

AGREEMENT
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF CANADA
FOR THE ESTABLISHMENT OF A BINATIONAL
EDUCATIONAL EXCHANGE FOUNDATION

**THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND
THE GOVERNMENT OF CANADA,**

RECOGNIZING that a large number and variety of educational exchanges and visits are already carried out between the two countries;

DESIRING to continue these exchanges and visits as well as to develop a specific program whose principal objective is to encourage further mutual understanding between the peoples of the United States of America and of Canada through educational exchanges; and

CONSIDERING the mutual benefit derived from such programs and the desire of the two Governments to encourage additionally the financing and operating of such programs for the further strengthening of cooperative relations between the two countries;

HAVE agreed as follows:

ARTICLE 1

Purpose

1. The purpose of this Agreement is to increase understanding between Canada and the United States of America by providing opportunities for educational exchanges between Canadian and American post-doctoral scholars as well as graduate students.
2. For that purpose, a Foundation is established with juridical personality under Canadian law, known as the Foundation for Educational Exchange between Canada and the United States of America (hereinafter referred to as "the Foundation"). It shall be financed by funds contributed by the two Governments and by funds received from private sources in the two countries.
3. The Foundation shall enjoy autonomy of management and administration, subject to the provisions of this Agreement.
4. The Foundation, its assets and income shall be exempt from taxes to the extent provided by the Internal Revenue Code of the United States ("the Code") and the U.S.-Canada Income Tax Convention ("the Convention"). Contributions to the Foundation shall be deductible to the extent provided in the Code and the Convention.

ARTICLE 2

Scope of Activities

The Foundation shall, for the purpose of this Agreement:

- a) plan, adopt and carry out educational exchange programs in the fields related to American studies in Canada, Canadian studies in the United States, or the relationship between the two countries;

- b) develop a comprehensive proposal for Foundation programs each fiscal year, detailing their scope for the following year, the academic areas of concentration, types of grants, and similar general guidelines;
- c) authorize the making of grants and the disbursement and the advancement of funds necessary for the carrying out of programs;
- d) conduct an active fund-raising program, through the Executive Director and members of the Board, with the aim of providing not only on-going operating funds but also an endowment, the income from which would be devoted to the support of the purposes described in paragraph a) of this Article. The members of the Board shall abide by the laws of the two Governments with regard to their participation in the solicitation and acceptance of donations;
- e) acquire, hold and dispose of property in the name of the Foundation as its Board may consider necessary or desirable, provided, however, that the acquisition and disposal of any real property shall be subject to the prior approval of the two Governments;
- f) administer or assist in administering or otherwise facilitate the implementation of educational exchange programs that contribute to achieving the purposes of this Agreement but are not financed by funds made available under the Agreement, provided that no objection is interposed by either Government to the Foundation's role therein. Such programs and the Foundation's role therein shall be fully described in the annual or special reports referred to in Article VII, paragraph 1; and
- g) prepare all documents in English and in French.

ARTICLE 3

Implementation - Canada

The Foundation shall, for the purpose of this Agreement:

- a) prepare each year an announcement of and application instructions for a national public competition in Canada, setting forth the details of the program for a particular year, including procedures for the distribution and submission of applications to the Foundation for consideration by its Board and/or review bodies which it may designate; and
- b) transmit to the appropriate universities and other institutions of higher learning in Canada the nominations of candidates who are citizens or nationals of the United States of America for studies, research, instruction and other educational activities in Canada; these nominations shall be made on the basis of a national, public competition in the United States organized by agencies authorized for this purpose.

ARTICLE 4

Implementation - the United States

The Foundation shall, for the purpose of this Agreement:

- a) recommend to the J. William Fulbright Foreign Scholarship Board of the United States of America students, trainees, scholars, teachers, instructors and professors who are citizens or nationals of Canada for participation in programs as it may deem necessary for achieving the purposes of this Agreement; and
- b) in the budgeting and accounting of funds and in financial reporting to the United States Government, follow the Manual for Binational Commissions, originally prepared by the United States Information Agency.

ARTICLE 5

The Board

1. The principal office of the Foundation shall be in Ottawa.

2. The Foundation shall be governed by a Board consisting of twenty members, ten of whom shall be citizens or nationals of the United States of America and ten of whom shall be citizens or nationals of Canada.
3. A Chairperson shall be elected by the Board from its own membership for a period of service of one year, provided that the Chair shall be assumed alternately by an American and a Canadian member. Other officers shall be elected by and from the Board to include, at a minimum, a Treasurer.
4. Each member of the Board shall have one vote, except as qualified in paragraph 5, below. Decisions of the Board shall be made by a majority of the votes cast. The Chairperson shall cast a second and deciding vote in the event of a tie vote by the Board.
5. The Ambassador or the Chargé d'Affaires a.i. of the United States of America to Canada shall be an ex officio, non-voting member of the Board. If the Ambassador is unable to attend a given Board meeting, he/she may appoint a representative. The other nine American members shall be appointed and may be removed by the Ambassador or Chargé d'Affaires a.i. of the United States of America to Canada. At least one of the other nine American members shall be an officer of the diplomatic mission of the United States of America to Canada. The Ambassador or the Chargé d'Affaires a.i. of Canada to the United States of America shall be an ex officio, non-voting member. If the Ambassador is unable to attend a given Board meeting, he/she may appoint a representative. The other nine Canadian members shall be appointed and may be removed by the Minister of Foreign Affairs. At least one of the other nine Canadian members shall be an official of the Government of Canada. The remaining members of the Board shall be drawn from the educational, corporate, and professional communities in the two countries.
6. The non-governmental members shall be appointed for three-year terms and shall be eligible for reappointment. However, no member shall serve for more than six consecutive years. Terms will commence on January 1 and end on December 31. Vacancies by reason of resignation, expiration of service or otherwise, shall be filled in accordance with the preceding paragraph for the balance of the term remaining.
7. The members shall serve without compensation, but the Board may defray the necessary expenses of the members in attending the meetings of the Foundation.

and in performing other official duties arranged by the Board.

8. The members shall engage in fund-raising and program development to increase the number and diversity of Canada-U.S. Fulbright exchange opportunities. Priorities for Board members include raising money to support Fulbright awards and other exchange program activities of the Foundation, promoting the U.S.-Canada Fulbright program, extending the recognition of the Fulbright program, and expanding the impact of educational exchange between Canada and the United States. The members shall abide by the laws of the two Governments with regard to their participation in the solicitation and acceptance of donations.

ARTICLE 6

Administration

1. The Board shall engage an Executive Director and an administrative and clerical staff, fix and pay the salaries and wages thereof, and incur such other expenses as may be necessary for the administration of the Foundation.
2. The Board shall engage such by-laws and appoint committees as it may deem necessary for the conduct of the affairs of the Foundation.
3. Meetings of the Board shall be held two times each year, once in Canada and once in the United States. Board meetings may be held in Washington and Ottawa, but the Board shall also meet to fulfill its fund-raising and program development goals in other locations in Canada and the United States. Committees of the Board may meet, if required, but most committee transactions shall be accomplished by conference call.
4. Robert's Rules of Order shall govern the proceedings of the Board.

ARTICLE 7

Program and Financial Reporting

1. Annual program and financial reports shall be made on the Foundation's activities to the two Governments. Such annual reports shall be made in such form, and cover such content, as may be required by the two Governments. Special reports may be made at the discretion of the Foundation or at the request of either Government.
2. Periodic audits of the accounts of the Foundation, to be made by an auditor selected jointly by the Board, shall be submitted to the two Governments. If so requested by either of the two Governments, the Foundation shall also permit auditing of its accounts by representatives of either or both Governments.
3. The Board shall submit its annual program proposal as described in Article II, paragraph b) to the two Governments for review and approval.
4. The two Governments shall, within the limits of their respective budgetary appropriations for this purpose and taking into account funds donated by other sources or income therefrom, make contributions to the Foundation. The use of contributions from both Governments shall be for purposes authorized by their respective laws.
5. All commitments, obligations and expenditures to be authorized by the Board shall be subject to the annual budget of the Foundation.

ARTICLE 8

Facilitation

The two Governments shall make every effort to facilitate the work of the Foundation within the terms of the Agreement.

ARTICLE 9

Duration

1. This Agreement shall enter into force upon signature and shall remain in force for ten years. It may be extended for additional 10-year periods pursuant to written agreement between the Governments. The Foundation shall exist for as long as the Agreement remains in force.
2. This Agreement may be amended by the exchange of diplomatic notes between the Governments.
3. Either Government may give written notice to the other of its intention to terminate this Agreement, in which case the Agreement shall terminate thirty (30) days after the end of the first calendar year that begins following the date of such notice; but such notice shall not extend the ten-year period, if termination would otherwise occur.
4. Upon termination of the Agreement, funds and property of the Foundation remaining after the return of private unexpended contributions to private donors shall be divided between the two Governments in proportion to their respective contributions to the Foundation, and become the property of the Governments, subject to such conditions, limitations and liabilities as may have been imposed thereon prior to the termination of the Agreement.
5. The Agreement Between the Government of the United States of America and the Government of Canada for the Establishment of a Binational Educational Exchange Foundation, signed on February 13, 1990, is hereby superseded on the date this Agreement enters into force.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at Washington, this fifteenth day of November, 1999, in duplicate, in the English and French languages, both texts being equally authentic.

**FOR THE GOVERNMENT OF
THE UNITED STATES OF AMERICA:**

Leonard D. Huffman

**FOR THE GOVERNMENT OF
CANADA:**

Raymond Chretien