

AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA RELATING TO THE SALE OF WHEAT BY CANADA

The Government of Canada and the Government of the People's Democratic Republic of Algeria have agreed as follows:

ARTICLE I

Algeria shall buy in Canada, through the Office algérien interprofessionnel des céréales, and Canada shall supply through the Canadian Wheat Board,

up to 500,000 metric tons of wheat, 5% more or less, each calendar year commencing January 1973 for the years 1973 to 1977 inclusive, for shipment from Canadian ports.

ARTICLE II

Under this Agreement, the type and grades of wheat, delivery terms, prices and other commercial conditions will be negotiated and agreed upon by the Office algérien interprofessionnel des céréales and the Canadian Wheat Board. The quantities of wheat will be made available by the Canadian Wheat Board through its agents.

ARTICLE III

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

A cash payment of 10 per cent of the gross invoice value of each cargo on date of each shipment, and the balance of 90 per cent payable in equal annual instalments, with the first payment due two years from the Bill of Lading date. Subsequent payments will be due at intervals of 12 months thereafter, with the final payment due 120 months after date of shipment. Interest will be payable semi-annually at 4.75 per cent per annum, on the principal balance outstanding calculated from date of each shipment.

ARTICLE IV

The Export Development Corporation, an Agency of the Canadian Government will be instructed to insure, at a premium rate of 0.25 per cent per annum, 90 per cent of the gross invoice value, including interest, of each cargo for the first two years from the Bill of Lading date, and thereafter the outstanding principal plus interest, on the purchases made in accordance with the provision of Article I and in accordance with the terms of payment in Article III. An amount equal to this charge for each cargo shall be payable in total on the Bill of Lading date.