
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): August 6, 2015 (August 3, 2015)



TECOGEN INC.
(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

333-178697
(Commission File Number)

04-3536131
(IRS Employer Identification No.)

45 First Avenue
Waltham, Massachusetts
(Address of Principal Executive Offices)

02451
(Zip Code)

(781) 622-1120
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01. Entry into a Material Definitive Agreement.

On August 3, 2015, Tecogen Inc., (the "Company"), entered into a common stock purchase agreement, (the "Common Stock Purchase Agreement"), and a registration rights agreement (the "Registration Rights Agreement") with Seashell Limited. Pursuant to the Common Stock Purchase Agreement, the Company sold, and the investor purchased, 1,250,000 shares of the Company's common stock (the "Shares"), at a price of \$4.00 per share for an aggregate purchase price of \$5,000,000, (the "Private Placement"). Pursuant to the Registration Rights Agreement, the Company shall as soon as practicable file with the U.S. Securities And Exchange Commission a registration statement on an appropriate form (the "Registration Statement") covering the resale of the Shares and shall use its commercially reasonable best efforts to cause the Registration Statement to be declared effective as soon as practicable.

Item 2.02 Results of Operations and Financial Condition.

On August 6, 2015, Tecogen issued earnings commentary and supplemental information for the fiscal quarter ended June 30, 2015.

On August 6, 2015, Tecogen issued earnings commentary and supplemental information for its consolidated subsidiary, Ilios Dyanmics Inc., for the fiscal quarter ended June 30, 2015, and the fiscal years ended December 31, 2014, December 31, 2013, and December 31, 2012.

A copy of the Company's earnings commentary and supplemental information is attached as exhibits 99.01 and 99.02 hereto and posted on the Company's website, www.tecogen.com, under "About us" "News & Events" "Press Releases".

Item 3.02 Unregistered Sales of Equity Securities.

The information in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference. The offer and sale of the Shares described in Item 1.01 of this Current Report on Form 8-K was made in a private placement without registration under the Securities Act of 1933, as amended, or the Securities Act, in reliance upon an exemption from registration pursuant to Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder.

The summary of the Private Placement set forth above does not purport to be complete. The summary is qualified in its entirety by reference to the full text of the Subscription Agreement attached as Exhibit 10.28 and the full text of the Registration Rights Agreement attached as Exhibit 10.29.

Item 9.01 Financial Statements Exhibits

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
10.28	Form of Common Stock Purchase Agreement dated August 3, 2015.
10.29	Registration Rights Agreement dated August 3, 2015.
99.01	Tecogen Press Release dated August 6, 2015.
99.02	Ilios Press Release dated August 6, 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

TECOGEN INC.

By: /s/ David A. Garrison

August 6, 2015 David A. Garrison, Chief Financial Officer

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT (this “Agreement”), dated on the signature page, is by and between Tecogen Inc., a Delaware corporation (the “Company”), and the subscriber identified on the signature page (the “Subscriber”).

WHEREAS, the Company and the Subscriber are executing and delivering this Agreement in reliance upon an exemption from securities registration afforded by the provisions of Section 4(a)(2), Section 4(6) and/or Regulation D (“Reg. D”) as promulgated by the United States Securities and Exchange Commission (the “SEC”) under the Securities Act of 1933, as amended (the “Securities Act”); and

WHEREAS, the parties desire that, upon the terms and subject to the conditions contained herein, the Company shall issue and sell to the Subscriber, as provided herein, and the Subscriber shall purchase, in the aggregate, at the Closing (as defined below), \$5,000,000 (the “Purchase Price”) of shares of the Company’s Common Stock (such shares, the “Shares”) at a purchase price per Share set forth on the signature page (“Per Share Purchase Price”). The Purchase Price shall be payable to the Company at the Closing, which is taking place simultaneously with the execution and deliver of this Agreement by the parties.

NOW, THEREFORE, in consideration of the mutual covenants and other agreements contained in this Agreement, the Company and the Subscriber hereby agree as follows:

1. Purchase and Sale of Shares. The Subscriber hereby purchases the Shares at the Per Share Purchase Price (the total purchase price being referred to herein as the “Purchase Price”), and the Company hereby sells the Shares to the Subscriber.

2. Closing; Deliveries Etc.

(a) Company’s Deliveries. Immediately after receipt of the Purchase Price for the Shares, the Company shall irrevocably instruct the Company’s transfer agent to deliver, on an expedited basis, a certificate evidencing the Shares registered in the name of the Subscriber.

(b) Subscriber’s Deliveries. The Subscriber shall immediately deliver or cause to be delivered to the Company the Purchase Price by wire transfer to the account specified in writing by the Company.

3. Subscriber’s Representations and Warranties. The Subscriber hereby represents and warrants to and agrees with the Company that:

(a) Information on Company. The Subscriber has had access at the EDGAR website of the SEC to the Company’s Form 10-K for the year ended December 31, 2014, and all filings subsequently made by the Company with the SEC (hereinafter referred to collectively as the “Reports”). In addition, the Subscriber has received in writing from the Company such other information concerning its operations, financial condition and other matters as the Subscriber has requested in writing and considered all factors the Subscriber deems material in deciding on the advisability of investing in the Shares.

(b) Information on Subscriber. The Subscriber was at the time it was offered the Shares and is on the date hereof an “accredited investor”, as such term is defined in Reg. D promulgated by the SEC under the Securities Act, is experienced in investments and business matters and has such knowledge and experience in financial, tax and other business matters as to enable the Subscriber to utilize the information made available by the Company to evaluate the merits and risks of and to make an informed investment decision with respect to the proposed purchase. The Subscriber has the authority and is duly and legally qualified to purchase and own the Shares. The Subscriber is able to bear the risk of such investment for an indefinite period and to afford a complete loss thereof. The information set forth on the signature page hereto regarding the Subscriber is accurate. The Subscriber does not currently hold or beneficially own any shares of the Company’s Common Stock. The Subscriber was not formed for the specific purpose of acquiring the Shares and is not a registered broker-dealer or an affiliate of a registered broker-dealer.

(c) Purchase for Investment. On the Closing Date, the Subscriber will purchase the Shares as principal for its own account for investment and not with a view to any sale of other transfer thereof in contravention of the Securities Act.

(d) Compliance with the Securities Act. The Subscriber understands and agrees that the Shares have not been registered under the Securities Act or any applicable state securities laws by reason of their issuance in a transaction that does not require registration under the Securities Act (based in part on the accuracy of the representations and warranties of Subscriber contained herein), and that such Shares must be held indefinitely unless a subsequent disposition is registered under the Securities Act or any applicable state securities laws or is exempt from such registration.

(e) Restrictive Legend. The Shares may bear a customary restrictive Securities Act legend in the form specified by the Company.

(f) Communication of Offer. The offer to sell the Shares was directly communicated to the Subscriber by the Company. At no time was the Subscriber presented with or solicited by any leaflet, newspaper or magazine article, radio or television advertisement, or any other form of general advertising or solicited or invited to attend a promotional meeting otherwise than in connection and concurrently with such communicated offer.

(g) Organization; Authority; Enforceability. The Subscriber, if an entity, is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (if such “good standing” concept is recognized in such jurisdiction) with full right, corporate, partnership or trust power and authority to enter into and to consummate the transactions contemplated by this Agreement. This Agreement and other agreements delivered together with this Agreement or in connection herewith have been duly authorized, executed and delivered by the Subscriber and are valid and binding agreements enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors’ rights generally and to general principles of equity; and Subscriber has full corporate, partnership, trust or similar power and authority necessary to enter into this Agreement and such other agreements and to perform its obligations hereunder and under all other agreements entered into by the Subscriber relating hereto.

(h) Restriction on Short Sales. The Subscriber agrees that, to the extent required by law, it will not enter into or effect any short sale or other hedging transaction with respect to the Shares.

(i) Foreign Securities Laws. The Subscriber understands that the Company has not taken any action to qualify or register the Shares in any jurisdiction outside the United States, and the Subscriber assumes complete responsibility for any such filings that are required.

(j) Disclosure. The Subscriber acknowledges and agrees that the Company does not make nor has made any representations or warranties with respect to the Shares or the transactions contemplated hereby other than those specifically set forth in Section 4 hereof.

4. Company Representations and Warranties. The Company represents and warrants to and agrees with the Subscriber that on the date hereof:

(a) Due Incorporation. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has the requisite corporate power to own its properties and to carry on its business as now being conducted.

(b) Outstanding Stock. All issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable.

(c) Authority; Enforceability. The Company has full corporate power and authority necessary to enter into and deliver this Agreement and to perform its obligations thereunder. This Agreement has been duly authorized, executed and delivered by the Company and is a valid and binding agreement enforceable against the Company in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors’ rights generally and to general principles of equity.

(d) Consents. No consent, approval, authorization or order of any court or governmental agency or body having jurisdiction over the Company is required for the execution by the Company of this Agreement and compliance and performance by the Company of its obligations hereunder, including, without limitation, the issuance and sale of the Shares.

(e) No Violation or Conflict. Assuming the representations and warranties of the Subscriber in Section 3 are true and correct, neither the issuance and sale of the Shares nor the performance of the Company's obligations under this Agreement and all other agreements entered into by the Company relating thereto by the Company will:

(i) violate, conflict with, result in a breach of, or constitute a default (or an event which with the giving of notice or the lapse of time or both would be reasonably likely to constitute a default) under (A) the certificate of incorporation of the Company, (B) to the Company's knowledge, any decree, judgment, order, law, treaty, rule, regulation or determination applicable to the Company of any court or governmental agency or body having jurisdiction over the Company or over the properties or assets of the Company, (C) the terms of any bond, debenture, note or any other evidence of indebtedness, or any agreement, stock option or other similar plan, indenture, lease, mortgage, deed of trust or other instrument to which the Company is a party, by which the Company is bound, or to which any of the properties of the Company is subject, or (D) the terms of any "lock-up" or similar provision of any underwriting or similar agreement to which the Company is a party except the violation, conflict, breach, or default of which would not have a material adverse effect on the business, operations or financial condition of the Company and its subsidiaries taken as a whole (a "Material Adverse Effect");

(ii) except for the adjustment pursuant to the terms of that certain Senior Convertible Promissory Note made by the Company in favor of Michaelson Capital Special Finance Fund LP, dated as of December 23, 2013, result in the activation of any anti-dilution rights or a reset or repricing of any debt or security instrument of any other creditor or equity holder of the Company, nor result in the acceleration of the due date of any borrowing of the Company; or

(iii) result in the activation of any piggy-back registration rights of any person or entity holding securities of the Company or having the right to receive securities of the Company.

(f) The Shares. The Shares upon issuance in accordance with the terms of this Agreement:

(i) are, or will be, free and clear of any security interests, liens, claims or other encumbrances, subject to restrictions upon transfer under the Securities Act and any applicable state securities laws;

(ii) will be duly and validly authorized, and on the date of issuance of the Shares, the Shares will be duly and validly issued, fully paid and nonassessable; and

(iii) will not have been issued or sold in violation of any preemptive or other similar rights of the holders of any securities of the Company.

(g) Litigation. There is no pending or, to the best knowledge of the Company, threatened action, suit, proceeding or investigation before any court, governmental agency or body, or arbitrator having jurisdiction over the Company that would affect the execution by the Company or the performance by the Company of its obligations under this Agreement, and all other agreements entered into by the Company relating hereto. Except as disclosed in the Reports, there is no pending or, to the knowledge of the Company, no threatened action, suit, proceeding or investigation before any court or governmental agency or body, which litigation if adversely determined could have a Material Adverse Effect.

(h) Reporting Company. The Company is a publicly-held company subject to reporting obligations pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and its shares of Common Stock are registered pursuant to the required provisions of the Exchange Act. The Company has timely filed all reports and other materials required to be filed under the Exchange Act during the preceding twelve months.

(i) Information Concerning the Company. The Reports contain all material information relating to the Company and its operations and financial condition as of their respective dates that is required by the Exchange Act to be disclosed therein. Since the date of the financial statements included in the Reports, there has been no Material Adverse Effect not disclosed in the Reports. The Reports, at the time of filing, did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances when made.

(j) No Integrated Offering. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf, has directly or indirectly made any offers or sales of any security or solicited any offers to buy

any security under circumstances that would cause the offer of the Shares pursuant to this Agreement to be integrated with prior offerings by the Company so as to invalidate any exemptions under the Securities Act for the offer and sale of the Shares.

(k) No General Solicitation. Neither the Company, nor any of its affiliates, nor to its knowledge, any person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Reg. D under the Securities Act) in connection with the offer or sale of the Shares.

(l) No Material Undisclosed Events or Circumstances. Since the date of the last Report filed under the Exchange Act, no event or circumstance has occurred or exists with respect to the Company or its business, operations or financial condition, that, under applicable law, rule or regulation, requires the filing of a Report prior to the date hereof that has not been so filed.

5. Reg. D Offering. The offer and issuance of the Shares to the Subscriber is being made pursuant to the exemption from the registration provisions of the Securities Act afforded by Section 4(a)(2) or Section 4(6) of the Securities Act and/or Rule 506 of Reg. D or Regulation S promulgated thereunder.

6. Covenants of the Company. The Company covenants and agrees with the Subscriber as follows:

(a) Exchange Act Filings. The Company shall file a Form 8-K with the SEC disclosing the transactions contemplated by this Agreement within the time period specified therefor by the rules and regulations under the Exchange Act. The Company agrees to file a Form D with respect to the Shares as required under Reg. D.

(b) Reporting Requirements. Until all of the Shares have been resold or transferred by all of the Subscriber, or, if earlier, two years after the Closing Date, the Company will use commercially reasonable best efforts (i) not to take any action or file any document (whether or not permitted by the Securities Act or the Exchange Act or the rules thereunder) to terminate or suspend the registration of the shares of the Company's Common Stock under the Exchange Act and (ii) to continue the current listing of the shares of the Company's Common Stock or other trading market.

7. Miscellaneous.

(a) Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) delivered by reputable overnight courier service with charges prepaid, or (iii) transmitted by fax, addressed, if to the Company, to Chief Financial Officer, Tecogen Inc., 45 First Avenue, Waltham, MA 02451, fax: (781) 622-1027, and if to the Subscriber, to the Subscriber at the address set forth on the signature page hereto or to such other address as such party shall have specified most recently by written notice.

(b) Amendments; Waivers. No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by the Company and the Subscriber. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of either party to exercise any right hereunder in any manner impair the exercise of any such right.

(c) Legal Fees. Each party shall pay its own legal fees and expenses in connection with the transactions contemplated by this Agreement.

(d) Entire Agreement; Assignment. This Agreement and other documents delivered in connection herewith represent the entire agreement between the parties hereto with respect to the subject matter hereof. Neither the Company nor the Subscriber have relied on any representations not contained or referred to in this Agreement and the documents delivered herewith. No right or obligation of either party shall be assigned by that party without prior notice to and the written consent of the other party.

(e) Counterparts/Execution. This Agreement may be executed in any number of counterparts and by the different signatories hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute but one and the same instrument. Signatures to this Agreement may be delivered by fax or by scan/email.

(f) Law Governing this Agreement. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Agreement shall be brought only in the state courts of the Commonwealth of Massachusetts or in the federal courts located in the Commonwealth of Massachusetts. The parties and the individuals executing this Agreement and other agreements referred to herein or delivered in connection herewith on behalf of the Company agree to submit to the jurisdiction of such courts and waive trial by jury.

[Signature page immediately follows.]

The Subscriber hereby executes this Agreement as of the date set forth below. By initialing the appropriate space below, the Subscriber hereby represents that the Subscriber is:

 /S/

(initials) a corporation, a business trust, or a partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000.

(initials) a natural person whose individual net worth, or joint net worth with his or her spouse, exceeds \$1,000,000 (ignoring the net worth of a principal residence but only if positive).

(initials) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years, or joint income with his or her spouse in excess of \$300,000 in each of those years, and has a reasonable expectation of reaching the same income level in the current year.

(initials) a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person as described Regulation D.

(initials) an entity in which all of the equity owners fall within one of the categories set forth above.

Date of this Agreement: August 3, 2015

\$4.00	
Per Share purchase price	Subscriber's name
\$5,000,000	
Aggregate dollar amount being purchased	
1,250,000 shares of Common Stock	Subscriber's signature
Aggregate number of Shares being purchased	Title of signatory, if Subscriber is an entity
	Address
ACCEPTED AND AGREED:	
TECOGEN INC.	Email address: _____
	Social Security/Tax ID No., if applicable: _____
By: _____	
Name:	
Title:	Fax No.: _____

SHELF REGISTRATION RIGHTS AGREEMENT

To: Seashell Limited (the “Subscriber”)

The Subscriber has purchased, pursuant to a Subscription Agreement entered into on or about the date hereof (the “Subscription Agreement”) an aggregate of 1,250,000 shares (the “Shares”) of Common Stock of Tecogen Inc., a Delaware corporation (the “Company”). The parties have agreed that the Shares will be registered on a “shelf” registration statement to be filed with the U.S. Securities and Exchange Commission (the “SEC”) in accordance with the terms hereof and the U.S. Securities Act of 1933 (the “Securities Act”).

1. Registration Rights. The Company hereby grants the following registration rights.

(a) Registration Statement. The Company shall file with the SEC, promptly and in any event within 20 days, a “shelf” registration statement on an appropriate form (the “Registration Statement”) covering the resale of the Shares and shall use its commercially reasonable best efforts to cause the Registration Statement to be declared effective as soon as practicable. The Company, in its discretion, may add the Shares by an amendment to a currently pending resale registration statement.

(b) Registration Procedures. In connection with the Registration Statement::

(i) the Company will prepare and file with the SEC such amendments and supplements to the Registration Statement and the prospectus used in connection therewith as may be necessary to keep such Registration Statement effective with respect to the Subscriber until such time as all of the Shares owned by the Subscriber may be resold without restriction under the Securities Act; and

(ii) if the Company notifies the Subscriber to suspend the use of any prospectus because of the existence of undisclosed material events, then until the requisite changes to such prospectus have been made, the Subscriber shall suspend use of such prospectus. In such event, the Company will use its commercially reasonable efforts to update such prospectus as promptly as is practicable.

(c) Provision of Documents etc. In connection with the Registration Statement, the Subscriber will furnish to the Company in writing such information and representation letters with respect to itself and the proposed distribution by it as reasonably shall be necessary in order to assure compliance with federal and applicable state securities laws. The Company may require the Subscriber, upon five business days’ notice, to furnish to the Company a certified statement as to, among other things, the number of Shares and the number of other shares of the Company’s Common Stock beneficially owned by the Subscriber and the person that has voting and dispositive control over such shares. The Subscriber covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act, if applicable, in connection with sales of Shares pursuant to the Registration Statement.

(d) Expenses. All expenses incurred by the Company in complying with this section, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel and independent public accountants for the Company, fees of transfer agents and registrars are called “Registration Expenses.” All underwriting discounts and selling commissions applicable to the sale of the Shares, including any fees and disbursements of any counsel to the Subscriber, are called “Selling Expenses.” The Company will pay all Registration Expenses in connection with the Registration Statement. Selling Expenses in connection with the Registration Statement shall be borne by the Subscriber.

(e) Indemnification and Contribution.

(i) The Company will, to the extent permitted by law, indemnify and hold harmless the Subscriber, each trustee of the Subscriber, each officer of the Subscriber, each director of the Subscriber, and each other person, if any, who controls the Subscriber within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which the Subscriber or such other person (a “controlling person”) may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) (“Claims”) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement at the time of its effectiveness, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in light of the circumstances when made, and will, subject to the limitations herein, reimburse the Subscriber and each such controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such Claim; provided, however, that the Company shall not be liable to the Subscriber to the extent that any Claim arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in conformity with information furnished by the Subscriber or any such controlling person in writing specifically for use in the Registration Statement or related prospectus, as amended or supplemented.

(ii) The Subscriber will, to the extent permitted by law, indemnify and hold harmless the Company, and each person, if any, who controls the Company within the meaning of the Securities Act, each underwriter, each officer of the Company who signs the Registration Statement and each director of the Company against all Claims to which the Company or such officer, director, underwriter or controlling person may become subject under the Securities Act or otherwise, insofar as such Claims arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, any preliminary prospectus or final prospectus contained therein, or any amendment or supplement thereof, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse the Company and each such officer, director, underwriter and controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action, provided, however, that the Subscriber will be liable hereunder in any such case if and only to the extent that any such Claim arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in reliance upon and in conformity with information pertaining to the Subscriber, as such, furnished in writing to the Company by the Subscriber specifically for use in the Registration Statement or related prospectus, as amended or supplemented.

(f) Promptly after receipt by an indemnified party hereunder of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party hereunder, notify the indemnifying party in writing thereof, but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to such indemnified party other than under this section and shall only relieve it from any liability which it may have to such indemnified party under this section except and only if and to the extent the indemnifying party is materially prejudiced by such omission. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate in and, to the extent it shall wish, to assume and undertake the defense thereof with counsel satisfactory to such indemnified party, and, after notice from the indemnifying party to such indemnified party of its election so to assume and undertake the defense thereof, the indemnifying party shall not be liable to such indemnified party under this section for any legal expenses subsequently incurred by such indemnified party in connection

with the defense thereof other than reasonable costs of investigation and of liaison with counsel so selected; provided, however, that, if the defendants in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be reasonable defenses available to it which are different from or additional to those available to the indemnifying party or if the interests of the indemnified party reasonably may be deemed to conflict with the interests of the indemnifying party, the indemnified parties, as a group, shall have the right to select one separate counsel and to assume such legal defenses and otherwise to participate in the defense of such action, with the reasonable expenses and fees of such separate counsel and other expenses related to such participation to be reimbursed by the indemnifying party as incurred. The indemnifying party shall not be liable for any settlement of any such proceeding affected without its written consent, which consent shall not be unreasonably withheld. In order to provide for just and equitable contribution in the event of joint liability under the Securities Act in any case in which either (i) the Subscriber, or any controlling person of the Subscriber, makes a claim for indemnification pursuant to this section but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case notwithstanding the fact that this section provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of the Subscriber or controlling person of the Subscriber in circumstances for which indemnification is not provided under this section, then, and in each such case, the Company and the Subscriber will contribute to the aggregate losses, claims, damages or liabilities to which they may be subject (after contribution from others) in a manner that reflects, as near as practicable, the economic effect of the foregoing provisions of this section. Notwithstanding the foregoing, no person or entity guilty of fraudulent misrepresentation (within the meaning of Section 10(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation.

(g) Delivery of Unlegended Shares. If and when it is lawful to do so, in the opinion of counsel for the Company, upon request of the Subscriber, the Company will remove any restrictive legends to ensure compliance with the Securities Act on certificates representing the Shares.

2. *Modification*. Neither this Agreement nor any provision hereof shall be waived, modified, changed, discharged or terminated except by an instrument in writing signed by the party against whom any waiver, modification, change, discharge or termination is sought to be enforced.

3. *Notices*. All notices, requests, consents and other communications hereunder shall be in writing and shall be deemed to have been duly made when delivered as follows:

If to the Subscriber, to the email address set forth on the first page of this Agreement; or

If to the Company, via certified mail to the address set forth on its corporate website, Attention: Chief Executive Officer; or

At such other address as the Subscriber or the Company may hereafter have advised the other by a notice conforming with this paragraph.

4. *Binding Effect*. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and assigns. If the Subscriber is more than one person, the obligation of the Subscriber shall be joint and several and the agreements, representations, warranties, covenants and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his or its heirs, executors, administrators, successors, legal representatives and assigns.

5. *Legal Fees*. Each party shall pay its own legal fees and expenses in connection with the transactions contemplated by this Agreement.

6. *Equitable Adjustment.* The Shares, as defined herein, shall be deemed to include any shares of Common Stock of the Company issued with respect thereto pursuant to stock splits, stock dividends, and similar events.

7. *Entire Agreement.* This Agreement and the Subscription Agreement contain the entire agreement of the parties with respect to the matters set forth herein.

8. *Assignability.* This Agreement is not transferable or assignable by the Subscriber or any successor thereto, except that the Company may assign its rights and obligations under this Agreement to a purchaser of its business regardless of the form of the acquisition..

9. *Applicable Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without reference to the principles thereof relating to the conflict of laws. Exclusive venue for disputes under this Agreement shall be the state or Federal courts sitting in New York City.

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of the date of the Subscription Agreement.

TECOGEN INC.

SEASHELL LIMITED

By: _____

By: _____

Name:

Name:

Title:

Title:



Ilios Earned Net Profit in Second Quarter

WALTHAM, Mass., August 6, 2015, Ilios Dynamics Inc., a majority owned subsidiary of Tecogen[®] Inc. (NASDAQ:TGEN), a manufacturer and installer of high efficiency water heaters and natural gas heat pump for industrial and commercial use, reported revenues of \$889,894 for the six months ended June 30, 2015. Although the six months results show a loss, Ilios was profitable in the second quarter with a net income of \$88,226.

Major Highlights:

Financial

- During the second quarter, Ilios had its first positive quarterly net income.
- Previously announced review and analysis of acquisition of remaining non-controlling interest by Tecogen has begun.

Sales & Operations

- Nine gas heat pumps were shipped in the quarter, the highest single quarterly shipment total since the Company's establishment.
- Current orders and backlog for the remainder of 2015 is more double any previous year, and is on track to surpass \$1.2 million dollars in revenue.

About Ilios

Ilios Dynamics Inc., a subsidiary of Tecogen Inc., was formed in April 2009 to develop and distribute a line of ultra high-efficiency heating products for commercial and industrial applications utilizing advanced thermodynamic principles. Products incorporate mechanical work to extract heat from the environment to supplement chemical energy available from natural gas or propane. The result is a significant boost in efficiency and reduced carbon emissions relative to conventional heating systems. Please visit www.iliosdynamics.com.

About Tecogen

Tecogen manufactures, installs, and maintains high efficiency, ultra-clean combined heat and power products including natural gas engine-driven cogeneration, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company is known for cost efficient, environmentally friendly and reliable products for energy production that, through patented technology, nearly eliminate criteria pollutants and significantly reduce a building's carbon footprint.

In business for over 20 years, Tecogen has shipped more than 2,000 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com.

Unaudited Historic Financial Information

ILIOS DYNAMICS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
As of December 31, 2012, 2013, 2014 and June 30, 2015
(unaudited)

	June 30, 2015	2014	December 31, 2013 2012	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 129,894	\$ 274,671	\$ 52,050	\$ 518,457
Accounts receivable, net	532,416	267,680	—	—
Inventory, net	70,254	220,254	130,000	—
Prepaid and other current assets	6,500	6,220	6,340	—
Total current assets	739,064	768,825	188,390	518,457
Property, plant and equipment, net	4,302	5,930	22,648	80,115
Intangible assets, net	74,811	76,747	61,153	17,315
TOTAL ASSETS	\$ 818,177	\$ 851,502	\$ 272,191	\$ 615,887
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 1,668,266	\$ 1,666,138	\$ 840,255	\$ 134,676
Deferred revenue	93,000	24,000	15,000	—
Customer Deposits	61,430	158,917	—	—
Total current liabilities	1,822,696	1,849,055	855,255	134,676
Stockholders' equity:				
Common stock, \$0.001 par value	14,920	14,920	14,920	15,120
Additional paid-in capital	3,199,213	3,192,957	3,183,159	3,224,470
Accumulated deficit	(4,218,652)	(4,205,430)	(3,781,143)	(2,758,379)
Total stockholders' equity	(1,004,519)	(997,553)	(583,064)	481,211
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 818,177	\$ 851,502	\$ 272,191	\$ 615,887

ILIOS DYNAMICS INC.
STATEMENTS OF OPERATIONS

For the years ended December 31, 2012, 2013 and 2014, and six months ended June 30, 2015
(unaudited)

	First six months of 2015	2014	2013	2012
Revenues	889,894	461,395	259,335	35,000
Cost of goods sold	618,319	367,710	437,361	32,620
Gross profit	271,575	93,685	(178,026)	2,380
Operating expenses				
General and administrative	234,450	415,029	737,805	1,007,042
Selling	8,386	36,632	85,035	35,265
Total operating expenses	242,836	451,661	822,840	1,042,307
Loss from operations	28,739	(357,976)	(1,000,866)	(1,039,927)
Other income (expense)	(41,962)	(66,311)	(21,898)	2,593
Consolidated net loss	(13,223)	(424,287)	(1,022,764)	(1,037,334)

ILIOS DYNAMICS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the six months ended June 30, 2015 and year ended December 31, 2014 and 2013.
(unaudited)

	June 30, 2015	December 31, 2014	December 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (13,222)	\$ (424,287)	\$ (1,022,764)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>			
Depreciation and amortization	10,615	27,837	62,754
Stock-based compensation	6,256	9,798	(41,511)
<i>Changes in operating assets and liabilities</i>			
<i>(Increase) decrease in:</i>			
Accounts receivable	(264,736)	(267,680)	—
Inventory, net	150,000	(90,254)	(130,000)
Prepaid expenses and other current assets	(280)	120	(6,340)
<i>Increase (decrease) in:</i>			
Accounts payable	2,128	825,883	705,579
Accrued expenses	(97,487)	158,917	—
Deferred revenue	69,000	9,000	15,000
Net cash used in operating activities	<u>(137,726)</u>	<u>249,334</u>	<u>(417,282)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchases of property and equipment	—	(2,713)	(1,000)
Purchases of intangible assets	(7,051)	(24,000)	(48,125)
Net cash used in investing activities	<u>(7,051)</u>	<u>(26,713)</u>	<u>(49,125)</u>
Net increase (decrease) in cash and cash equivalents	(144,777)	222,621	(466,407)
Cash and cash equivalents, beginning of the period	274,671	52,050	518,457
Cash and cash equivalents, end of the period	\$ 129,894	\$ 274,671	\$ 52,050



Tecogen Announces Second Quarter Earnings

WALTHAM, Mass., August 6, 2015, Tecogen[®] Inc. (NASDAQ:TGEN), a manufacturer and installer of high efficiency, *Ultra* clean combined heat and power products including natural gas engine-driven cogeneration, air conditioning systems, and high-efficiency water heaters for industrial and commercial use, reported revenues of \$6,383,831 for the quarter ended June 30, 2015 compared to \$4,539,857 for the same period in 2014, an increase of 41%. Gross profit increased to \$2,140,890 for the quarter ended June 30, 2015 compared to \$1,348,673, an increase of 59%.

Major Highlights:

Financial

- Gross margin in the second quarter 2015 increased to 33.5% compared to 29.7% in 2014.
- Keeping pace with growing revenues, sales backlog of equipment and installations continues at \$10.8 million.
- Gross profit for the second quarter of 2015 was \$2,140,890 compared to \$1,348,673, for the same period in 2014.
- Consolidated net loss, attributable to Tecogen, for the three months ended June 30, 2015 was \$362,839 compared to \$1,229,707 for the same period in 2014, and the lowest second quarter loss ever reported.
- Net loss per share was \$0.02 and \$0.08 for the three months ended June 30, 2015 and 2014, respectively.
- Yesterday's announcement of a \$5 million dollar private placement, and the \$2 million dollar line of credit secured a month ago will insure the growth capital required for the foreseeable future.

Sales & Operations

- Service, product and total revenue grew to the highest ever reported for a second quarter.
- Shipped 14 InVerde modules in the quarter, the largest second quarter of the 100kW cogeneration units since their introduction.
- As demonstrated by multiple press releases during the quarter, Tecogen continues to be the preferred source for cogeneration equipment, engineering and installation services for the large multinational energy service companies (ESCOs). These projects with large ESCOs is an important route to long term business relationships for exclusive specification of Tecogen products.
- Ultra Emissions programs continue to gain traction:
 - Air permit for the Southern California genset project is in final process review. An order for the remaining units to be outfitted is expected after issuance.
- Ilios continues rapid growth and continues pace to profitability.
 - Ilios shipped nine gas heat pumps in the quarter, the highest single quarterly shipment total since its establishment.
 - Current Ilios orders and backlog for the remainder of 2015 is more double any previous year, and is on track to surpass \$1.2 million dollars in revenue.
 - During the second quarter, Ilios had its first positive quarterly net income.

Conference Call Scheduled for Today at 8:30 am ET

Tecogen will host a conference call today to discuss the second quarter results beginning at 8:30 am ET. After the conclusion of the Q&A portion of the call, listeners are invited to stay on the line for a discussion of the second quarter results for Tecogen's subsidiary, Ilios Dynamics. To listen to the call dial (888) 349-0103 within the U.S., (855) 669-9657 from Canada, or (412) 902-0129 from other international locations. Participants should ask to be joined to the Tecogen Inc. call. Please begin dialing at least 10 minutes before the scheduled starting time. The earnings press release will be available on the Company website at www.Tecogen.com in the "News and Events" section under "About Us." The conference call will be recorded and available for playback one hour after the end of the call. The earnings conference call will also be webcast live. To register for and listen to the webcast, go to <http://investors.tecogen.com/webcast>. Following the call, the webcast will be archived for 30 days.

About Tecogen

Tecogen manufactures, installs, and maintains high efficiency, ultra-clean combined heat and power products including natural gas engine-driven cogeneration, air conditioning systems, and high-efficiency water heaters for residential, commercial, recreational and industrial use. The company is known for cost efficient, environmentally friendly and reliable products for energy production that, through patented technology, nearly eliminate criteria pollutants and significantly reduce a building's carbon footprint.

In business for over 20 years, Tecogen has shipped more than 2,300 units, supported by an established network of engineering, sales, and service personnel across the United States. For more information, please visit www.tecogen.com.

FORWARD-LOOKING STATEMENTS This press release contains forward-looking statements under the Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. Important factors could cause actual results to differ materially from those indicated by such forward-looking statements, as disclosed on the Company's website and in Securities and Exchange Commission filings. The statements in this press release are made as of the date of this press release, even if subsequently made available by the Company on its website or otherwise. The Company does not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

Tecogen Media Contact Information:

David A. Garrison

Tecogen Inc.

P: 781-466-6403

E: David.Garrison@tecogen.com

Tecogen Investor Contact Information:

John N. Hatsopoulos

P: 781-622-1120

E: jhatsopoulos@tecogen.com

TECOGEN INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
As of June 30, 2015 and December 31, 2014
(unaudited)

	June 30, 2015	December 31, 2014
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,609,719	\$ 1,186,033
Short-term investments, restricted	294,655	585,702
Accounts receivable, net	4,512,448	4,750,437
Unbilled revenue	1,592,913	696,912
Inventory, net	3,786,741	4,090,221
Due from related party	972,821	600,251
Deferred financing costs	50,201	50,201
Prepaid and other current assets	509,832	348,868
Total current assets	13,329,330	12,308,625
Property, plant and equipment, net	572,146	658,421
Intangible assets, net	1,054,966	1,011,300
Goodwill	40,870	40,870
Deferred financing costs, net of current portion	24,091	48,990
Other assets	58,425	53,325
TOTAL ASSETS	\$ 15,079,828	\$ 14,121,531
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 3,332,255	\$ 2,416,313
Accrued expenses	1,339,600	1,008,153
Deferred revenue	776,064	1,666,576
Total current liabilities	5,447,919	5,091,042
Long-term liabilities:		
Deferred revenue, net of current portion	384,906	207,153
Senior convertible promissory note, related party	3,000,000	3,000,000
Total liabilities	8,832,825	8,298,195
Commitments and contingencies (Note 5)		
Stockholders' equity:		
Tecogen Inc. stockholders' equity:		
Common stock, \$0.001 par value; 100,000,000 shares authorized; 16,338,782 and 15,905,881 issued and outstanding at June 30, 2015 and December 31, 2014, respectively	16,339	15,906
Additional paid-in capital	26,494,188	25,088,213
Accumulated deficit	(19,935,328)	(18,955,023)
Total Tecogen Inc. stockholders' equity	6,575,199	6,149,096
Noncontrolling interest	(328,196)	(325,760)
Total stockholders' equity	6,247,003	5,823,336
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 15,079,828	\$ 14,121,531

TECOGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
For the three months ended June 30, 2015 and 2014
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Revenues				
Products	\$ 3,345,571	\$ 2,007,926	\$ 6,883,446	\$ 3,952,702
Services	3,038,260	2,531,931	5,603,819	4,802,912
Total revenues	<u>6,383,831</u>	<u>4,539,857</u>	<u>12,487,265</u>	<u>8,755,614</u>
Cost of sales				
Products	2,224,415	1,587,145	4,778,053	2,991,584
Services	2,018,526	1,604,039	3,343,347	2,989,131
Total cost of sales	<u>4,242,941</u>	<u>3,191,184</u>	<u>8,121,400</u>	<u>5,980,715</u>
Gross profit	<u>2,140,890</u>	<u>1,348,673</u>	<u>4,365,865</u>	<u>2,774,899</u>
Operating expenses				
General and administrative	1,890,503	1,911,071	4,077,632	3,673,063
Selling	324,384	405,108	818,058	826,728
Research and development	228,318	251,582	404,481	559,716
Total operating expenses	<u>2,443,205</u>	<u>2,567,761</u>	<u>5,300,171</u>	<u>5,059,507</u>
Loss from operations	<u>(302,315)</u>	<u>(1,219,088)</u>	<u>(934,306)</u>	<u>(2,284,608)</u>
Other income (expense)				
Interest and other income	685	15,079	9,788	18,164
Interest expense	(30,351)	(57,382)	(60,410)	(92,152)
Total other expense, net	<u>(29,666)</u>	<u>(42,303)</u>	<u>(50,622)</u>	<u>(73,988)</u>
Consolidated net loss	<u>(331,981)</u>	<u>(1,261,391)</u>	<u>(984,928)</u>	<u>(2,358,596)</u>
Less: (Income) loss attributable to the noncontrolling interest	(30,858)	31,684	4,625	90,844
Net loss attributable to Tecogen Inc.	<u>\$ (362,839)</u>	<u>\$ (1,229,707)</u>	<u>\$ (980,303)</u>	<u>\$ (2,267,752)</u>
Net loss per share - basic and diluted	<u>\$ (0.02)</u>	<u>\$ (0.08)</u>	<u>\$ (0.06)</u>	<u>\$ (0.15)</u>
Weighted average shares outstanding - basic and diluted	<u>16,338,782</u>	<u>15,227,089</u>	<u>16,282,027</u>	<u>15,013,824</u>

TECOGEN INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the six months ended June 30, 2015 and 2014
(unaudited)

	June 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net loss	\$ (984,928)	\$ (2,358,596)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>		
Depreciation and amortization	138,828	146,060
Change in provision for allowance on accounts receivable	—	18,000
Recovery for inventory reserve	23,000	—
Stock-based compensation	51,497	72,587
Non-cash interest expense	24,899	25,907
Gain on sale of assets	(5,073)	—
<i>Changes in operating assets and liabilities</i>		
(Increase) decrease in:		
Short term investments	291,047	—
Accounts receivable	237,989	(695,280)
Unbilled revenue	(896,001)	294,237
Inventory, net	280,480	(543,483)
Due from related party	(372,570)	(148,830)
Prepaid expenses and other current assets	(160,964)	(113,725)
Other non-current assets	(5,100)	23,070
Increase (decrease) in:		
Accounts payable	915,942	114,983
Accrued expenses	331,447	116,424
Deferred revenue	(712,759)	449,717
	—	(119,667)
Due to related party	—	(198,450)
Net cash used in operating activities	<u>(842,266)</u>	<u>(2,917,046)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(12,935)	(120,773)
Proceeds from sale of assets	16,874	—
Purchases of intangible assets	(95,086)	(113,699)
Purchases of short-term investments, restricted	—	(584,375)
Net cash used in investing activities	<u>(91,147)</u>	<u>(818,847)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments for debt issuance costs	—	(7,444)
Proceeds (payments) on demand notes payable and line of credit to related party	—	(2,950,000)
Proceeds from sale of restricted common stock, net	996,874	2,351,335
Proceeds from the exercise of stock options	360,225	6,000
Net cash provided by (used in) financing activities	<u>1,357,099</u>	<u>(600,109)</u>
Net increase (decrease) in cash and cash equivalents	423,686	(4,336,002)
Cash and cash equivalents, beginning of the period	1,186,033	7,713,899
Cash and cash equivalents, end of the period	<u>\$ 1,609,719</u>	<u>\$ 3,377,897</u>
<u>Supplemental disclosures of cash flows information:</u>		
Cash paid for interest	\$ 60,410	\$ 263,553