2. For the purpose of this Agreement, any term not defined in this Agreement shall have the meaning assigned to it under the applicable legislation.

Article 2
Matters Covered

This Agreement shall apply,

1. as regards Japan, to the following Japanese pension systems:

(a) the National Pension (except the National Pension Fund);

(b) the Employees' Pension Insurance (except the Employees' Pension Fund);

(c) the Mutual Aid Pension for National Public Officials;

(d) the Mutual Aid Pension for Local Public Officials and Personnel of Similar Status (except the pension system for members of local assemblies); and

(e) the Mutual Aid Pension for Private School Personnel;

(the Japanese pension systems specified in (b) to (e) shall hereinafter be referred to as the "Japanese pension systems for employees"),

however, for the purpose of this Agreement, the National Pension shall not include the Old Age Welfare Pension or any other pensions which are granted on a transitional or complementary basis for the purpose of welfare and which are payable wholly or mainly out of national budgetary resources; and

2. as regards Brazil,

(a) to the Old-age, Disability and Survivors' benefits as established by the General Regime of Social Security; and

(b) to the Old-age, Disability and Survivors' benefits as established by the military's and the civil servants' social security regimes.

Article 3
Persons Covered

This Agreement shall apply to a person who is or has been subject to the legislation of a Contracting State, as well as dependants. For the purpose of this Article, the term "dependants" means, as regards Japan, family members or survivors who derive rights from a person who is or has been subject to the legislation of Japan and, as regards Brazil, dependants as defined under the legislation of Brazil.

Article 4
Equality of Treatment

Unless otherwise provided in this Agreement, the persons specified in Article 3, who ordinarily reside in the territory of a Contracting State, shall receive equal treatment with nationals of that Contracting State in the application of the legislation of that Contracting State.

Article 5
Payment of Benefits Abroad

1. Unless otherwise provided in this Agreement, any provision of the legislation of a Contracting State which restricts entitlement to or payment of benefits solely because the person ordinarily resides outside the territory of that Contracting State shall not be applicable to persons who ordinarily reside in the territory of the other Contracting State.

2. Benefits under the legislation of a Contracting State shall be paid to nationals of the other Contracting State who ordinarily reside in the territory of the third state, under the same conditions as if they were nationals of the first Contracting State.

3. Payments of benefits under this Agreement to beneficiaries who reside in the territory of the other Contracting State are effected directly in freely convertible currencies. In case provisions for restricting the exchange of currencies or remittance are introduced by either Contracting State, the Governments of both Contracting States shall immediately consult on the measures necessary to ensure the payments of benefits by either Contracting State under this Agreement.