

LONG TERM WHEAT AGREEMENT BETWEEN CANADA AND BRAZIL

The Government of Canada and the Government of the Federative Republic of Brazil,

Desirous of concluding a Long Term Wheat Agreement,

Have agreed as follows:

ARTICLE I

1. The Government of the Federative Republic of Brazil shall buy in Canada, through the Junta Deliberativa de Trigo da Superintendencia Nacional do Abastecimento (hereinafter referred to as the Junta) and the Banco do Brasil S. A.—Carteira de Comercio Exterior (CACEX) and the Government of Canada shall supply to Brazil, through the Canadian Wheat Board (hereinafter referred to as the Board), a quantity of 3,000,000 (three million) tonnes, 5% (five percent) more or less, of Canadian wheat during the three calendar years 1980 to 1982 inclusive.

2. The quantities to be purchased in each year of this Agreement shall be as follows:

1980—2,000,000 tonnes

1981—500,000 tonnes

1982—500,000 tonnes

3. In addition, through agreement between the Junta and the Board, the annual quantities for 1981 and 1982 stated above may be increased by 300,000 (three hundred thousand) tonnes.

ARTICLE II

The payment terms which will apply to all shipments made in accordance with Article I shall be as follows:

a) Payment in cash upon presentation of shipping documents, against an irrevocable letter of credit opened by Banco do Brasil in favour of the Seller and to be advised through a Canadian chartered bank in Montreal, Canada; *or* at Buyer's option, declarable prior to the beginning of each shipment month,

b) Payment under the following credit terms:

(i) A cash payment of 10% (ten percent) of the F.O.B. value of each shipment on date of the ocean Bill of Lading and the balance payable:

$\frac{1}{3}$ of the F.O.B. value 18 (eighteen) months from the date of the ocean Bill of Lading;