

SERVICE AGREEMENT

between

MEZINÁRODNÍ TESTOVÁNÍ DRUBEŽE, state enterprise, duly organized and existing under the laws of the Czech Republic and with legal offices at ÚSTRAŠICE 63, 390 02 Tábor, CZ 438 33 560, represented by Ing. Vlastislav Machander, Ph.D., director. (hereinafter "MTD")

and

HY-LINE INTERNATIONAL with legal offices at USA, IA 50063 Dallas Center, PO Box 310, USA represented herein by Dr. Jesus Arango, Statistical Geneticist. (hereinafter "HY-LINE")

Purpose

The purpose of this Agreement is to perform the XXVth International test of laying hens (cage technology), hereinafter referred to as "the test".

MTD undertakes and agrees to perform the test according to the valid methodology provided in the Annex to this Agreement.

HY-LINE undertakes and agrees to deliver hatching eggs of the following laying hen hybrid: Hy-Line Brown.

At the same time they are included hybrids: Bovans Brown, Hisex Brown, Lohmann Brown, Isa Brown, H & N Brown Nick, Novobrown Light, Lohmann Lite, Moravia BSL, Novobrown Classic, Lohmann Tradition.

It is first stated that:

- MTD has acquired a certain experience in the field of poultry testing and experiments.
- MTD guarantees that it shall perform the test strictly in accordance with the methodology.
- HY-LINE wishes to run a study on the effects of various hybrids of laying hens on performance and health status. This study will be realised in facilities of MTD, under the control of Dr. Machander.

It is decided that:

Article 1 – Domain of the Contract

HY-LINE commits to MTD a service presentation: an experiment on laying hens, as described in the Methodology (Annex).

No disposition of the present contract can be interpreted as implicating rights or obligations, outside the domain of the contract, as here above defined.

Article 2 – Forecasted work

The forecasted work of MTD includes: the realisation of the experiment in accordance with the methodology and the final report. Detailed description of the work forecasted is in the Annex which is an integral part of this Service Agreement.

Article 3 – Duration of the experiment

The duration of the work forecasted in the above Articles will be from the placement of hatching eggs in the hatchery (14.3.2016) to the end of the 14th laying period (5. 9. 2017) and submission of the Final Report (1-2 months from the end of test).

Article 4 – Lodging of the results

The results of the service presentation, realised in compliance with the Article 2 of the present Agreement, will be communicated by MTD to HY-LINE.

During the test MTD will send HY-LINE preliminary monthly reports per period on test results which will give only the results of HY-LINE's hybrids. The contents of the preliminary monthly report per period will be strictly confidential.

The Final Report will include all the hybrids tested and will be disclosed only after the reception of HY-LINE's explicit consent.

The parties agree plan meetings and to keep a contact and co-operation as close as necessary to attain the success of the experiment.

The responsible researcher at MTD will be Dr. Machander.

The responsible researcher at HY-LINE will be PhD. Jesus Arango to whom will be referred continuous and preliminary results and discussed necessary corrections of the trial design.

Article 5 – Ownership of the results

HY-LINE will be the exclusive owner of the results.

Article 6 – Secrecy

The service presentations have a secret and/or confidential character for MTD.

This secret will be raised only with the express authorization of HY-LINE.

In the case where with the agreement of HY-LINE, MTD would forecast to publish the results obtained in the scope of the present agreement, the text of the publication will have to be submitted to previous approval of HY-LINE.

Nevertheless, this obligation of secrecy does not concern:

- any information known by MTD before the date of the present contract ;
- any information which, except a fault of the parties, is or becomes part of the public domain during the present agreement.

Article 7 – Publication

7.1 In the case where the results of the work committed to MTD would be the subject of a publication by HY-LINE, this publication will mention that these results have been obtained by MTD.

7.2 In the case where HY-LINE would only publish abstracts of the results obtained, the said abstracts will be submitted to MTD for approval.

Article 8 – Guarantee

MTD bind themselves to realize their service presentations according to the best standards and practices. MTD particularly commit themselves to respect the groups of animals, the methodology and the conditions of the trial, so that they cater to the standards of the expertise presently required by international authorities, the results obtained can be used in the frame of European registration dossiers.

When the study need to be halted or serious doubts about the progress arise due to circumstances that cannot be foreseen or influenced by MTD, MTD will immediately contact HY-LINE.

Both parties will confer to discuss the progress and HY-LINE may decide to stop the trial when no solution can be reached.

Article 9– Payment

MTD has estimated the basic cost related to the Experiment at EUR 2900,-.

This amount includes:

- 1) Cost of the experimental sample in rearing of pullets and a half of production period (from 1st to 7th period):
The basic price for one sample is 1450,- EUR. The price includes the cost of feed, labour, veterinary treatments, overheads and Final Report from rearing.
- 2) Cost of the experimental sample in production period (from 8th period to 14th period):
The basic price for one sample is 1450,- EUR. The price includes the cost of feed, labour, veterinary treatments, overheads and Final Report from production period.

HY-LINE bind themselves to pay the amount due to MTD within 30 days of receiving the Final Report from rearing and Final Report from the production period.

Article 10 – In case of disputes arising between the parties: shall be submitted to the jurisdiction of the court of law at the domicile of the party against whom proceedings are instituted, and the Agreement shall be governed pursuant to the laws of the country of domicile of that party.

Article 11 – Any changes of amendments hereto have to be made by written numbered annexes. This Agreement is signed in two counterparts and each party will receive one of them.

For MTD



MEZINÁRODNÍ
TESTOVÁNÍ DRŮBEŽE
s.p. ÚSTRAŠICE
390 02 Tábor 2
IČ: 43883560

(Dr. Machander)

For HY-LINE

(PhD. Jesus Arango)

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Purpose

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MTD undertakes and agrees to perform the test according to the valid methodology provided in the Annex to this Agreement.

HY-LINE undertakes and agrees to deliver hatching eggs of the following laying hen hybrids: Hy-Line Silver, Hy-Line Brown.

At the same time they are included hybrids: Lohmann Brown Plus, H & N Brown Nick, Bovans Brown, Lohmann Brown, Lohmann Tradition.

It is first stated that:

- MTD has acquired a certain experience in the field of poultry testing and experiments.
- MTD guarantees that it shall perform the test strictly in accordance with the methodology.
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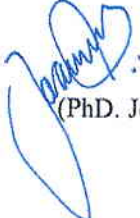
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For MTD 
(Dr. Machander)

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For HY-LINE


(PhD. Jesus Arango)