

**No. 22080**

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**NEW ZEALAND  
and  
UNITED STATES OF AMERICA**

**Agreement on the pricing of military training. Signed at  
Washington on 19 April 1982**

*Authentic text: English.*

*Registered by New Zealand on 26 July 1983.*

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**NOUVELLE-ZÉLANDE  
et  
ÉTATS-UNIS D'AMÉRIQUE**

**Accord relatif au calcul des frais d'entraînement militaire.  
Signé à Washington le 19 avril 1982**

*Texte authentique : anglais.*

*Enregistré par la Nouvelle-Zélande le 26 juillet 1983.*

## UNITED STATES-NEW ZEALAND AGREEMENT<sup>1</sup> ON THE PRICING OF MILITARY TRAINING

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1. This Agreement applies to training sold by either Party to the other under which military personnel and defence-related civilian personnel of the Purchaser attend courses of instruction provided by the defense establishments of the Seller. Nothing in this Agreement compels either Party to sell any such training to the other. Conditions under which training may be sold, including student qualification, locations, availability and length of courses, terms of payment, medical and dental care, trainee travel and living allowance, living conditions, and pricing of training (except as specifically provided in this Agreement), shall be determined by the Seller in accordance with its laws and policies.

2. The reduced training prices provided in this Agreement will apply only to those training courses that commence on or after the date the Agreement is signed on behalf of both Parties.

3. Training prices shall include, to the extent required by law and regulations of the Seller, all direct costs incurred by the Seller in providing training courses, but shall exclude the following charges:

- a.* Administrative surcharge (a charge to recover the Seller's costs of those administrative services and sales management expenses not easily identifiable or attributable to a particular sale);
- b.* Asset use charge (a charge to recover a share of the Seller's costs attributed to use of government-owned plant and production equipment, including the costs of depreciation, attrition (damage), and interest on capital investment); and
- c.* Other indirect cost charges (charges to recover those expenses of the Seller, such as general facility operation and support costs, that benefit both non-training as well as training activities and that are usually attributed to training activities by means of percentage (factor) allocations).

4. Any charge for the cost of billeting trainees will not exceed the charge levied by the Seller on members of its own armed forces for occupying comparable accommodations. This Agreement does not oblige the Seller to furnish accommodations for trainees.

5. If the laws of either Party change with regard to the pricing of training courses that are the subject of this Agreement, the Parties will consult as to the desirability of amendment.

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<sup>1</sup> Came into force on 19 April 1982 by signature, in accordance with paragraph 6.

6. This Agreement shall enter into force upon signature, may be amended as mutually agreed between the Parties, and may be terminated by either Party by giving sixty days written notice of intention to terminate.

United States:

[*Signed*]

JAMES H. AHMANN  
Lieutenant General, USAF  
Director, Defense Security  
Assistance Agency

April 19, 1982

New Zealand:

[*Signed*]

I. M. GILLARD  
Air Commodore, RNZAF  
Head, NZ Defence Staff,  
New Zealand Embassy,  
Washington, D.C.

April 19, 1982