

No. 7570

**UNITED STATES OF AMERICA
and
REPUBLIC OF CHINA**

**Agreement for the financing of certain educational and
cultural exchange programs. Signed at Taipei, on
23 April 1964**

Official texts: English and Chinese.

Registered by the United States of America on 3 February 1965.

**ÉTATS-UNIS D'AMÉRIQUE
et
RÉPUBLIQUE DE CHINE**

**Accord relatif au financement de certains programmes
d'échanges dans le domaine de l'enseignement et de la
culture. Signé à Taïpeh, le 23 avril 1964**

Textes officiels anglais et chinois.

Enregistré par les États-Unis d'Amérique le 3 février 1965.

No. 7570. AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE REPUBLIC OF CHINA FOR THE FINANCING OF CERTAIN EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS. SIGNED AT TAIPEI, ON 23 APRIL 1964

The Government of the United States of America and the Government of the Republic of China,

Desiring to promote further mutual understanding between the peoples of the United States of America and the Republic of China 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 Republic of China (hereinafter designated "the Foundation"), which shall be recognized by the Government of the United States of America and the Government of the Republic of China as an organization created and established to facilitate the administration of an educational and cultural exchange program to be financed by funds made available to the Foundation by the Government of the United States of America. Except as provided in Article 3, the Foundation shall be exempt from the domestic and local laws of the United States of America as they relate to the use and expenditure of currencies and credits for currencies for the purpose set forth in the present agreement. The funds and property which may be acquired with the funds in furtherance of the purposes of the agreement shall be regarded in the Republic of China as property of a foreign government, insofar as taxation and kindred matters are concerned.

The funds made available under the terms of this agreement shall be used by the Foundation for the purpose of

(1) financing studies, research, instruction, and other educational activities of or for citizens and nationals of the United States of America in the Republic of China, and of or for citizens and nationals of the Republic of China in United States schools and institutions of learning located in or outside the United States of America;

¹ Came into force on 23 April 1964, upon signature, in accordance with article 14.

(2) financing visits and interchanges between the United States of America and the Republic of China of students, trainees, teachers, instructors and professors; and

(3) financing such other related educational and cultural programs and activities as may be provided for in budgets approved in accordance with Article 3 hereof.

Article 2

In furtherance of the aforementioned purposes, the Foundation may, subject to the provisions of Article 10 of the present agreement and not in conflict with the laws of the Republic of China except as provided in the first paragraph of Article 1 of the present agreement, exercise all powers necessary to the carrying out of the purposes of this 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 of the United States of America.

(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 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 and also to such conditions and requirements as are or may be prescribed by laws and regulations enforced in the territory where the property is situated.

(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, and instructors, resident in the Republic of China, and institutions of the Republic of China qualified to participate in the program.

(7) Recommend to the aforesaid Board of Foreign Scholarships such qualifications for the selection of participants in the program 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 and pay the salaries and wages thereof, and incur other administrative expenses.

(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 reports made to the Secretary of State of the United States of America and the Government of the Republic of China, and provided that no objection is interposed by either to the Foundation's actual or proposed role therein.

Article 3

All commitments, obligations, and expenditures authorized 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 plan its annual programs in such a way that full use shall as far as possible be made of the funds made available to the Foundation for each year. The Foundation shall not enter into any commitments or create any obligation which shall bind the Foundation in excess of the funds to be received during any given calendar year.

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 citizens of the United States of America and five of whom shall be citizens of the Republic of China. In addition, the principal officer in charge of the Diplomatic Mission of the United States of America to the Republic of China (hereinafter designated "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. The Chief of Mission shall appoint and remove the citizens of the United States on the Board. At least three United States members of the Board shall be officers of the United States Foreign Service establishment in the Republic of China. The Chief of Mission shall appoint one of these officers to serve as Chairman of the Board and another to serve as Treasurer. The citizens of the Republic of China on the Board shall be appointed by the Government of the Republic of China from a list of nominees concurred in by the Chief of Mission and may be removed by the Government of the

Republic of China. Of the citizens of the Republic of China on the Board, one of them shall be a designee of the Minister of Education and one a designee of the Minister of Foreign Affairs.

The members shall serve from the time of their appointment until the following December 31 and shall be eligible for reappointment. Vacancies by reason of resignation, transfer of residence outside of the Republic of China, expiration of service, or otherwise, shall be filled in accordance with the appointment procedure set forth in this article.

The members shall serve without compensation but the Board may authorize the payment of necessary expenses of the members in attending the meetings of the Board and in performing other official duties assigned by 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.

Article 7

Reports as directed by the Secretary of State of the United States of America shall be made annually on the activities of the Foundation to the Secretary of State of the United States of America and the Government of the Republic of China. Special reports may be made more often, in the discretion of the Board or on request of the Secretary of State of the United States of America or the Government of the Republic of China.

Article 8

The principal office of the Foundation shall be in the capital city of the Republic of China, but meetings of the Board and any of its committees may be held in such other places as the Board may from time to time determine, and the activities of any of the Foundation's officers or staff may be carried on at such places as may be approved by the Board.

Article 9

The Board may appoint an Executive Officer and determine his salary and term of service, provided, however, that in the event it is found to be impracticable for the Board to secure an appointee acceptable to the Honorary Chairman, the Government of the United States of America may provide an Executive Officer and such assistants as may be deemed necessary to ensure the effective operation of the program. The Executive Officer shall be responsible for the direction and supervision of the Board's programs and activities in accordance

with the Board's resolutions and directives. In his absence or disability, the Board may appoint a substitute for such time as it deems necessary or desirable.

Article 10

The decision of the Board in all matters may, in the discretion of the Secretary of State of the United States of America, be subject to his review.

Article 11

There may be used for the purposes of this agreement any funds, including currency of the Republic of China, held or available for expenditure by the Government of the United States of America for such purposes and contributions to the Foundation from any source.

The Secretary of State of the United States of America will make available to the Foundation funds in such amounts as may be required by the Foundation, but in no event may amounts in excess of the budgetary limitation established pursuant to Article 3 of the present agreement be expended by the Foundation.

The performance of this agreement shall be subject to the availability of appropriations to the Secretary of State of the United States of America, when required by the laws of the United States of America.

Article 12

Wherever, in the present agreement, the term "Secretary of State of the United States of America" is used, it shall be understood to mean the Secretary of State of the United States of America or any officer or employee of the Government of the United States of America designated by him to act in his behalf.

Article 13

The present agreement may be amended by the exchange of diplomatic notes between the Government of the United States of America and the Government of the Republic of China.

Article 14

The present agreement supersedes the Agreement between the Government of the United States of America and the Government of the Republic of China signed at Nanking on November 10, 1947, as amended.¹

¹ United Nations, *Treaty Series*, Vol. 12, p. 39; Vol. 303, p. 286, and Vol. 405, p. 276.

The present agreement shall come into force upon the date of signature.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments, have signed the present agreement.

DONE at Taipei, in duplicate, in the English and Chinese languages, this twenty-third day of April, 1964, corresponding to the twenty-third day of the fourth month of the fifty-third year of the Republic of China.

For the Government
of the United States of America :

Gerauld WRIGHT

[SEAL]

For the Government
of the Republic of China :

SHEN Chang-huan

[SEAL]