

**March 23, 1963**

**AGREEMENT BETWEEN THE REPUBLIC OF THE PHILIPPINES AND  
THE UNITED STATES OF AMERICA FOR THE FINANCING OF  
CERTAIN EDUCATIONAL EXCHANGE PROGRAMS**

Note: The Agreement entered into force, March 23, 1963.

Reference: This Agreement is also published in 474 UNTS, p. 81.

The Government of the United States of America and the Government of the Republic of the Philippines;

Desiring to promote further mutual understanding between the peoples of the United States of America and the Republic of the Philippines by a wider exchange of knowledge and professional talents through educational contacts;

Have agreed as follows:

**ARTICLE 1**

There shall be established a Foundation to be known as The United States Educational Foundation in the Philippines (hereinafter designated "the Foundation"), which shall be recognized by the Government of the United States of America and the Government of the Republic of the Philippines as an organization created and established to facilitate the administration of the educational program provided for in the present Agreement.

Except as provided in Article 3 hereof, the Foundation shall be exempt from the domestic and local laws of the United States of America and the Republic of the Philippines as they relate to the use and expenditure of currencies and credits for currencies for the purposes set forth in the present Agreement.

The funds made available under the present Agreement shall be used by the Foundation for the purpose of:

- (1) financing studies, research, instruction, and other educational activities (i) of or for citizens and nationals of the United States of America in the Philippines and (ii) of or for citizens of the Philippines in United States schools and institutions of learning located in or outside the United States of America;
- (2) financing visits and interchanges between the United States of America and the Philippines of students, trainees, teachers, instructors, and professors; and
- (3) financing such other related educational and cultural programs and activities as are provided for in budgets approved in accordance with Article 3 hereof.

**ARTICLE 2**

In furtherance of the aforementioned purposes, the Foundation may exercise all powers necessary to the carrying out of the purpose of the present Agreement including the following:

- (1) Receive funds.

- (2) Open and operate bank accounts in the name of the Foundation in a depository or depositories to be designated by the Secretary of State.
- (3) Disburse funds and make grants and advances of funds for the authorized purposes of the Foundation, including payment for transportation, tuition, maintenance and other expenses incident thereto.
- (4) Acquire, hold, and dispose of such property in the name of the Foundation as the Board of Directors of the Foundation may consider necessary or desirable, provided however, that the acquisition of any real property shall be subject to the prior approval of the Secretary of State.
- (5) Plan, adopt, and carry out programs, in accordance with the purposes of this Agreement.
- (6) Recommend to the Board of Foreign Scholarships of the United States of America students, trainees, professors, research scholars, teachers, instructors, President in the Philippines, and institutions of the Philippines qualified to participate in the programs.
- (7) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the programs as it may deem necessary for achieving the purposes and objectives of the Foundation.
- (8) Provide for periodic audits of the accounts of the Foundation as directed by auditors selected by the Secretary of State.
- (9) Engage administrative and clerical staff and fix and pay the salaries and wages thereof, and incur other administrative expenses as may be deemed necessary out of funds made available under the present Agreement.
- (10) Administer or assist in administering or otherwise facilitate educational and cultural programs and activities that further the purposes of the present Agreement but are not financed by funds made available under this Agreement, provided, however, that such programs and activities and the Foundation's role therein shall be fully described in annual or special reports made to the Secretary of State and to the Government of the Republic of the Philippines as provided in Article 7 hereof, and provided that no objection is interposed by either the Secretary of State or the Government of the Republic of the Philippines to the Foundation's actual or proposed role therein.

### **ARTICLE 3**

All expenditures by the Foundation shall be made pursuant to an annual budget to be approved by the Secretary of State.

### **ARTICLE 4**

The Foundation shall not enter into any commitment or create any obligation which shall bind the Foundation in excess of the funds actually on hand nor acquire, hold, or dispose of property except for the purposes authorized in the present Agreement.

### **ARTICLE 5**

The management and direction of the affairs of the Foundation shall be vested in a Board of Directors consisting of ten Directors (hereinafter designated the "Board"),