

LONG TERM GRAIN AGREEMENT BETWEEN CANADA AND POLAND

The Government of Canada and the Government of the Polish People's Republic,
Desirous of concluding a new Long Term Grain Agreement,
Have agreed as follows:

ARTICLE I

The Government of the Polish People's Republic shall buy in Canada, through the Polish Foreign Trade Enterprise Rolimpex Warszawa, hereinafter called Rolimpex, and the Government of Canada shall supply, through the Canadian Wheat Board, Winnipeg, a minimum of 1.5 million and a maximum of 2.4 million metric tons of Canadian grain, five percent more or less, quantity at Rolimpex option, for shipment from Canadian ports during the three year tenure of this Agreement from January 1, 1977 to December 31, 1979 inclusive, in the following quantities:

In each year a minimum of 450,000 and a maximum of 1.0 million metric tons, the precise quantity within this range being at Rolimpex option at the time of concluding each specific contract, except that:

not less than 50,000 metric tons and not more than 90,000 metric tons shall be Canada Western Amber Durum Wheat;

the balance shall be Canadian Feed Barley and/or Canadian Feed Oats and/or Canada Western Red Spring Wheat (and/or Canada Utility Wheat subject to availability) at Buyer's option.

It is understood that the Seller will offer grain at prices competitive with grain of equal quality from other origins.

ARTICLE II

Under this Agreement the Canadian Wheat Board and Rolimpex shall conclude specific contracts in respect of each transaction. The grades of grain, delivery terms, prices and other commercial conditions will be negotiated and agreed upon by the Canadian Wheat Board and Rolimpex.

ARTICLE III

In consideration of the above undertaking, both Parties agree that the following payment terms shall apply to sales and purchases made under the provisions of this Agreement. Payment shall be by credit and the following terms shall apply:

- (a) The contract price will be expressed in Canadian dollars and the financing provided in the same currency. However, at Buyer's option exercised by the notice issued not later than one month before each shipment, the financing will be provided in U.S. dollars and consequently, the value of the respective shipment converted into that currency. For the purpose of the conversion the noon rate of the Bank of Canada for U.S. dollars on the day of the Buyer's notice will be applied.