LONG TERM WHEAT AGREEMENT BETWEEN CANADA AND THE POLISH PEOPLE'S REPUBLIC

The Government of Canada and the Government of the Polish People's Republic, desirous of fostering closer trade and economic relations between the two countries, in accordance with the most-favoured-nation principle, have agreed as follows regarding a long term wheat agreement:

ARTICLE I

1. The Polish People's Republic shall buy in Canada, through the Polish Foreign Trade Company, Rolimpex, and Canada shall supply, through the Canadian Wheat Board, 900,000 metric tons of Canadian wheat, five percent more or less, for shipment from Canadian ports during the three year tenure of this Agreement in the following quantities:

In the first year of the Agreement, 300,000 metric tons. In the second and third years of the Agreement, a combined total of 600,000 metric tons, in such yearly amounts as the buyer chooses, provided that the quantity purchased in each of these years shall not be less than 200,000 metric tons.

- 2. Subject to the ability of the Canadian Wheat Board to supply, Rolimpex shall have the further option of purchasing an additional 300,000 metric tons to the quantities specified in paragraph one above provided that such option is declared for not more than 100,000 metric tons annually on or before June 1st in each year of the Agreement.
- 3. It is understood that the quantities purchased in each of the second and third years of the Agreement under this Article shall not be less than 200,000 metric tons and not more than 500,000 metric tons and that the total quantity of wheat purchased under this Article shall not exceed 1.2 million metric tons.

ARTICLE II

Under this Agreement, Rolimpex and the Canadian Wheat Board shall conclude general contracts in respect of each transaction. The grades of wheat, delivery terms, prices and other commercial conditions will be negotiated and agreed upon by Rolimpex and the Canadian Wheat Board. Following conclusion of general contracts, purchases of wheat shall be made by Rolimpex from an agent or agents of the Canadian Wheat Board.

ARTICLE III

Quantities of Canadian wheat which may be purchased and supplied in excess of the maximum amounts provided for in Article I will be subject to separate negotiations between the two parties on the basis of buyer's requirements, seller's supply position, and buying and selling terms, including the possibility of credit, which will be examined in the light of circumstances prevailing at the time.

ARTICLE IV

This Agreement shall enter into force on November 5, 1966 and shall remain in effect for a period of three years from that date.