

UNITED STATES-NEW ZEALAND AGREEMENT
ON THE PRICING OF MILITARY TRAINING

1. This Agreement applies to training sold by either Party to the other under which military personnel and defense-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 nontraining 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.

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:



(Signature)

JAMES H. AHMANN
Lieutenant General, USAF

Director, Defense Security
Assistance Agency

April 19, 1982

New Zealand:



(Signature)

I. M. GILLARD
Air Commodore, RNZAF

Head, NZ Defence Staff,
New Zealand Embassy,
Washington, D.C.

April 19, 1982