

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 Canada-U.S. 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 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 the non-public 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;
- 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.