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COOPERATIVE SERVICE AGREEMENT

Between

PRODUCTORA DE BOCADOS CARNICOS, S.A. DE C.V.

and

**UNITED STATES DEPARTMENT OF AGRICULTURE (USDA)
ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)**

ARTICLE 1

This agreement is to provide the inspection and evaluation of a meat (poultry) processing plant, TIF Establishment No. 241, Productora de Bocados Carnicos, S.A. De C.V., Carretera Monterrey - Monclova km 16.5 El Carmen, Nuevo Leon C.P. 66550, Mexico, to determine if the facility is in compliance with Title 9, Code of Federal Regulations (CFR), Part 94, Sections 94.6(c)(5), when processing poultry products obtained from countries not affected with exotic Newcastle disease (END) processed to produce a product for importation into the United States.

ARTICLE 2

APHIS is authorized by the Tarrif Act of 1930 [United States Code (USC), Title 19, sec. 1306 (a), amended 1958 Subsec. (a) Pub. L. 85-867] to prohibit the importation of cattle, sheep, or other ruminants, or swine, or of fresh, chilled, or frozen meat of such animals from any foreign country in which rinderpest (RP), FMD, or BSE exists. Under Title 21, USC, Section 114b, APHIS is authorized to carry out operations or measures to eradicate, suppress, or control, or to prevent or retard, any communicable disease of animals or vectors thereof, including but not limited to FMD, BSE, RP, or screw-worm in such countries where it deems such action necessary to protect the livestock, poultry, and related industries of the United States. Furthermore Title 21 USC 114d-1 authorizes APHIS to cooperate with public and private organizations and individuals in order to carry out the provisions of 21 USC 114b.

ARTICLE 3

The Cooperator Agrees to:

- a. Deposit upon execution of this Agreement, a certified or cashiers check in the amount of \$5,586.04 with the United States Treasury, through the USDA to be expended according to USDA regulations, to defray all APHIS incurred expenses in inspecting the meat (poultry) processing establishment. The expenses shall consist of, but not be limited to, salaries (including overtime), employee benefits, travel, lodging, and other incidental expenses

necessary to conduct Agreement activities. If the initial deposit is not sufficient to meet the workload costs under this Agreement, a further sum determined by APHIS shall be deposited prior to completing the work funded by the initial deposit.

- b. Provide a facility that meets all the construction requirements and is dedicated solely to the production of poultry products originating from countries that are recognized by USDA, APHIS, as not being affected with END and equipped with all necessary processing equipment, including accurate thermometers and deboning equipment.

In addition, operating procedures must be instituted and maintained to prevent intermingling of personnel, equipment, supplies, and product ingredients used in the designated facility with the personnel, equipment, supplies, and product ingredients used in other portions of the processing establishment.

- c. Maintain at the processing establishment, for at least 2 years, copies of the following certificates:
 - 1. Certificates of origin signed by an official of the national government of the country free of END specifying that the poultry product was consigned to TIF Establishment No. 241, Productora de Bocados Carnicos, S.A. De C.V., Carretera Monterrey - Monclova km 16.5 El Carmen, Nuevo Leon C.P. 66550, Mexico, in a closed container sealed by the national veterinary authorities of the END-free country of origin by seals of a serially numbered type. The number of these seals shall be entered on this certificate;
 - 2. Certificates from the official representing the Mexican Veterinary Service, certifying that the seals specified in the above paragraph were found to be intact and free of any evidence of tampering on arrival at TIF Establishment 241; and
 - 3. Export certificates for shipments of products from TIF Establishment No. 241 which were prepared for products being exported to the United States in accordance with the requirements in Sections 94.6(c)(5) of Title 9, CFR.
- d. Provide alternate lodging arrangements for the APHIS' veterinary medical officer (VMO) when commercial lodging is not available.
- e. Provide alternate transportation in Mexico for APHIS' Veterinary Medical Officer when commercial transportation is not available.
- f. Obtain any necessary permits or licenses required of APHIS' VMO to have free access to locations necessary for performance of the planned work.

ARTICLE 4

APHIS Agrees to:

- a. Provide an inspector at a time or times agreed upon by the party hereto, insofar as availability of personnel will permit, for the inspection of the processing establishment for proper facilities, physical structure, personnel requirements, deboning, cooking and packaging techniques, storage, and other handling procedures.
- b. Inform TIF Establishment No. 241 of any decisions relating to the inspection and approval of the meat (poultry) processing establishment.
- c. To make an accounting of the funds deposited by TIF Establishment No. 241 periodically or upon termination of the agreement. Any unobligated balance upon termination of this agreement shall be returned to TIF Establishment No. 241.

ARTICLE 5

Nothing in this Agreement shall prevent any other country, organization, or individual from entering into separate Agreements with APHIS for the purpose of inspecting meat (poultry) processing establishments.

ARTICLE 6

Under Title 41, USC Section 22, no member of or delegate to Congress shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom.

ARTICLE 7

All activities performed under this Agreement will be conducted in accordance with APHIS requirements and with applicable federal, state, and local laws and regulations.

ARTICLE 8

This Agreement will become effective upon signature. This Agreement may be amended at any time by mutual Agreement of the parties in writing. It may be terminated by either party upon 60 days' written notice to the other party. This Agreement shall not create any binding obligations

under international law. In the event that TIF Establishment No. 241 does not, for any reason, deposit necessary funds, APHIS is relieved of the obligation to continue any operations under this Agreement.

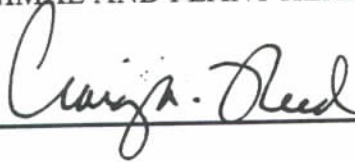
TIF Establishment No. 241
Productora de Bocados Carnicos, S.A. De C.V.
Carretera Monterrey - Monclova km 16.5 El Carmen, N.L.
Mexico



AUG. 17 2001
Date

MAURICIO ELIZONDO

UNITED STATES DEPARTMENT OF AGRICULTURE
ANIMAL AND PLANT HEALTH INSPECTION SERVICE



8-24-01
Date
