MEMORANDUM OF UNDERSTANDING BETWEEN THE BRAZILIAN AGRICULTURAL RESEARCH CORPORATION - EMBRAPA AND THE VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY ON DAIRY CATTLE PRODUCTION

The Brazilian Agricultural Research Corporation - EMBRAPA, attached to the Ministry of Agriculture of the Federative Republic of Brazil (hereinafter simply referred to as EMBRAPA) and the Virginia Polytechnic Institute and State University (hereinafter simply referred to as VPI & SU) agree to strengthen the cooperation and to integrate research works aiming at the advance of science and Polytechnic related to the dairy cattle production under the terms of this Memorandum of Understanding, considering that the VPI & SU and the National Research Center of Dairy Cattle (CNPGC) acting as a component of EMBRAPA, shall act as the sister-institutions hereeto.

ARTICLE I

The herein named parties undertake to promote and implement, by mutual agreement, the scientific and technical cooperation in research and training in ruminant nutrition, soil science, forage physiology and production, genetics and animal breeding, animal physiology and reproduction, dairy herd management and economic analyses, forage analyses and laboratory methods, milk processing and advisory services to farmers.

ARTICLE II

The cooperation shall include specifically the study and solutions of problems related to the milk production technology.

ARTICLE III

The cooperation shall be accomplished through the hereinaunder listed...
items, however, without being limited to the same:

1. Joint planning and execution of research projects, common or complementary, on the subjects referred to in Article II;
2. Exchange of researchers and trainees;
3. Exchange of information and methodologies, as well as of publications and of other scientific and technical documents;
4. Donation and/or exchange of equipment, of material and animals for research purposes, by VPI & SU;
5. Joint organization of conferences, symposiums, seminars, and other scientific meetings on subjects of common interest.

ARTICLE IV

1. The hereunder signed parties shall make utmost efforts within their respective competences, geared toward the involvement of the scientific communities of their countries;
2. Under this Memorandum, the parties hereto shall promote, encourage and facilitate contacts among qualified organizations and specialists, whether they are attached to one of the parties or not.

ARTICLE V

1. This Memorandum shall be implemented through the joint planning and carrying out of cooperative programs, gathering the pertinent research projects, which shall include the subjects, the goals, the length, and the execution methods.
2. The cooperation program referred to in the foregoing paragraph shall consist of annual work plans duly approved by the parties hereto. Such plans shall establish the goals, activities, personnel involved, financial obligations and other responsibilities of each of the parties hereto.
3. EMBRAPA and VPI & SU shall prepare an annual report of the activities carried out during the preceding year, as well as the work plans for the following year.
4. The work plans may be altered or adjusted during their execution through written agreement between the parties hereto.
ARTICLE VI

1. As in general rule, each party hereto shall be responsible for its own expenses incurred in its participation in the cooperation activities, unless an agreement related to other arrangements be settled.

2. VPI & SU shall cover all the direct expenses with American researchers and administrative personnel incurred under this Memorandum; on the other hand and in the same way, EMBRAPA shall be responsible for the expenses incurred with Brazilian personnel, provided that they shall be contracted by EMBRAPA. Such expenses shall involve salaries, social securities, per diem and other allowances, as well as domestic and international travels.

3. Both, EMBRAPA and VPI & SU, shall guarantee all the necessary facilities and logistic support to the cooperation activities, performed in Brazil as well as in the United States.

4. The activities provided in this Memorandum shall be subject to the availability of funds and of personnel, as well as to the laws and regulations of the respective countries of the parties hereto.

ARTICLE VII

In order to assure an efficient execution of the annual work plans, each party hereto shall submit to the other party for approval, at least three months in advance, the research projects to be developed, and the recipient shall be obliged to reply within forty-five (45) days.

ARTICLE VIII

The findings and results of the researches carried out under this Memorandum shall be published through mutual agreement, either jointly or separately, according to each case of a separate publication, it shall always
mention with special emphasis, the cooperation between the parties hereto, as well as it shall commit self it to send to the other party one (1) sample of each edition, within thirty (30) days as of its publication.

ARTICLE IX

In case the works developed by the parties hereto and under this Memorandum should result in discovering new inventions, utility models, equipment improvement or models of designs, improvement of parts or components of equipment, and considering that such discoveries or creations can be privileged or registered in Brazil or in the United States, in such case, the property rights and/or exploration shall be defined in proper contracts and shall belong to the parties in identical proportions according to the financial resources allocated by each of the parties hereto for obtaining the results worthy for registration in accordance with the annual work plan budgets approved by the parties hereto.

ARTICLE X

1. This Memorandum shall be effectively in force during three (3) years, and it can be tacitly renewed for other periods of three (3) years, further, it can be amended by mutual agreement.

2. Each of the parties hereto may, whenever deemed necessary, inform the other party through a written notice of at least 180 (one hundred and eighty) days in advance, of its intention to terminate this Memorandum. In such event, the termination shall only occur after the completion of the activities scheduled in the work plan, unless otherwise agreed by the parties hereto.

ARTICLE XI

1. This Memorandum shall enter into force on the date of the signing of the parties hereto.

2. In witness hereof, and duly authorized by their respective governments, the parties hereto do hereby complete and approve this Memorandum, duly signed by the parties hereto in two original instruments written in the English
language and in two original instruments written in the Portuguese language, both with the same wording and equally authentic.

For EMBRAPA

Brasilia, 10 de setembro de 1990

Signed by: [Signature]

PRESIDENT

For the VIRGINIA POLYTECHNIC INSTITUTE AND STATE UNIVERSITY

Local, Date

Signed by: [Signature]

Legal Representative