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 AGREEMENT[1] 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.

Date	Instalment
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 :

Date	Amount
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.