

**AGREEMENT
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF SCIENCE AND TECHNOLOGY OF
THE FEDERATIVE REPUBLIC OF BRAZIL
CONCERNING COOPERATION IN NUCLEAR ENERGY**

The Department of Energy of the United States of America (DOE) and the Ministry of Science and Technology of the Federative Republic of Brazil, hereinafter referred to as the "Parties";

Desiring to further improve the close co-operation in the development and applications of nuclear energy for peaceful purposes, in conformity with the Agreement for Cooperation between the Government of the United States of America and the Government of the Federative Republic of Brazil Concerning Peaceful Uses of Nuclear Energy, signed 14 October 1997;

Sharing an interest in developing advanced concepts and scientific breakthroughs in nuclear fission and reactor technology to address and overcome the principal technical, societal, and economic obstacles to the expanded peaceful use of nuclear energy;

Seeking to promote and maintain nuclear science and engineering infrastructure in the Parties' respective countries to sustain the capabilities necessary for the development and use of nuclear energy;

Desiring to promote the exchange of scientific and technological information, and collaborative research and development (R&D) between U.S. and Brazilian agencies and research organizations focused on advanced technologies for improving nuclear power systems; and

Noting that the DOE proposes to engage in cooperative nuclear research and development activities under this Agreement as part of its International Nuclear Energy Research Initiative (I-NERI), whose goal is to undertake, through bilateral agreements between DOE and international counterpart governmental entities, R&D to develop safe, cost effective, proliferation-resistant, and sustainable nuclear technologies to meet future global energy needs;

HEREBY AGREE AS FOLLOWS:

**ARTICLE 1
Purpose**

The objective of this Agreement is to establish a framework for collaboration between the Parties for research and development of advanced nuclear technologies. The Parties shall conduct such collaboration on the basis of mutual benefit, equality and reciprocity.

ARTICLE 2

Areas of Cooperation

The areas of R&D cooperation under this Agreement may include, but are not limited to, the following:

1. Advanced reactor developments for future-generation nuclear energy systems;
2. Advanced reactor fuel and reactor fuel cycle-integration;
3. Life management and upgrading of current operating reactors;
4. Advanced fuel and material irradiation and use of experimental facilities;
5. Environmental and safety issues related to new reactor and fuel cycle technologies; and
6. Fundamental areas of nuclear engineering and science.

ARTICLE 3

Forms of Cooperation

The forms of cooperation under this Agreement may include, but are not limited to, the following:

1. Exchange of materials, instruments, components and equipment for testing;
2. Competitive selection and funding, under DOE's I-NERI, of collaborative R&D activities in advanced nuclear energy technology;
3. Exchange of personnel for participation in agreed research, development, demonstration, analysis, design, experimental, and training activities;
4. Joint projects in the form of experiments, tests, design analysis, or other technical collaborative activity; and
5. Joint funding of specific projects which may be undertaken either by the Parties, or in connection with other persons in a manner agreed to by the Coordinators (Article 4).

ARTICLE 4

Management

1. Each Party shall designate a Coordinator to supervise the implementation of this Agreement. As mutually agreed, the Coordinators shall meet periodically to evaluate all aspects of the cooperation under this Agreement. These meetings shall be held alternately in the United States and Brazil, unless otherwise agreed.
2. The Coordinators shall approve and monitor all cooperative activities to be carried out under this Agreement.
3. The Coordinators may establish separate subcommittees in any of the areas of cooperation to facilitate implementation of projects undertaken under this Agreement.
4. The Coordinators shall review and evaluate any proposed activities and the status of cooperation under this Agreement. The Coordinators shall give appropriate guidance and directions to the subcommittees and the project managers responsible for activities undertaken under this Agreement. If requested, the Coordinators may advise the Parties regarding future cooperative activities under this Agreement.

ARTICLE 5

Additional Organizations

The Parties shall encourage the participation of other organizations in the cooperative activities under this Agreement, at their own expense and on such conditions, consistent with the terms of this Agreement, as the Parties shall agree: government agencies, universities, science and research centers, private sector firms and other institutions of the Parties, and institutions of third parties or international organizations.

ARTICLE 6

Annexes

Cooperative activities under this Agreement may be undertaken by the Parties or by laboratories or contractors of the Parties. Each cooperative activity that may involve the sharing of costs or that may give rise to intellectual property shall be described in writing in an Annex to this Agreement. Such Annexes shall contain detailed procedures for the implementation of the cooperative activity, including but not limited to technical scope, management, cost-sharing, as appropriate. Each Annex shall be subject to and shall refer to this Agreement.

ARTICLE 7

Exchange of Personnel

The following provisions shall apply concerning exchanges of personnel under this Agreement:

1. Whenever an exchange of personnel is contemplated, each Party shall ensure the selection of personnel with the skills and competence necessary to conduct the activities planned under this Agreement. Each such exchange of personnel shall be agreed in advance by an exchange of letters between the Parties, referencing this Agreement and its pertinent intellectual property provisions.
2. Each Party shall be responsible for the salaries, insurance, and allowances to be paid to its staff or contractors.
3. Each Party shall pay for the travel and living expenses of its staff or contractors staying at the establishment of the host Party, unless otherwise agreed.
4. Each Party shall help locate adequate accommodations for the other Party's staff or contractors (and their families) on a mutually agreeable, reciprocal basis.
5. Each Party shall provide all necessary assistance to the staff or contractors of the other Party as regards administrative formalities, such as assistance in making travel arrangements.
6. The staff and contractors of each Party shall conform to the general rules of work and safety regulations in force at the host establishment.

ARTICLE 8

Exchange of Equipment

The following provisions shall apply concerning exchanges of equipment under this Agreement.

1. By mutual arrangement, a Party may provide equipment to be utilized in a joint activity. In such cases, the sending Party shall supply, as soon as possible, a detailed list of the equipment to be provided, together with the relevant specifications and appropriate technical documentation related to the use, maintenance, and repair of the equipment.
2. Title to the equipment and necessary spare parts supplied for use in joint activities shall remain in the sending Party, and the property shall be returned to the sending Party upon completion of the joint activity, unless otherwise agreed.

3. Equipment provided under this Agreement shall be brought into operation at the host establishment only by agreement of the Parties.
4. The host establishment shall provide the necessary premises for the equipment, shall provide for utilities such as electric power, water, and gas, and normally shall provide materials to be tested, in accordance with agreed technical requirements.
5. Responsibility for expenses, safekeeping and insurance during the transport of equipment from the original location in the country of the sending Party to the place of entry in the country of the receiving Party shall rest with the sending Party. If the sending Party elects to have the equipment returned, it shall be responsible for expenses, safekeeping, and insurance during the transport of the equipment from the original port of entry in the country of the receiving Party to the final destination in the country of the sending Party.
6. Responsibility for expenses, safekeeping, and insurance during the transport of equipment from the place of entry in the country of the receiving Party to the final destination in the country of the receiving Party shall rest with the receiving Party. If the sending Party elects to have the equipment returned, the receiving Party shall be responsible for expenses, safekeeping and insurance during the transport of the equipment from the final destination in the country of the receiving Party to the original point of entry in the country of the receiving Party.
7. Equipment provided under this Agreement for use in joint activities shall be considered to be scientific, not having a commercial character, and each Party shall make its best effort to obtain duty free entry.

ARTICLE 9

Samples and Materials

Unless otherwise agreed in writing, the following provisions shall apply to the transportation and use of samples and materials provided by one Party to the other Party under this Agreement:

1. All samples and materials provided by the sending Party to the receiving Party shall remain the property of the sending Party, and shall be returned to the sending Party upon completion of the mutually agreed upon activity, unless otherwise agreed.
2. Where one Party requests that a sample or material be provided by the other Party, the Party making the request shall bear all costs and expenses associated with the transportation of the sample or material from the location of the sending Party to its final destination.

3. Each Party shall promptly disclose to the other Party all information arising from the examination or testing of samples or materials exchanged under this Agreement. The Parties agree that business-confidential information (as defined in Section 3. of Annex I attached to this Agreement), which was developed prior to or outside the scope of this Agreement, shall remain business-confidential even though it is contained in the results of an examination or testing of samples or materials. Such information shall be identified as business-confidential by the Party asserting its business-confidential nature as soon as possible after disclosure of all information arising from the examination or testing is made to such Party and the other Party shall be immediately advised of that identification. All information identified as business-confidential shall be controlled as provided in Section 3. of Annex I.
4. It is further understood and agreed that a Party providing samples or materials to the other Party may also provide a partial or complete list of the types of information arising from the examination or testing of such samples or materials and which is business-confidential as defined in Section 3. of Annex I. All such business-confidential information is to be controlled as set out in Section 3. of that Annex.

ARTICLE 10

Transfer of Information and Equipment

1. All information or equipment transmitted by one Party to the other Party under this Agreement and any related Project Annex shall be appropriate, accurate, and to the highest standards to the best knowledge and belief of the transmitting Party, but the transmitting Party does not warrant the suitability of the information or equipment transmitted for any particular use or application by the receiving Party or any third party. Information or equipment developed jointly by the Parties shall be appropriate and accurate to the best knowledge and belief of both Parties. Neither Party warrants the accuracy of the jointly developed information or the appropriateness of equipment nor its suitability for any particular use or application by either Party or by any third party.
2. The Parties may exchange, as agreed on a mutually beneficial basis, scientific and technical information, documents and results of research and development of work carried out under this Agreement. Such information shall be limited to that which the Parties have the right to disclose, either in their possession or available to them, relating to the types of cooperation described in Article 2.
3. Seminar proceedings and reports of joint activities carried out under this Agreement shall be made available for publication as joint publications, as agreed by the Parties.
4. The Parties agree that information developed and exchanged under this Agreement should be given wide distribution. Except as provided in Section 3 of Annex I to this

Agreement, such information may be made available to the public by either Party through customary channels and in accordance with normal procedures of the Parties.

ARTICLE 11

Intellectual Property and Business-Confidential Information

The protection and allocation of intellectual property, and the treatment of business-confidential information, shall be governed by Annex I to this Agreement, which is attached to and constitutes an integral part of this Agreement.

ARTICLE 12

General Provisions

1. Unless otherwise agreed, all costs resulting from cooperation carried out under this Agreement shall be the responsibility of the Party that incurs them.
2. Each Party shall conduct the activities provided for in this Agreement in accordance with its applicable laws and regulations, and subject to the availability of appropriated funds, personnel, and other resources.
3. Each Party shall use its best efforts to obtain all required permits and licenses as necessary for the implementation of this Agreement.
4. Any dispute concerning the interpretation or application of this Agreement shall be settled by consultations between the Parties.

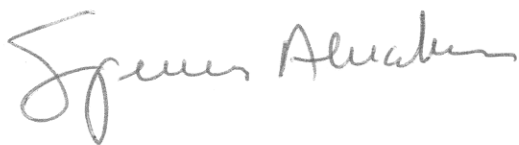
ARTICLE 13

Duration, Amendment and Termination

1. This Agreement shall enter into force upon signature, remain in force for 5 years (subject to Article 13.3), and be automatically renewed for further 5-year periods unless either Party notifies the other in writing 3 months prior to the expiration of the first 5-year period, or a succeeding 5-year period, of its intent to terminate the Agreement.
2. This Agreement may be amended by written agreement of the Parties.
3. This Agreement may be terminated upon 3 months advance notification in writing by either Party to the other Party.
4. All joint efforts and experiments not completed at the expiration or termination of this Agreement may be continued until their completion under the terms of this Agreement.

DONE at Washington, in duplicate, this 20th day of June 2003, in the English and Portuguese languages, each text being equally authentic.

**FOR THE DEPARTMENT OF ENERGY
OF THE UNITED STATES OF
AMERICA:**

A handwritten signature in cursive script, appearing to read "Spencer Abraham".

**FOR THE MINISTRY OF SCIENCE AND
TECHNOLOGY OF THE FEDERATIVE
REPUBLIC OF BRAZIL:**

A handwritten signature in cursive script, consisting of several loops and a long trailing flourish.

ANNEX I INTELLECTUAL PROPERTY

Pursuant to Article 11 of this Agreement:

The Parties shall ensure adequate and effective protection of intellectual property created or furnished under this Agreement and relevant Annexes. The Parties agree to notify one another in a timely fashion of any inventions or copyrighted works arising under this Agreement, and seek protection for such intellectual property in a timely fashion. Rights to such intellectual property shall be allocated as provided in this Annex.

1. SCOPE

A. This Annex is applicable to all cooperative activities undertaken pursuant to this Agreement, except as otherwise specifically agreed by the Parties or their designees.

B. For purposes of this Agreement, "intellectual property" shall have the meaning found in Article 2 of the Convention Establishing the World Intellectual Property Organization, done at Stockholm, July 14, 1967.

C. This Annex addresses the allocation of rights and interests between the Parties. Each Party shall ensure that the other Party can obtain the rights to intellectual property allocated in accordance with this Annex, by obtaining those rights from its own participants through contracts or other legal means, if necessary. This Annex does not otherwise alter or prejudice the allocation between a Party and its nationals, which shall be determined by that Party's laws and practices.

D. Disputes concerning intellectual property arising under this Agreement should be resolved through discussions between the concerned participating institutions or, if necessary, the Parties or their designees. Upon mutual agreement of the Parties, a dispute shall be submitted to an arbitral tribunal for binding arbitration in accordance with the applicable rules of international law. Unless the Parties or their designees agree otherwise in writing, the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL) shall govern.

E. Termination or expiration of this Agreement shall not affect rights or obligations under this Annex.

2. ALLOCATION OF RIGHTS

A. Each Party shall be entitled to a non-exclusive, irrevocable, royalty-free license in all countries to translate, reproduce, and publicly distribute scientific and technical journal

articles, reports, and books directly arising from cooperation under this Agreement. All publicly distributed copies of a copyrighted work prepared under this provision shall indicate the names of the authors of the work unless an author explicitly declines to be named.

B. Rights to all forms of intellectual property, other than those rights described in Paragraph 2.A. above, shall be allocated as follows:

1. Visiting researchers, for example, scientists visiting primarily in furtherance of their education, shall receive intellectual property rights under the policies of the host institution. In addition, each visiting researcher named as an inventor or author shall be entitled to national treatment with regard to awards, bonuses, benefits, or any other rewards, in accordance with the policies of the host institution.

2. (a) For intellectual property created during joint research, for example, when the Parties, participating institutions, or participating personnel have agreed in advance on the scope of work, each Party shall be entitled to obtain all rights and interests in its own country. Rights and interests in third countries will be negotiated in Annexes on a case-by-case basis. If research is not designated as "joint research" in the relevant Annex, rights to intellectual property arising from the research will be allocated in accordance with paragraph 2.B.1. above. In addition, each person named as inventor or author shall be entitled to national treatment with regard to awards, bonuses, benefits, or any other rewards in accordance with the policies of the participating institutions.

(b) Notwithstanding paragraph 2.B.2. (a) above, if a type of intellectual property is available under the laws of one Party but not the other Party, the Party whose laws provide for this type of protection shall be entitled to all rights and interests worldwide. Persons named as inventors or authors of the intellectual property shall nonetheless be entitled to national treatment with regard to awards, bonuses, benefits, or any other rewards in accordance with the policies of the participating institution of the Party obtaining rights.

3. BUSINESS-CONFIDENTIAL INFORMATION

In the event that information identified in a timely fashion as business-confidential is furnished or created under this Agreement, each Party and its participants shall protect such information in accordance with applicable laws, regulations, and administrative practices. Information may be identified as "business-confidential" if a person having the information may derive an economic benefit from it or may obtain a competitive advantage over those who do not have it, the information is not generally known or publicly available from other sources, and the owner has not previously made the information available without imposing in a timely manner an obligation to keep it confidential.