

FINANCING OF EDUCATIONAL EXCHANGE PROGRAM

Agreement signed at Tehran September 1, 1949

Entered into force September 1, 1949

Superseded by agreement of October 24, 1963¹

63 Stat. 2685; Treaties and Other
International Acts Series 1973

AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE IMPERIAL GOVERNMENT OF IRAN FOR THE USE OF FUNDS RECEIVED BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA FROM THE SALE OF SURPLUS PROPERTY IN IRAN

The Government of the United States of America and the Imperial Government of Iran;

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

Considering that Section 32(b) of the United States Surplus Property Act of 1944, as amended by Public Law No. 584, 79th Congress,² 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 certain currencies of the Imperial Government of Iran have been received by the Government of the United States of America in payment for certain surplus war properties;

Have agreed as follows:

ARTICLE 1

There shall be established a commission to be known as The United States Commission for Cultural Exchange Between Iran and United States, which shall be recognized by the Government of the United States of America and the Imperial Government of Iran 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 United States of America as provided by Section 32(b) of the United States Surplus Property Act of 1944, as amended, under the terms of the present agreement.

¹ 14 UST 1510; TIAS 5451.

² 60 Stat. 754.

Except as hereinafter provided, the Commission shall be exempt from the domestic and local laws of the United States of America as they relate to the use and expenditure of the funds for the purposes set forth in the present agreement. The funds and credits shall enjoy the same treatment in Iran as is practiced with regard to properties belonging to foreign governments.

The funds made available by the Government of the United States of America, under the present agreement within the conditions and limitations hereinafter set forth, shall be used by the Commission or such other instrumentality as may be agreed upon by the Government of the United States of America and the Imperial Government of Iran for the following purposes:

1. Financing studies, research, instruction and other educational activities of the citizens of the United States of America in schools and institutions of higher learning located in Iran or of the nationals of Iran 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 Iran 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 Commission may, subject to the provisions of the present agreement, exercise all powers necessary to the carrying out of the purposes of this agreement, including the following:

1. Authorize the Treasurer of the Commission or such other person as the Commission may designate to open and operate bank accounts in the Bank Melli Iran in the name of the Commission. The appointment of the Treasurer or such designee shall be approved by the Secretary of State of the United States of America.

2. Authorize the disbursement of funds and the ranking of grants of funds for the approved purposes of this agreement.

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

4. Recommend to the Board of Foreign Scholarships, provided for in the United States Surplus Property Act of 1944, as amended, students, professors, research scholars resident in Iran, and institutions of Iran qualified to participate in the programs in accordance with aforesaid act.

5. 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 this agreement.

6. Provide for periodic audits of the accounts of the Commission as directed by the auditors selected by the Secretary of State of the United States of America.

7. Engage an Executive Officer, administrative and clerical staff, fix and pay the salaries and wages thereof.

ARTICLE 3

All commitments, obligations and expenditures authorized by the Commission 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 Commission shall consist of six members three of whom shall be citizens of Iran and the other three citizens of the United States of America, and they shall serve one year, and shall be eligible for reappointment. The Ambassador of the United States of America in Iran or his representative shall be honorary chairman of the board. He shall have the power of appointment and removal of the American members, and may cast the deciding vote in case of a tie. The Iranian members on the Commission shall be appointed and designated by the Iranian Ministry of Education. A chairman with voting power shall be selected by the Commission from among its members. The members shall serve without compensation but the Commission may authorize the payment of the necessary expenses of the members in attending the meetings of the Commission. Vacancies created by reason of transfer, resignation, or otherwise, shall be filled in the same manner as the original appointment.

ARTICLE 5

The Commission shall adopt such rules and appoint such committees as it shall be deemed necessary for the conduct of its affairs.

ARTICLE 6

Reports, prepared in a form and with a content which conform to the regulations prescribed by the Secretary of State of the United States of America, shall be submitted annually on the activities of the Commission, to the Iranian Ministry of Foreign Affairs and the Secretary of State of the United States of America.

ARTICLE 7

The principal office of the Commission shall be in Tehran but meetings of the Commission and any of its committees may be held in such other places as the Commission may from time to time determine and the activities

of any of the Commission's officers or staff may be carried on at such places as may be approved by the Commission.

ARTICLE 8

The Government of the United States of America shall, within 30 days of the date of the signature of the present agreement, place at the disposal of the Commission for purposes of the present agreement ten million (10,000,000) rials in the Bank Melli. The Secretary of State of the United States of America will make available for expenditure, as authorized by the Commission, the Iranian rials so deposited or to be deposited hereafter, in accordance with the limitation pursuant to Article 3 of the present agreement.

ARTICLE 9

Whenever 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 10

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

ARTICLE 11

The Government of the United States of America and the Imperial Government of Iran shall make every effort to facilitate the carrying out of the present agreement and to resolve the problems which may arise in the operations thereof.

ARTICLE 12

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

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

DONE this first day of September nineteen hundred and forty-nine, in duplicate at Tehran, in the English and Persian languages, both texts being equally authentic.

For the United States Government
 JOHN C. WILEY [SEAL]
*Ambassador of the
 United States of America*

For the Imperial Government of Iran
 A. A. HERMAT [SEAL]
Minister of Foreign Affairs