

(*inter alia*) or any combination thereof designated by the Government of the United States, employing in every case the rate of 3.2442 United States dollars to one New Zealand pound ;

(a) by delivery of title to the Government of the United States by the Government of New Zealand of such real property and improvements to real property in New Zealand as may be selected and determined by agreement between the two Governments, aggregating in value not more than \$1,200,000 ;

(b) by establishment of a fund in New Zealand pounds, equivalent to not more than the remaining amount due to the Government of the United States under the Settlement Agreement, for expenditure in accordance with agreement to be reached between the two Governments for carrying out educational and cultural programmes of benefit to the two countries.

Have agreed as follows :

ARTICLE 1

There shall be established a foundation to be known as the United States Educational Foundation in New Zealand (hereinafter designated "the Foundation"), which shall be recognized by the Government of the United States of America and the Government of New Zealand as an organization created and established to facilitate the administration of the educational programme to be financed by funds made available by the Government of New Zealand under the terms of this agreement. Except as provided in Article 3 hereof the Foundation shall be exempt from the domestic and local laws of the United States of America and of New Zealand as they relate to the use and expenditure of currencies and credits for currencies for the purposes set forth in the present agreement.

All of the funds made available by the Government of New Zealand, 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 United States of America and the Government of New Zealand 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