and Development of Small Business of Moscow City Government and the Michigan Economic Development Corporation of the State of Michigan, United States of America.*
- II. The cooperative effort between Moscow and the State of Michigan should focus on establishing and expanding business/trade contacts, the exchange and promotion of trade and business opportunities, sharing work experience, and on arranging of training and educating programs for businessmen and local government officials dealing with development and support of small business.*
- III. The Department of Support and Development of Small Business and the Michigan Economic Development Corporation shall exchange information regarding their respective trade activities and strategies.*
- IV. When appropriate, the Department of Support and Development of Small Business and the Michigan Economic Development Corporation shall exchange information regarding specific trade and business opportunities.*
- V. When needed, the Department of Support and Development of Small Business and the Michigan Economic Development Corporation shall provide access to their respective economic development partners, such as, financial institutions, law firms, accounting firms, educational institutions, and specialized consultants.*

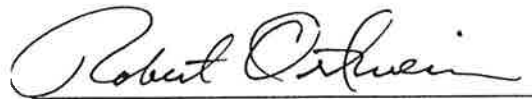
VI. Upon request, the Michigan Economic Development Corporation shall use its best efforts to organize bilateral seminars in Michigan to promote business/trade opportunities between Michigan and Moscow companies.

VII. Upon request, the Department of Support and Development of Small Business shall use its best efforts to organize bilateral seminars in Moscow to promote business/trade opportunities between Moscow and Michigan companies.

EXECUTED THIS 21st DAY OF APRIL 1999 IN THE CITY OF MOSCOW, RUSSIA. THIS AGREEMENT TAKES EFFECT APRIL 21, 1999 AND CONTINUES TO DECEMBER 31, 2002. THIS AGREEMENT MAY BE EXTENDED PURSUANT TO A WRITTEN AGREEMENT OF THE PARTIES.



Mr. Yevgeny V. Yegorov
Minister of Moscow City Government
Head of the Department of Support
and Development of Small Business
of Moscow City Government



Mr. Robert Ortwein
Representative of the State of Michigan and the
Michigan Economic Development Corporation
Vice President of External Affairs, Ferris State University



Witnessed by:



Alexander D. Ioffe, Chairman
Public and Expert Council on Small Business, Mayor's Office
President, Russian Association of Small Business

Mikhail L. Lebedev

Moscow Fund for Small Business Promotion

Mikhail M. Eroshin

General Director of Moscow Training Foundation

Witnessed by:



Joseph Rallo, Dean, College of Business
Ferris State University

СОГЛАШЕНИЕ


О ВЗАИМНОМ СОТРУДНИЧЕСТВЕ В ОБЛАСТИ МАЛОГО БИЗНЕСА МЕЖДУ ДЕПАРТАМЕНТОМ ПОДДЕРЖКИ И РАЗВИТИЯ МАЛОГО ПРЕДПРИНИМАТЕЛЬСТВА ПРАВИТЕЛЬСТВА МОСКВЫ, РОССИЯ, И МИЧИГАНСКОЙ КОРПОРАЦИЕЙ ЭКОНОМИЧЕСКОГО РАЗВИТИЯ ШТАТА МИЧИГАН, СОЕДИНЕННЫЕ ШТАТЫ АМЕРИКИ

Департамент поддержки и развития малого предпринимательства Правительства Москвы и мичиганская Корпорация экономического развития штата Мичиган, руководствуясь принципом равенства и взаимной выгоды, желая укреплять и развивать деловые и торговые связи и взаимное сотрудничество между Москвой и штатом Мичиган, договорились о нижеследующем:

1. Как Департамент поддержки и развития малого предпринимательства Правительства Москвы, так и мичиганская Корпорация экономического развития штата Мичиган, штат Мичиган, Соединенные Штаты Америки, проявляют огромный интерес к расширению взаимного сотрудничества и деловых связей с иностранными деловыми/торговыми партнерами.
2. Усилия по развитию сотрудничества, которые предпринимают Москва и штат Мичиган, должны быть направлены на установление и расширение деловых/торговых контактов, обмен и развитие торговых и деловых возможностей, обмен опытом работы, организацию тренинга и образовательных программ для предпринимателей и чиновников местных органов власти, занимающихся развитием и поддержкой предприятий малого бизнеса.
3. Департамент поддержки и развития малого предпринимательства и мичиганская Корпорация экономического развития штата Мичиган будут осуществлять обмен информацией относительно деятельности в области торговли и стратегии.
4. Более того, Департамент поддержки и развития малого предпринимательства и мичиганская Корпорация экономического развития штата Мичиган будут осуществлять обмен в области конкретных торговых и деловых возможностей.
5. По мере необходимости Департамент поддержки и развития малого предпринимательства и мичиганская Корпорация экономического развития штата Мичиган окажут содействие в установлении контактов со своими соответствующими партнерами по вопросам экономического развития, такими как финансовые институты, бухгалтерские фирмы, юридические фирмы, учебные учреждения и специализированные консультанты.


6. В случае выражения интереса Мичиганская Корпорация экономического развития сделает все возможное для организации двусторонних семинаров в Мичигане с целью развития деловых/торговых возможностей между предпринимателями Мичигана и Москвы.
7. В случае выражения интереса Департамент поддержки и развития малого предпринимательства сделает все возможное для организации двусторонних семинаров в Москве с целью развития деловых/торговых возможностей между предпринимателями Москвы и Мичигана.

ОФОРМЛЕНО И ПОДПИСАНО 21 АПРЕЛЯ 1999 ГОДА В ГОРОДЕ МОСКВЕ, РОССИЯ. НАСТОЯЩЕЕ СОГЛАШЕНИЕ ВСТУПАЕТ В СИЛУ 21 АПРЕЛЯ 1999 ГОДА И ДЕЙСТВУЕТ ДО 31 ДЕКАБРЯ 2002 ГОДА. ДЕЙСТВИЕ НАСТОЯЩЕГО СОГЛАШЕНИЯ МОЖЕТ БЫТЬ ПРОДЛЕНО В СООТВЕТСТВИИ С ПИСЬМЕННОЙ ДОГОВОРЕННОСТЬЮ СТОРОН.




Е.В. Егоров
Министр Правительства Москвы,
Руководитель Департамента поддержки и
развития малого предпринимательства
Правительства Москвы, Россия


Заверено:




А.Июffe
Председатель,
Общественно-экспертный совет по
малому предпринимательству при Мэре и
Правительстве Москвы



М.Лебедев
Президент,
Московский фонд поддержки малого
предпринимательства

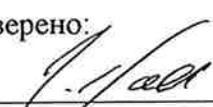


М.Ерошин
Генеральный директор,
Московский Фонд подготовки кадров

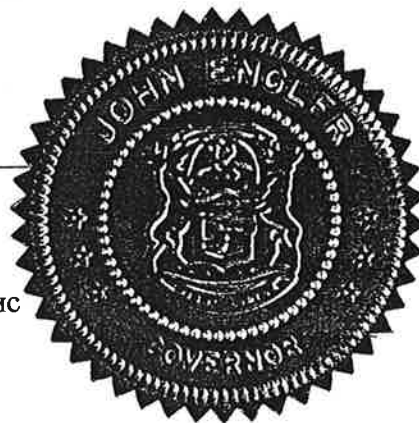


Роберт Ортуэйн
Представитель губернатора штата Мичиган
- Джона Энглера,
Вице-президент по внешним связям,
Университет Феррис

Заверено:



Джозеф Ралло
Декан,
Колледж бизнеса,
Университет Феррис



April 21, 1999 Moscow, Russia

Minister Yegorov and guests,

The Governor, John Engler, of the State of Michigan and Doug Rothwell, CEO of the Michigan Economic Development Corporation send their good will and greetings to the residents of Moscow and all citizens of Russia. We are pleased to enter into this business/trade agreement with the City of Moscow. We believe that this agreement is a historically significant and mutually beneficial document. It will bear fruit in the future for both governments and our respective people.

Michigan has 9.5 million citizens and I understand the City of Moscow has approximately 10 million citizens. Not only are our populations similar but also our desire to improve our quality of life while enriching our professional development and enhancing our economic security.

Mr. Yegorov, we all have appreciated your warm hospitality and the opportunity to better understand and participate in your traditions. Your food is delightful, your spirit strong, and your values sound. We are grateful for this experience and we wish you all good health and we look forward to fostering our small business partnership. This agreement signals a bright business future for both of us.

Thank you.

Robert T. Ortwein
Comments at the Conclusion of the Signing Ceremony