Memorandum on main points of the tentative agreement of the Agro-Joint with the Ozet

I.

The agreement is based on Article XX of our agreement of February 15th, 1929, which sets the date of expiration of this agreement as the time when the last issue of the Society Bonds matured and has been paid out by the Government, and also Paragraph 3, Article VII of same agreement which provided that Agro-Joint has the right to carry on operations through other organizations in the U.S.S.R. with the approval of the Komset.

II.

The Agro-Joint reserves for this work (agricultural and industrial) in the districts of its present activity, and if it is so desired, in other sections, its assets now in U.S.S.R.; also whatever additional appropriations it may receive for this purpose from the outside.

III.

Working plans and budgets are prepared jointly by the Agro-Joint and Ozet and approved by the Komset two months in advance before each operating year.

IV.

The plans include:

(a) Definite provisions for the financial participation of each party on each project separately and in the plan as a whole.

(b) Separation of returnable and non-returnable expenditures and provision of conditions under which the returnable expenditures are to be advanced by the Agro-Joint, as well as the terms of repayment.
V.

The materials imported by the Agro-Joint are stored in the Agro-Joint warehouses and remain the property of the Agro-Joint until used up for purposes specified in the plan.

VI.

The funds used by the Agro-Joint for the purchase of imported materials are not to be taken out from the U.S.S.R. unless specifically agreed upon to the contrary with the Government in advance in each particular case.

VII.

The Oset keeps the Agro-Joint constantly informed as to the progress of each project included in the plan, and the Agro-Joint has the right, at any time, to inspect and audit all accounts in connection with these projects.

VIII.

The Oset takes over by mutual agreement in each case whatever personnel of the Agro-Joint the carrying out of the plans may require.

IX.

This agreement is entered into for the period of three years, with the discretionary right of each party to cancel same at the end of each operating year at four months' advance notice in writing.