

NETHERLANDS
and
UNITED STATES OF AMERICA

Agreement for the use of funds made available in accordance with the Agreement between the Government of the Kingdom of the Netherlands and the Government of the United States of America regarding settlement for lend-lease, reciprocal aid, surplus property, military relief and claims, signed at Washington, D.C., on 28 May 1947 (with exchange of notes). Signed at The Hague, on 17 May 1949

Official texts : Dutch and English.

Registered by the Netherlands on 13 February 1950.

PAYS-BAS
et
ÉTATS-UNIS D'AMÉRIQUE

Accord concernant l'utilisation des fonds fournis en application de l'accord entre le Gouvernement du Royaume des Pays-Bas et le Gouvernement des Etats-Unis d'Amérique relatif au règlement des questions concernant le prêt-bail, l'aide réciproque les biens militaires en surplus, l'assistance militaire et les créances, signé à Washington (D.C.) le 28 mai 1947 (avec échange de notes) Signé à La Haye, le 17 mai 1949

Textes officiels néerlandais et anglais.

Enregistré par les Pays-Bas le 13 février 1950.

No. 717. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR THE USE OF FUNDS MADE AVAILABLE IN ACCORDANCE WITH THE AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF THE NETHERLANDS AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA REGARDING SETTLEMENT FOR LEND-LEASE, RECIPROCAL AID, SURPLUS PROPERTY, MILITARY RELIEF, AND CLAIMS, SIGNED AT WASHINGTON, D.C., ON 28 MAY 1947² SIGNED AT THE HAGUE, ON 17 MAY 1949

The Government of the Kingdom of the Netherlands and the Government of the United States of America ;

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

Considering that Section 32 (b) of the United States Surplus Property Act of 1944, as amended by Public Law 584, 79th Congress, provides that the Secretary of State of the United States of America may enter into an agreement with any foreign government for the use of currencies or credits for currencies of such foreign government acquired as a result of surplus property disposals for certain educational activities ; and

Considering that under the provisions of the Agreement between the Government of the Kingdom of the Netherlands and the Government of the United States of America Regarding Settlement for Lend-Lease, Reciprocal Aid, Surplus Property, Military Relief, and Claims, signed at Washington, D.C., on May 28, 1947 (hereinafter designated the " Settlement Agreement "),² it is provided that the Government of the Kingdom of the Netherlands, when requested by the Government of the United States of America, will make

¹ Came into force on 17 May 1949, as from the date of signature, in accordance with article 17.

² United Nations, *Treaty Series*, Volume 17, page 29.

available at any time or times, by payment to the Government of the United States of America or to such persons or organizations as the Government of the United States of America may designate, Netherlands currency in any amount (computed as provided in Sub-paragraph 7 E of the Settlement Agreement) not in excess of the then unpaid portion of the total principal amount plus past due interest, for the payment of the cost of educational programs agreed upon by the two Governments ;

Have agreed as follows :

Article 1

There shall be established a foundation to be known as the United States Educational Foundation in the Netherlands (hereinafter designated "the Foundation"), which shall be recognized by the Government of the Kingdom of the Netherlands and the Government of the United States of America as an organization created and established to facilitate the administration of the educational program to be financed by funds made available by the Government of the Kingdom of the Netherlands under the terms of the present Agreement. Except as provided in Article 3 hereof the Foundation shall be exempt from the domestic and local laws of the Kingdom of the Netherlands and the United States of America, 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 by the Government of the Kingdom of the Netherlands, within the conditions and limitations hereinafter set forth, shall be used by the Foundation or such other instrumentality as may be agreed upon by the Government of the Kingdom of the Netherlands and the Government of the United States of America for the purpose, as set forth in Section 32 (b) of the United States Surplus Property Act of 1944, as amended, of

(1) financing studies, research, instruction, and other educational activities of or for citizens of the United States of America in schools and institutions of higher learning located in the Netherlands Surinam, and the Netherlands West Indies, or of the nationals of the Netherlands, Surinam, and the Netherlands West Indies in United States schools and institutions of higher learning located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, including payment for transportation, tuition, maintenance, and other expenses incident to scholastic activities ; or

(2) furnishing transportation for nationals of the Netherlands, Surinam, and the Netherlands West Indies who desire to attend United States schools

and institutions of higher learning in the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico and the Virgin Islands and whose attendance will not deprive citizens of the United States of America of an opportunity to attend such schools and institutions.

Article 2

In furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of Article 10 of the present Agreement, exercise all powers necessary to the carrying out of the purposes 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 the United States of America.

(3) Disburse funds and make grants and advances of funds for the authorized purposes of the Foundation.

(4) Acquire, hold and dispose of 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 of the United States of America.

(5) Plan, adopt, and carry out programs, in accordance with the purposes of Section 32 (b) of the United States Surplus Property Act of 1944, as amended, and the purposes of this Agreement.

(6) Recommend to the Board of Foreign Scholarships, provided for in the United States Surplus Property Act of 1944, as amended, students, professors, research scholars, residents in the Netherlands Surinam, and the Netherlands West Indies, and institutions of the Netherlands, Surinam, and the Netherlands West Indies qualified to participate in the program in accordance with the aforesaid Act.

(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 purpose 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 of the United States of America.

(9) Engage administrative and clerical staff and fix the salaries and wages thereof.

Article 3

All expenditures by the Foundation shall be made pursuant to an annual budget to be approved by the Secretary of State of the United States of America pursuant to such regulations as he may prescribe.

Article 4

The Foundation shall not enter into any commitments 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 members (hereinafter designated the "Board"), five of whom shall be nationals of the Kingdom of the Netherlands and five of whom shall be citizens of the United States of America. Of the citizens of the United States a minimum of three shall be officers of the United States Foreign Service establishment in the Netherlands. The principal officer in charge of the diplomatic mission of the United States of America to the Netherlands (hereinafter designated as the "Chief of Mission") shall be honorary Chairman of the Board. He shall cast the deciding vote in the event of a tie vote by the Board and shall appoint the Chairman of the Board. The United States citizens on the Board shall be appointed and removed by the Chief of Mission; the nationals of the Kingdom of the Netherlands on the Board shall be designated by the Government of the Kingdom of the Netherlands.

The members shall serve from the time of their appointment until one year from the following December 31 and shall be eligible for reappointment. Vacancies by reason of resignation, transfer of residence outside the Netherlands, expiration of term service or otherwise, shall be filled in accordance with this procedure. The members shall serve without compensation, but the Board is authorized to pay the necessary expenses of the members in attending the meetings of the Board.

Article 6

The Board shall adopt such by-laws and appoint such committees as it shall deem necessary for the conduct of the affairs of the Foundation.