

No. 5962

**UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
and
BRAZIL**

**Loan Agreement (with exchange of notes). Signed at Rio
de Janeiro, on 21 July 1961**

Official texts: English and Portuguese.

*Registered by the United Kingdom of Great Britain and Northern Ireland on 20 November
1961.*

**ROYAUME-UNI DE GRANDE-BRETAGNE
ET D'IRLANDE DU NORD
et
BRÉSIL**

**Accord de prêt (avec échange de notes). Signé à Rio de
Janeiro, le 21 juillet 1961**

Textes officiels anglais et portugais.

*Enregistré par le Royaume-Uni de Grande-Bretagne et d'Irlande du Nord le 20 novembre
1961.*

No. 5962. LOAN AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND AND THE GOVERNMENT OF THE UNITED STATES OF BRAZIL. SIGNED AT RIO DE JANEIRO, ON 21 JULY 1961

The Government of the United Kingdom of Great Britain and Northern Ireland (hereinafter referred to as "the United Kingdom Government") and the Government of the United States of Brazil (hereinafter referred to as "the Brazilian Government"):

Considering that the United Kingdom Government are desirous of joining with other Western European Governments in providing financial assistance to Brazil by way of the consolidation and refinancing of Brazil's medium term commercial debts:

Have agreed as follows:

Article I

In this Agreement, the expression "medium term commercial debts" shall mean debts falling due after the 31st of May, 1961, from the Brazilian Government or persons or corporations resident in Brazil to persons or corporations resident in the United Kingdom, under contracts for the supply of goods and/or services which provide for payment to be made within a period exceeding six months from the date of delivery of the goods or satisfactory performance of the services undertaken under the said contracts.

Article II

The United Kingdom Government shall make available to the Brazilian Government a loan of £2,500,000 to assist the Brazilian Government to provide the full amount of exchange required to meet payments due between the 1st of June, 1961, and the 31st of December, 1965, in respect of medium term commercial debts.

Article III

The loan shall be paid to the Brazilian Government in four instalments as follows:

¹ Came into force on 21 July 1961, the date of signature, in accordance with article VI.

<i>Date</i>	<i>Instalment</i>
1st October, 1961	£600,000
31st December, 1961	£600,000
30th June, 1962	£650,000
31st December, 1962	£650,000

Article IV

(a) The Brazilian Government shall pay interest to the United Kingdom Government on each instalment at a rate to be determined by Her Majesty's Treasury having regard to the cost of borrowing by the United Kingdom Government at the date on which the instalment is advanced.

(b) Such interest shall be calculated on the balance of each instalment outstanding and shall be payable in sterling on the 30th of June and the 31st of December in each year ; the first payment in respect of interest shall be made on the 31st of December, 1961.

Article V

(a) The Brazilian Government shall make repayment to the United Kingdom Government of the sums advanced in accordance with Article III of the present Agreement as follows :

<i>Date</i>	<i>Amount</i>
30th June, 1965	£200,000
31st December, 1965	£200,000
30th June, 1966	£400,000
31st December, 1966	£500,000
30th June, 1967	£600,000
31st December, 1967	£600,000

(b) These amounts shall be applied in each case to the reduction of the oldest outstanding instalment of the loan.

Article VI

The present Agreement shall come into force on the date of signature thereof.

IN WITNESS WHEREOF the undersigned being duly authorised thereto by their respective Governments, have signed the present Agreement.

DONE in duplicate at Rio de Janeiro this 21st day of July, nineteen hundred and sixty-one, in the English and Portuguese languages, both texts being equally authoritative.

On behalf of the Government
of the United Kingdom of Great
Britain and Northern Ireland :

G. A. WALLINGER
Ambassador Extraordinary
and Plenipotentiary

On behalf of the Government
of the United States of Brazil :

Clemente MARIANI
Minister of Finance

EXCHANGE OF NOTES

I

The Brazilian Minister of State for Foreign Affairs to Her Majesty's Ambassador at Rio de Janeiro

[PORTUGUESE TEXT — TEXTE PORTUGAIS]

[TRANSLATION¹ — TRADUCTION²]

Em 21 de julho de 1961

Senhor Embaixador,

Your Excellency,

Tenho a honra de levar ao conhecimento de Vossa Excelência que, de acordo com os entendimentos havidos entre a Shell International Petroleum Company Limited, agindo em seu próprio nome e no das companhias associadas do Grupo Royal Dutch/Shell, e o Banco do Brasil, consubstanciados nas cartas de 28 de junho e 4 de julho de 1961, respectivamente, será completado, até 31 de agosto de 1961, o pagamento da importância de £4.700.000 (quatro milhões e setecentas mil libras esterlinas), aproximadamente US\$13.200.000,00 (treze milhões e duzentos mil dólares norte-americanos), devida às Companhias do Grupo Royal Dutch/Shell e relativa a contratos de câmbio referentes a fornecimentos embarcados antes de 7 de dezembro de 1960; outrossim, serão efetuados, até 31 de agosto de 1961, todos os pagamentos relativos a contratos que tiverem vencido naquela data.

I have the honour to state that, in accordance with arrangements between the Shell International Petroleum Company Limited (acting on its own behalf and also on behalf of associated companies in the Royal Dutch/Shell Group) and the Bank of Brazil recorded in letters of the 28th of June and the 4th of July respectively, payment will be completed not later than the 31st of August, 1961, of an amount of £4,700,000 (approximately equivalent to U.S.\$13,200,000) due to companies of the Royal Dutch/Shell Group in respect of exchange contracts relating to supplies shipped before the 7th of December, 1960; and in addition payment will be made not later than the 31st of August, 1961, in respect of all other exchange contracts which will have matured by that date.

2. A fim de aliviar a pressão sobre os recursos cambiais do Brasil, a Shell International Petroleum Company Limited compromete-se a adiantar ao

2. In order to alleviate the burden on Brazil's foreign exchange resources, Shell International Petroleum Company Limited have undertaken to advance

¹ Translation by the Government of the United Kingdom.

² Traduction du Gouvernement du Royaume-Uni.

Banco do Brasil, após o pagamento da soma acima mencionada, o montante de £4.700.000 (quatro milhões e setecentas mil libras esterlinas), aproximadamente US\$13.200.000,00 (treze milhões e duzentos mil dólares norte-americanos). Essa quantia, que será adiantada pela Brazil Shell Limited, deverá ser reembolsada com base em contratos de câmbio a termo que se vencerão em 33 (trinta e três) prestações mensais iguais, a partir de 30 de setembro de 1961.

to the Bank of Brazil, after completion of the payments mentioned above, the sum of £4,700,000 (approximately U.S.\$13,200,000). This sum, which will be advanced through Shell Brazil Limited, is to be repaid under forward exchange contracts maturing in thirty-three equal monthly instalments commencing on the 30th of September, 1961.

Aproveito, etc.

I avail, &c.

Afonso ARINOS DE MELO FRANCO

Afonso ARINOS DE MELO FRANCO

II

Her Majesty's Ambassador at Rio de Janeiro to the Brazilian Minister of State for Foreign Affairs

BRITISH EMBASSY

Rio de Janeiro, July 21, 1961

Your Excellency,

I have the honour to acknowledge the receipt of your Note of this day's date of which the text, translated, reads as follows :

[See note I]

2. I have the honour to state that the United Kingdom Government have taken note of the arrangements to which you refer.

I avail, &c.

G. A. WALLINGER