

AGREEMENT BETWEEN
CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA
AND
TEXAS A&M UNIVERSITY, USA
ON THE CONTINUATION OF THE
CONFUCIUS INSTITUTE AT TEXAS A&M UNIVERSITY

In order to strengthen educational cooperation between China and the United States, support and promote the development of Chinese language education, and increase mutual understanding among people in China and in the United States, the Confucius Institute Headquarters of China (“the Headquarters”) and Texas A&M University, USA (“TAMU”), hereinafter jointly referred to as “the parties”, for the purpose of continuing the Confucius Institute at Texas A&M University (“the Institute”), hereby agree as follows (“the Agreement”):

Article 1. Purpose

The purpose of this agreement is to identify the rights and responsibilities of the Headquarters and TAMU in the continued management of the Institute. The Institute shall be an educational institution.

Article 2. Scope of Activities

The Institute will provide the following activities:

1. Teaching Chinese language and providing Chinese language teaching resources;
2. Training Chinese language instructors;
3. Holding the HSK examination (Chinese Proficiency Test) and tests for the

Certification of the Chinese Language Teachers;

4. Providing information and consultative services concerning China's education, culture, and so forth;
5. Conducting language and cultural exchange activities;
6. Other activities, as mutually agreed.

Article 3. Organization

1. The Institute at TAMU shall have a Director Responsibility System under the leadership of the Board of Advisors.
2. The Board of Advisors is formed with eight members nominated from Ocean University of China (authorized by the Headquarters in written form) and TAMU, each party shall nominate four of them, and its duties include: maintaining and amending the mission of the Institute; formulating development plans for the Institute; decision-making on the significant issues including teaching, management; fund raising; examining and approving the budget proposal and ; reporting to Ocean University of China and TAMU on the management status and significant issues.
3. Ocean University of China and TAMU shall appoint their own Director.
4. The institute will collaborate with the Headquarters on the assessment of teaching quality.
5. The Institute activities must be in accordance with the mission of the Confucius Institute, respect cultural customs, and shall not contravene the laws and regulations, both in the USA and China.
6. The Institute draws up annual budget proposals and final financial accounts independently. TAMU will be in charge of the Institute's daily operation and management. TAMU will be responsible for the fiscal management of funds.

Article 4. Obligations

The obligations of the Headquarters:

1. To authorize TAMU to use the title "Confucius Institute", logos and institute emblems.
2. To provide teaching materials, course texts and other books as necessary, to authorize the use of online courses and provide necessary audio-visual materials.
3. Provide a mutually agreeable amount of annual funds.
4. To send Chinese instructors to TAMU, and pay for their air fares, salaries, and living expenses. The Parties shall execute an Agreement regarding the obligations associated with the Provision of Chinese Language Teachers.

The obligations of TAMU

1. Provide a fixed office place and appropriate sites for teaching and other activities of the Confucius Institute; equipped with office and teaching facilities. TAMU will be responsible for the management and maintenance of facilities.
2. Provide necessary administrative personnel (full time or part-time) and provide their allotted salary.
3. Assist in processing the visa applications and home locator service for Chinese instructors.
4. Provide a set amount of annual funds, which should not be less than the amount provided by the Headquarters.

Article 5. Financial Support

TAMU acknowledges receipt of \$43,126 in revenue from 2011 and \$80,000 in payment for 2013, bringing the Year One (1) funding from the Headquarters to \$123,126.

Payment shall be made using the following information:

Financial Institution Information (ACH)

Account Name: Texas A&M University Office of Sponsored Research
Services
City and State: College Station, Texas
ACH Routing Number: 111900659
Account Number: 6070982738
Bank Name: Wells Fargo Bank N.A.
Bank Address: San Francisco, CA
ACH Contact Name: Annie Jackson

Financial Institution Information (Wire)

Account Name: Texas A&M University Office of Sponsored
Research Services
Routing Number: 121000248
Account Number: 6070982738
International Swift Code: WFBIUS6S
Bank Name: Wells Fargo Bank N.A.
Bank Address: San Francisco, CA
Wire Contact Name: Annie Jackson

Additional funding shall be mutually agreed upon by the parties based on a

proposed budget for the subsequent year, submitted to the Headquarters, annually on September 15 by TAMU.

Article 6. Intellectual Property

The Headquarters exclusively owns the title of "The Confucius Institute", its related logo, and emblem as its exclusive intellectual property. The Headquarters grants TAMU a non-exclusive, royalty-free, non-transferable, right and license to use, reproduce, and display (to the extent not prohibited by applicable law) the name of the "Confucius Institute", and its related logo during the term of this Agreement. TAMU is not authorized to use or transfer or license others to use the name or logo, in any form, either directly or indirectly, after this Agreement has terminated. The Institute will follow the intellectual property policies of Texas A&M University in matters concerning intellectual property created by the Institute.

Article 7. Publicity

TAMU shall not use the name of The Headquarters, or the name of The Headquarters employees, in any advertising, promotional or sales literature without the prior written consent obtained from The Headquarters in each case.

The Headquarters shall not use the name of TAMU, or the names of TAMU employees, in any advertising, promotional or sales literature without prior written consent obtained from TAMU in each case.

Article 8. Notices

All notices or communications to either party by the other will be delivered personally or sent by express mail, postage prepaid, addressed to such party at

the following respective addresses for each and will be deemed given on the date so delivered or so deposited in the mail unless otherwise provided herein.

To TAMU:

Technical:

Kelly Kleinkort
Assistant Director, Global Support Program
Director, Confucius Institute
3371 TAMU
College Station, Texas 77843-3371
Phone: (979) 845-3099
Fax:
Email: kkleinkort@tamu.edu

Contractual:

Beth Milam
Senior Contract Negotiator
400 Harvey Mitchell Parkway South, Suite 300
College Station, Texas 77845-4375
Phone: (979) 845-4904
Fax: (979) 862-3250
Email: bmilam@tamus.edu

To Headquarter:

Chao Feng
Assistant Director
129 Deshengmenwai Street, Xicheng District, Beijing
100088, P.R.China
Phone: +86 (0) 10 5859 5940

Fax: +86 (0) 10 5859 5842

Email: fengchao@hanban.org

Article 9. Export Administration

It is understood that TAMU is subject to United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities, and that its obligations hereunder are contingent upon compliance with applicable United States export laws and regulations. Furthermore, it is understood that the transfer of certain technical data and commodities may require a license from one or more agencies of the United States Government. Each Party will comply with applicable U.S. export control laws including without limitation the Export Administration Regulations and the International Traffic in Arms Regulations as currently codified or later amended. This section survives any termination of this Agreement.

Article 10. Confidentiality

To the extent authorized by the law, the parties may wish, in connection with work contemplated under this Agreement, to disclose confidential information to each other ("Confidential Information"). Each party will use reasonable efforts to prevent the disclosure of any of the other party's Confidential Information to third parties for a period of three (3) years after the termination of this Agreement, provided that the recipient party's obligation shall not apply to information that:

- a) is not disclosed in writing or reduced to writing and so marked with as confidential within thirty (30) days of disclosure;
- b) is already in the recipient party's possession at the time of disclosure thereof;

- c) is or later becomes part of the public domain through no fault of the recipient party;
- d) is received from a third party having no obligations of confidentiality to the disclosing party;
- e) is independently developed by the recipient party; or
- f) is required by law or regulation to be disclosed.

In the event that information is required to be disclosed pursuant to subsection f. and to the extent authorized by the law, the party required to make disclosure shall notify the other to allow that party to assert whatever exclusions or exemptions may be available to it under such law or regulation.

Article 11. Independent Contractor

For the purposes of this Agreement and all activities conducted hereunder, the parties shall be, and shall be deemed to be, independent contractors and not agents of employees of the other party. Neither party shall have authority to make any statement, representations or commitments of any kind, or to take any action which shall be binding on the other party, except as may be explicitly provided for herein or authorized in writing.

Article 12. Severability

If any of the provisions of this Agreement or the application thereof to any person or circumstance, is rendered or declared illegal for any reason, or shall be invalid or unenforceable, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby, but shall be enforced to the greatest extent permitted by

applicable law.

Article 13. Revision

With the consent of both parties, this Agreement may be revised during its term and any revisions will be made in writing, both in English and Chinese, and will take effect as signed by authorized representatives of the parties.

Article 14. Term

The Agreement shall be in effect on the date when the two parties sign below. The Agreement shall have a period of 5-year validity. The Agreement will be subject to renewal only by mutual written agreement of both parties.

Article 15. Force Majeure

Parties hereto will be released from their obligations under this agreement in the event of a national emergency, war, prohibitive government regulation or any other cause beyond the control of the parties hereto that renders the performance of this agreement impossible. In the event of such circumstance, the party under the situation shall inform the other party in writing that the program may be delayed or terminated, and duly take the effective measures to mitigate the loss of the other party.

Article 16. Termination

Either party may terminate this Agreement and terminate all of its obligations pursuant to this Agreement:

1. If the other party fails to perform, keep and observe any terms or conditions

required by this Agreement to be performed and fails to cure such default in accordance with the paragraph below, or

2. For convenience with six (6) months written notice to the other party. In the event of termination for convenience, TAMU shall promptly reimburse The Headquarters for any excess funds advanced by The Headquarters under this Agreement, over and above non-cancellable commitments and costs incurred by TAMU as of the date of termination.

In the event of a default, the non-defaulting party will give the defaulting party written notice, pursuant to Article 8 of this Agreement, to correct such default. If the default continues for thirty (30) calendar days after receipt of such notice, the non-defaulting party may terminate this Agreement by written notice to the defaulting party sent pursuant to Article 8 of this Agreement.

The termination of the Agreement shall not infringe upon any other agreement between the two parties.

In the event this Agreement is terminated, the parties agree to work together to make appropriate arrangements for the enrolled students and other work in progress.

Article 17. Dispute Resolution

Any dispute, controversy or claim between the Parties that may arise out of this Agreement or in relation to this Agreement shall be settled amicably through cordial consultations between both Parties or submit to non-binding mediation before a mediator mutually agreed by both parties.

Article 18. Agreement Language

This Agreement is written in Chinese and in English. Each party shall keep one copy in Chinese and one copy in English of the signed Agreement. The Agreement, in both languages, shall have the same effectiveness.

Article 19. Miscellaneous

Other matters not settled by this Agreement shall be solved through friendly, cooperative negotiations between the two parties.

Nothing in this Agreement constitutes or may be construed to be a waiver of the sovereign immunity of both parties.

This Agreement constitutes the entire agreement between the parties relative to the subject matter, and may only be modified or amended by a written agreement signed by both parties.

Confucius Institute Headquarters
(HANBAN)
Chief Executive

Texas A&M University

President

[Redacted signature]

XU Lin

Date: 2013.7.12

[Redacted signature]

R. Bowen Loftin

Date: 21 June 2013

