

## LEND-LEASE<sup>1</sup>

*Agreement signed at Washington March 3, 1942*  
*Entered into force March 3, 1942*

1942 For. Rel. (V) 815

Whereas the United States of America and the United States of Brazil on the first day of October 1941<sup>2</sup> concluded an Agreement for the providing of defense articles and defense information by either country to the other country; and

Whereas the United States of America and the United States of Brazil are both desirous of modifying the Agreement concluded on the first day of October 1941 to the advantage of both parties; and

Whereas the United States of America and the United States of Brazil declare in conformity with the principles set forth in the Final Act of the Third Meeting of Ministers of Foreign Affairs of the American Republics in Rio de Janeiro, approved January 28, 1942, their determination to cooperate jointly for their mutual protection until the effects of the present aggression against the Continent have disappeared; and

Whereas the President of the United States of America, pursuant to the Act of the Congress of the United States of America of March 11, 1941,<sup>3</sup> and the President of the Republic of the United States of Brazil have determined that the defense of each of the American republics is vital to the defense of all of them;

The undersigned, being duly authorized for that purpose, have agreed as follows:

### ARTICLE I

The Agreement concluded by the United States of America and the United States of Brazil on the first day of October 1941 for the providing of defense articles and defense information by either country to the other country, shall cease to have effect upon the signing of the present Agreement. All deliveries of defense materials or defense information by either country to the other country or any payments made by either country to the other country in

<sup>1</sup> See footnote 1, p. 905.

<sup>2</sup> *Ante*, p. 905.

<sup>3</sup> 55 Stat. 31.

accordance with the terms of the Agreement concluded by the United States of America and the United States of Brazil on the first day of October 1941 shall be deemed to constitute deliveries or payments in accordance with the terms of the present Agreement.

#### ARTICLE II

The United States of America proposes to transfer to the United States of Brazil under the terms of this Agreement armaments and munitions of war to a total value of about \$200,000,000.

In conformity, however, with the Act of the Congress of the United States of America of March 11, 1941, the United States of America reserves the right at any time to suspend, defer, or stop deliveries whenever, in the opinion of the President of the United States of America, further deliveries are not consistent with the needs of the defense of the United States of America or the Western Hemisphere; and the United States of Brazil similarly reserves the right to suspend, defer, or stop acceptance of deliveries under the present Agreement, when, in the opinion of the President of the Republic of the United States of Brazil, the defense needs of the United States of Brazil or the Western Hemisphere are not served by the continuance of the deliveries.

#### ARTICLE III

Records shall be kept of all defense articles transferred under this Agreement, and not less than every ninety days schedules of such defense articles shall be exchanged and reviewed.

The Government of the United States of America agrees to accord to the Government of the United States of Brazil a reduction of 65 percent in the scheduled cost of the materials delivered in compliance with the stipulations of the present Agreement; and the Government of the United States of Brazil promises to pay in dollars into the Treasury of the United States of America 35 percent of the scheduled cost of the materials delivered. The United States of Brazil shall not be required to pay more than a total of \$11,666,666.66 before January 1, 1943, more than a total of \$23,333,333.33 before January 1, 1944, more than a total of \$35,000,000.00 before January 1, 1945, more than a total of \$46,666,666.66 before January 1, 1946, more than a total of \$58,333,333.33 before January 1, 1947, or more than a total of \$70,000,000.00 before January 1, 1948.

#### ARTICLE IV

The United States of America and the United States of Brazil, recognizing that the measures herein provided for their common defense and united resistance to aggression are taken for the further purpose of laying the bases for a just and enduring peace, agree, since such measures cannot be effective or such a peace flourish under the burden of an excessive debt, that upon

the payments above provided all fiscal obligations of the United States of Brazil hereunder shall be discharged; and for the same purpose they further agree, in conformity with the principles and program set forth in Resolution XXV on Economic and Financial Cooperation of the Second Meeting of the Ministers of Foreign Affairs of the American Republics at Habana, July 1940,<sup>4</sup> to cooperate with each other and with other nations to negotiate fair and equitable commodity agreements with respect to the products of either of them and of other nations in which marketing problems exist, and to cooperate with each other and with other nations to relieve the distress and want caused by the war wherever, and as soon as, such relief will be succor to the oppressed and will not aid the aggressor.

#### ARTICLE V

Should circumstances arise in which the United States of America in its own defense or in the defense of the Americas shall require defense articles or defense information which the United States of Brazil is in a position to supply, the United States of Brazil will make such defense articles and defense information available to the United States of America, to the extent possible without harm to its economy and under terms to be agreed upon.

#### ARTICLE VI

The United States of Brazil undertakes that it will not, without the consent of the President of the United States of America, transfer title to or possession of any defense article or defense information received under this Agreement, or permit its use by anyone not an officer, employee, or agent of the United States of Brazil.

Similarly, the United States of America undertakes that it will not, without the consent of the President of the Republic of the United States of Brazil, transfer title to or possession of any defense article or defense information received in accordance with Article V of this Agreement, or permit its use by anyone not an officer, employee, or agent of the United States of America.

#### ARTICLE VII

If, as a result of the transfer to the United States of Brazil of any defense article or defense information, it is necessary for the United States of Brazil to take any action or make any payment in order fully to protect any of the rights of any citizen of the United States of America who has patent rights in and to any such defense article or information, the United States of Brazil will do so, when so requested by the President of the United States of America.

Similarly, if, as a result of the transfer to the United States of America of any defense article or defense information, it is necessary for the United States of America to take any action or make any payment in order fully to

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<sup>4</sup> For text, see *Department of State Bulletin*, Aug. 24, 1940, p. 141.

protect any of the rights of any citizen of the United States of Brazil who has patent rights in and to any such defense article or information, the United States of America will do so, when so requested by the President of the Republic of the United States of Brazil.

#### ARTICLE VIII

This Agreement shall continue in force from the date on which it is signed until a date agreed upon between the two Governments.

Signed and sealed in the English and Portuguese languages, in duplicate, at Washington, this third day of March, 1942.

For the United States of America:

SUMNER WELLES

*Acting Secretary of State of the  
United States of America*

For the United States of Brazil:

CARLOS MARTINS PEREIRA E SOUSA

*Ambassador Extraordinary and Plenipotentiary of  
the United States of Brazil at Washington*