

No. 12234

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**UNITED STATES OF AMERICA  
and  
IRAN**

**Exchange of notes constituting an agreement regarding deposits for military assistance under the Foreign Assistance Act of 1971. Tehran, 8 and 29 May 1972**

*Authentic text: English.*

*Registered by the United States of America on 29 December 1972.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
IRAN**

**Échange de notes constituant un accord relatif aux dépôts effectués au titre de l'assistance militaire en vertu de la loi de 1971 sur l'aide à l'étranger. Téhéran, 8 et 29 mai 1972**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 29 décembre 1972.*

## EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND IRAN REGARDING DEPOSITS FOR MILITARY ASSISTANCE UNDER THE FOREIGN ASSISTANCE ACT OF 1971

### I

No. 317

The Embassy of the United States of America presents its compliments to the Imperial Ministry of Foreign Affairs of the Government of Iran and has the honor to refer to recent discussions regarding the United States Foreign Assistance Act of 1971 which includes in section 514 of the Act a provision requiring payment to the United States Government in rials of ten percent of the value of grant military assistance provided by the United States to the Government of Iran.

In accordance with this provision, it is proposed that the Government of Iran deposit in an account to be specified by the United States Government, at a rate of exchange which is not less favorable to the United States Government than the best legal rate at which U.S. dollars are sold by authorized dealers in Iran for rials on the date deposits are made, an amount equal to ten percent of each grant of military assistance to the Government of Iran. The Government of Iran will be notified quarterly of the rendering of grant military assistance services and the values thereof. Deposits to the account of the United States Government will be due and payable upon request by the United States Government, which request shall be made, if at all, within one year following the aforesaid notification.

It is further proposed that the amounts to be deposited be used to pay any official costs of the United States Government payable in rials, including but not limited to any costs relating to the financing of international educational and exchange activities under programs authorized by the United States Mutual Educational and Cultural Exchange Act of 1961.

It is finally proposed that the Ministry's reply stating that the foregoing is acceptable to the Government of Iran, shall, together with this note, constitute an agreement between our Governments on this subject effective from and after February 7, 1972 and applicable to rendering of defense services funded or agreed to and rendered on or subsequent to that date.

The Embassy avails itself of this opportunity to renew to the Imperial Ministry of Foreign Affairs of the Government of Iran the assurances of its highest consideration.

Embassy of the United States of America

Tehran, May 8, 1972.

<sup>1</sup> Came into force on 29 May 1972 by the exchange of the said notes, with effect from 7 February 1972, in accordance with their provisions.

## II

*The Iranian Ministry of Foreign Affairs to the American Embassy*IMPERIAL MINISTRY  
OF FOREIGN AFFAIRS

No. 1362/18

The Imperial Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and has the honour to acknowledge the Embassy's note of May 8, 1972 which read as follows:

[See note I]

and to concur thereto.

The Ministry avails itself of this opportunity to renew to the Embassy the assurances of its highest consideration.

Tehran, 29th May 1972.

The Embassy of the United States of America  
Tehran

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