

No. 12238

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**UNITED STATES OF AMERICA  
and  
BRAZIL**

**Exchange of notes constituting an agreement regarding deposits for military assistance under the Foreign Assistance Act of 1971. Brasília, 28 February and 27 June 1972**

*Authentic texts: English and Portuguese.*

*Registered by the United States of America on 29 December 1972.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
BRÉSIL**

**Échange de notes constituant un accord relatif aux dépôts effectués au titre de l'assistance militaire en vertu de la loi de 1971 sur l'aide à l'étranger. Brasília, 28 février et 27 juin 1972**

*Textes authentiques : anglais et portugais.*

*Enregistré par les États-Unis d'Amérique le 29 décembre 1972.*

## EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND BRAZIL REGARDING DEPOSITS FOR MILITARY ASSISTANCE UNDER THE FOREIGN ASSISTANCE ACT OF 1971

### I

No. 71

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs of the Government of the Federative Republic of Brazil and has the honor to refer to recent discussions regarding the United States Foreign Assistance Act of 1971, which includes a provision concerning payment to the United States Government in cruzeiros of ten percent of the value of grant military assistance provided by the United States to the Brazilian Government.

In accordance with that provision, it is proposed that the Brazilian Government deposit in an account to be specified by the United States Government, at a rate of exchange which is not less favorable to the United States Government than the best legal rate at which United States dollars are sold by authorized dealers in Brazil for cruzeiros on the date deposits are made, in an amount in cruzeiros equal to ten percent of each grant of military assistance to the Brazilian Government. The Brazilian Government will be notified quarterly of the rendering of defense services and the value thereof. Deposits to the account of the United States Government will be due and payable upon request by the United States Government, which request shall be made, if at all, within one year following the aforesaid notification of deliveries.

It is further proposed that the amounts to be deposited may be used to pay all official costs of the United States Government payable in cruzeiros, including but not limited to all costs relating to the financing of international educational and cultural exchange activities under programs authorized by the United States Mutual Education and Cultural Exchange Act of 1961.

It is finally proposed that the Ministry's reply stating that the foregoing is acceptable to the Brazilian Government shall, together with this note, constitute an agreement between our Governments on this subject effective from and after February 7, 1972, and applicable to the rendering of defense services funded or agreed to and rendered on or subsequent to that date.

The Embassy takes the opportunity to renew to the Ministry the assurance of its highest consideration.

Embassy of the United States of America

Brasília, February 28, 1972.

<sup>1</sup> Came into force on 27 June 1972 by the exchange of the said notes, with effect from 7 February 1972, in accordance with their provisions.

[TRANSLATION<sup>1</sup> — TRADUCTION<sup>2</sup>]

*The Brazilian Ministry of Foreign Affairs to the American Embassy*

MINISTRY FOR FOREIGN AFFAIRS

DAS/DAI/83/N620.1(B13)(B46)

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honor to acknowledge receipt of note No. 71 of February 20, 1972, which, translated into Portuguese, reads as follows:

[*See note I*]

In reply, the Ministry of Foreign Affairs informs the Embassy of the United States of America that it accepts the terms of the note transcribed above, which, together with this note, shall constitute an agreement between the Government of the Federative Republic of Brazil and the Government of the United States of America.

Brasília, June 27, 1972.

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<sup>1</sup> Translation supplied by the Government of the United States of America.

<sup>2</sup> Traduction fournie par le Gouvernement des Etats-Unis d'Amérique.