

Vice President Biden Visits Dow Kokam

Biden Says Plant to Aid Nation's Oil Independence

Dow Kokam is a SAIL I & II portfolio company

Dow Kokam, a joint venture between Dow Chemical and Townsend Kokam, broke ground this month on its new lithium-polymer battery manufacturing facility. The event was attended by Vice President Biden, Michigan Governor Granholm and Senators Levin and Stabenow as well as Dow Kokam CEO Ravi Shanker.

The advanced battery manufacturing facility is expected to create hundreds of jobs and, according to Vice President Joe Biden, contribute to a U.S. energy

production "revolution."

While there, Biden also toured the grounds at the June 21st ceremony in Midland, where the Dow Kokam plant will be built.

When completed, the facility will make lithium-ion battery packs for tens of thousands of hybrid and electric vehicles annually and provide 700 to 800 "green-collar jobs."

The \$600 million project also will create hundreds of more jobs for construction workers.

Biden met about a dozen construction workers at the site.



DOW KOKAM



The Vice President told reporters he believed the plant represented "the beginning of a revolution in the production of energy in this country."

M2 Renewables Named Winner of Innovation Award

M2 is a SAIL II portfolio company

M2 Renewables, Inc. (formerly MicroMedia Filtration, Inc.), was honored as a winner of the TechAmerica High-Tech Innovation Awards in the Harvey Mudd Green Engineering Category on June 2, 2010, at the Hyatt Hotel in Irvine, CA. An industry leader pioneering wastewater treatment and renewable energy technology, M2 Renewables Inc. "is an important

contributor to Orange County and the innovations created here for the country and the world," said Bob Brunson, Associate Director, TechAmerica Orange County.

M2 was honored for its advances in wastewater treatment with their development of a modular wastewater filtration system that uses almost 90% less space, and consumes up to 85% less power. The system also requires less human resources to operate and

manage while converting the solids removed from wastewater into renewable electricity.

"Our company is committed to saving the earth's limited water resources through green wastewater filtration systems and renewable energy programs. We will move forward in our ongoing pursuit to achieve a sustainable future" Ken Stedman, President of M2 Renewables Inc. stated upon receiving the award.

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News Briefs:

- FLEX Energy Successfully Completes 24hour Pilot Plant Test (June 2010)
- SAIL one of 3 firms nominated as *Foundation & Endowment Money Management's Private Equity Manager of the Year* (June 2010)
- SAIL ranked #1 venture capital in Orange County for the 2nd year in a row (June 2010)



Xtreme Power Raises New Financing Round

Xtreme is a SAIL I & II portfolio company

Xtreme Power Solutions Inc. has completed the first close of its Series C financing. The round is oversubscribed and is co-led by Bessemer Venture Partners, Dow Ventures, Fluor, and SAIL. Hank Habicht and Walter Schindler will represent SAIL on the Board.

In the first close Texas-based Xtreme Power received \$18 million in equity capital. The second close is set for July 15.

The Company manufactures and sells a unique integrated chemical capacitor and power management system that can address the large-scale needs of utilities and industrial customers as well as wind and solar developers. Xtreme's system can store as much as 100 megawatts of capacity, can cope with problems created by intermittent wind and solar power generation, and help integrate with smart grid systems.

In 2007, Xtreme Power received a \$2 million grant from the Texas Emerging Technology Fund. SAIL is the largest investor in Xtreme Power.

In September 2009, The Michigan Senate approved tax credits that would help enable Xtreme Power and a California company to convert a former auto plant into an alternative energy manufacturing facility that should be operating by 2011.

Flex Pilot Awarded a \$10,000 Prize at AC-NET Awards

Flex is a SAIL II portfolio company

FlexEnergy received a \$10,000 prize in the Anaheim Center for New Energy Technologies (AC-NET)'s Clean Tech Business Plan Competition.

The AC-NET competition had 110 companies submit proposals with two rounds of elimination prior to the top five companies competing at

the TechConnect World Expo on June 24, 2010 in Anaheim.

FlexEnergy was honored for their business plan and their exciting technology, the FlexPowerstation, which converts low-pressure weak methane fuel into electricity with virtually no emissions. This allows for the generation of clean energy while solving a major environmental challenge and source of greenhouse gases –

the seepage or flaring of dilute methane from landfills, digesters, coal mines, and other industrial sites.

The AC-NET award recognizes companies with profitable and innovative solutions to energy and water challenges. The competition is judged by leaders from the clean tech, venture capital, utility, and academic field.



G20 Reaffirms Pledge to Phase Out Fossil Fuels

At the G20 meeting in Toronto on Sunday, leaders of the world's biggest economies renewed a pledge to phase out subsidies for "inefficient" fossil fuels.

The idea was originally proposed by U.S. President Obama at the G20 gathering in Pittsburgh last September.

According to a Reuters report, some last-minute pressure from the U.S. over the weekend kept the pledge from being weakened in the language of the meeting communiqué.

An earlier version of the statement mentioned "voluntary, member-specific approaches" to cutting subsidies. However, the final statement calls for a "phase out over the medium term of inefficient fossil fuel subsidies that encourage wasteful consumption, taking into account vulnerable groups and their development needs."

Based on data from the International Energy Agency and the Organization for Economic Cooperation and

Development, if G20 countries cut the subsidies by 2020, it would reduce greenhouse gas emissions 10% by 2050.

The statement also mentions the BP oil spill in the Gulf of Mexico, and encourages the sharing of best practices to prevent accidents and protect ecosystems.



M2 Renewables Names New CEO

M2 is a SAIL II portfolio company

M2 Renewables (formerly MicroMedia Filtration, Inc.), an industry leader pioneering wastewater treatment and renewable energy technology, named Gerhard Forstner Chief Executive Officer. The company's recent rapid growth required a leader with strong, strategic direction for the company. Ken Stedman, President and Founder of M2 states, "To continue delivering the highest level of technical expertise to our clientele, it

was time to recruit a business leader with a proven track record to manage operations."

Forstner most recently served as President of North America for Huber Technology, Inc., a leader in the field of wastewater solutions with \$150 million annual revenue. Forstner brings to M2 extensive wastewater, engineering and sales experience. "M2 is well positioned to take advantage of the opportunity in the wastewater and renewable energy space created by water scarcity, ever

increasing energy costs and a renewed focus on renewable energy," says Forstner, "I am extremely excited to be part of a company focused on delivering cost-effective, green wastewater treatment solutions."

Forstner, born in Salzburg, Austria, graduated with a B.S. in EE from the Technical College of Engineering in Kapfenberg and holds an M.B.A. from the McColl Scholl of Business. He is also a member of the Water Environment Federation (WEF).



Activeion Now Available From Leading Green Consultant Firm

Activeion is a SAIL II portfolio company

Activeion Cleaning Solutions announced this month that its products are now available through America's leading eco-consultancy, Green Irene™ LLC, a green consulting firm with a national network of highly trained Eco-Consultants.

Green Irene Eco-Consultants are now authorized resellers of Activeion's revolutionary appliances that clean and sanitize without chemicals, the ionator EXP™ and ionator HOM™. Green Irene's professional Eco-Consultants help homeowners and businesses across the United States become greener, healthier and more sustainable. In addition to its consulting services, Green Irene offers green home and business products to help everyone transition to a more eco-

friendly life, which includes reducing the use of harmful chemicals.

Activeion technology, named by Forbes.com as one of the 10 best "disruptive technologies that could change the world," is an on-demand, on-the-go cleaning technology that converts tap water into ionized water, a powerful dirt-removing and bacteria-killing agent. The current products consist of the ionator EXP for commercial use and the ionator HOM for consumer use.

"We are excited to be able to offer this revolutionary product to clients because it eliminates harmful chemicals from their environment," says Rosamaria Caballero, Green Irene co-founder. "Not only is it safe to use anywhere kids and pets may play or eat, but it also

eliminates the ongoing packaging waste and cost of buying chemical cleaners. Just like a vacuum cleaner, we believe every home will eventually have an ionator."

"With its more than 500 highly trained Eco-Consultants in 47 states, Green Irene offers Activeion a very efficient way to reach and educate more consumers in person, ultimately putting our technology into many more hands," says Richard Miller, vice president of consumer products, Activeion. "Green Irene is an incredible influence for positive green change in communities across the United States, and the types of products it already offers for toxic-free living, improved indoor air quality and energy conservation align very well with our company values. Together, we are committed to making our planet a cleaner, more healthful place to live."





SAIL Venture Partners (www.sailvc.com) is a leading cleantech venture capital firm with a global vision of technologies, markets and opportunities. We invest in cleantech companies with proven technologies, visionary leadership and exciting growth potential. We have invested in a number of today's leading cleantech companies, including: The Cleantech Group, Xtreme Power, Ice Energy, Dow Kokam, Enerpulse, Activeion, SNTech, FlexEnergy, M2 Renewables and WaterHealth International. SAIL has offices in California, New York, and Washington D.C. and a global network of investors and advisors.

SAIL Nominated as Private Equity Manager of the Year

SAIL Venture Partners is one of only 3 firms nominated as the Private Equity Manager of the Year in *Foundation & Endowment Money Management's* 10th Annual Nonprofit Awards.

Nominees and winners for these awards are selected by the editors of *Foundation & Endowment Money Management* newsletter -- a leading publication covering the business of U.S. nonprofit investing. The editors and reporters of *FEMM* interview leaders in the investment community, solicit input from subscribers and other industry professionals and call on their own market intelligence when making their selections. This nomination is an honor that reflects industry-wide recognition of the organization's achievements during the past year.

The Endowment of Loyola University News Orleans invested in SAIL II and was advised by Consulting Services Group (CSG), based in Memphis. The CSG team is led by Executive Vice President Joe Meals, who stated in an interview that SAIL is a leader in cleantech investing with excellent returns and transparency.

Speaking of SAIL

June 2 - Santa Monica, CA

Dave Jones was a panelist at Bryan Cave's annual Clean Tech Roundtable focusing on cleantech financing, development and policy in California.

speaker and panelist at the 10th Annual Scandinavian Institutional Investors Summit in Stockholm. He discussed the current status of cleantech and the next large investment opportunities in this space.

Conference & Expo by TechConnect. Hank focused on the global water market and the Energy-Water Nexus.

Walter spoke on two panels, first discussing trends in cleantech venture capital and then addressing energy storage and the new smart grid.

June 10 - Fullerton, CA

Peter Polydor was a guest speaker at Cal State Fullerton. He spoke to the Energy in Modern Society class on the strategies venture capital firms use to evaluate and invest in new companies in the cleantech space.

June 21- Anaheim, CA

Dave Jones was an expert at the water sector workshop at the 2010 TechConnect World Expo on developments in the water sector and how to approach the investment community.

July 13 - Irvine, CA

Mike Hammons will be a VIP speaker at the Net Impact Cleantech Professionals event. Net impact is a non-profit professionals network dedicated to socially and environmentally responsible business.

June 21-25 - Anaheim, CA

Hank Habicht and Walter Schindler were panelists at the 2010 Clean Technology

June 10 - Stockholm

Walter Schindler was a



SAIL Venture Partners
600 Anton Blvd
Suite 1010
Costa Mesa, CA 92626

Inquiries and Sources:
Peter Polydor
ppolydor@sailvc.com
www.sailvc.com

Sources:

- PRNewswire
- Cleantech Group
- Reuters
- Marketwire
- Cleantechnica
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- New York Times
- Greentech Media
- Midland Daily News
- Bloomberg
- Bloomberg Businessweek

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