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AGREEMENT BETWEEN CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA AND THE UNIVERSITY OF NEWCASTLE UPON TYNE, UNITED KINGDOM ON THE ESTABLISHMENT OF CONFUCIUS INSTITUTE IN NEWCASTLE

In order to strengthen educational cooperation between China and the UK, support and promote the development of Chinese language education, and increase mutual understanding among people in China and in the UK, *according to the Constitution and By-laws of Confucius Institutes*, the Confucius Institute Headquarters of China ("the Headquarters") and The University of Newcastle upon Tyne, UK, an unincorporated organisation and charity by statute established under the Universities of Durham and Newcastle upon Tyne Act 1963, a Statute of England, ("Newcastle University"), for the establishment of Confucius Institute in Newcastle ("the Institute"), hereby agree as follows:

Article 1 Purpose

The purpose of this agreement is to identify the rights and responsibilities of the Headquarters and Newcastle University in the establishment and management of the Institute.

Article 2 Nature of the Institute

The Institute shall be a Newcastle University institute.

Article 3 Executive Institution

Newcastle University is desirous of collaborating with Xiamen University. The Headquarters will authorize and appoint Xiamen University to act in its name and on its behalf as the Chinese executive partner to develop the Institute with Newcastle University. A copy of said authorisation and appointment shall be provided by the Headquarters to Newcastle University as soon as it becomes effective. The Headquarters shall ensure that Xiamen University enters into negotiations with Newcastle University with the aim of establishing a supplementary agreement on detailed matters of the cooperation. The supplementary agreement should be reviewed by the Headquarters before signing.

It is expected that the Institute will be launched within one year after this agreement is signed.

Article 4 Scope of the Institute's Activities

Under the Confucius Institute Constitution and By-laws, the Institute can conduct the following activities according to the local circumstances:

1. Teaching Chinese language and providing Chinese language teaching resources;

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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 consultation services concerning education and culture of China;

5. Conducting language and cultural exchange activities;

6. Other activities as requested by Newcastle University, with authorization and by appointment of Headquarters;

Article 5 Organization

1. Under the leadership of the Institute's Board of Directors, the Institute Directors shall be responsible for the day to day operation of the Institute. 2. The Institute's Board of Directors shall comprise three members each nominated from Newcastle University and Xiamen University, and its duties include: formulating and amending the Constitution of the Institute; formulating development plans for the Institute; decision-making on the significant issues including teaching, research and management; fund raising; appointing and dismissing the Directors of the Institute; examining and approving the budget proposals and final financial accounts of the Institute; reporting to Newcastle University and Xiamen University on the management status and significant issues.

3. Newcastle University and Xiamen University shall each appoint one Institute Director.

4. The Institute must accept the assessment of the Headquarters on the teaching quality. Modules will also be subject to Newcastle University's

normal teaching quality procedures.

5. The Institute's activities must be in accordance with the Constitution and By-laws of Confucius Institutes, respect cultural custom and shall not contravene the laws and regulations, both in the UK and China.

6. The Institute shall draw up independent annual budget proposals and final financial accounts. Newcastle University will be in charge of its daily operation and management. The Institute will assume the final responsibility for its surpluses or deficits through charging appropriate fees for language course and other programs.

7. Those modules and programmes accredited by Newcastle University shall be delivered in accordance with the University's regulations on quality assurance.

Article 6 Obligations

The obligations of the Headquarters to Newcastle University:

1. To authorize the use of the title "Confucius Institute", logos and institute emblems.

2. To provide teaching materials, courseware and other books according to the operational demands of the Institute, to authorize the use of online courses. Initially to provide 3,000 volumes of Chinese books, teaching materials, and audio-visual materials for the opening of the Institute.

3. To initially provide \$150,000 start-up funds, followed by a certain amount of annual funding according to the operational demands of the Institute.

4. To send Chinese instructors based on the requirements of teaching, and pay for their air fares and salaries.

5. To ensure that each Chinese instructor holds an appropriate visa to facilitate entry into the UK, and stay, in accordance with UK Boarder Agency requirements.

The obligations of Newcastle University to the Headquarters:

1. To provide a designated office and appropriate sites, which are fully equipped with working and teaching facilities, for teaching and other activities of the Institute; and to be responsible for the installing, and maintenance of all facilities.

2. To provide necessary administrative personnel (full time or part-time) and provide their payment; to provide necessary working facilities and life conveniences for the Chinese instructors.

3. To advise the Chinese staff on their visa applications and residence procedures and provide documentary support as may be required by the UK Borders Agency for entry into the UK.

4. To establish a ring-fenced cost centre for the Institute within the University's financial accounting system for the management of the Institute's financial activities.

5. To provide annual funds, which should not be less than the amount provided by the Headquarters.

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Article 7 Intellectual Property

The Headquarters exclusively owns the title of "The Confucius Institute", its related logo, and emblem as its exclusive intellectual property. Newcastle University cannot continue to apply or transfer the title, logo, and emblem in any form, either directly or indirectly, after this agreement has been terminated.

Intellectual property of any individual teaching program is owned by its provider. Intellectual property for jointly-created teaching programs shall be jointly owned by the contributing parties and each contributing party shall be free to use said jointly owned intellectual property for academic purposes. In the event of any dispute, the parties should consult with each other amicably or submit to an agreed dispute resolution procedure (see Article 12).

Article 8 Revision

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

Article 9 Term

The Agreement shall be in effect on the date when the Headquarters and Newcastle University sign below. The Agreement shall have a period of

5-year validity ("the Term"). At least 90 days before the end of the Agreement, the Headquarters and Newcastle University will agree either to extend (normally for a further 5-year period) or to terminate the agreement.

Article 10 Force Majeure

The Headquarters and Newcastle University 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 claiming Force Majeure shall inform the other party in writing that the program may be delayed or terminated, and duly work with the other party with the aim of identifying measures to minimise any losses of that other party.

Article 11 Termination

This Agreement may be terminated in one of the following cases:

1. Either the Headquarters or Newcastle University giving written notice to the other to terminate this Agreement upon giving a written notice at least six months in advance of their intention to terminate; or

2. The Headquarters and Newcastle University have no aspiration of cooperation at the expiration of the Term; or

3. The aims and objectives of the Agreement can no longer be achieved

because of a substantial change of circumstances; or

4. If the act of the Headquarters, Newcastle University or Xiamen University severely harms, or is likely to harm the image and reputation of the Headquarters or Newcastle University; or

5. An event of Force majeure persists for a period of more than 90 days (see Article 10).

The termination of the Agreement shall not affect any other agreement, contract and program between the Headquarters and Newcastle University.

Before the Agreement is terminated, the Headquarters and Newcastle University shall make all reasonable endeavours to ensure that enrolled students and other affected participants have the opportunity to satisfactorily complete their studies.

Article 12 Dispute Settlement

In the events of any dispute, the Headquarters and Newcastle University shall consult each other amicably or submit to an agreed dispute resolution procedure.

Article 13 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 English Agreement shall take precedence where issues of English law apply, since the Institute is based in the UK.

Article 14 Other Terms

The parties to this Agreement will, subject to any legal requirement to the contrary, treat this Agreement as confidential and will not, without prior written consent, publish, release or disclose information which is knowingly disclosed in confidence as a result of this Agreement, except insofar as such publication, release or disclosure is necessary for each party to fulfill their obligations under this Agreement.

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

Confucius Institute Headquarters (HANBAN) Deputy Chief Executive University of Newcastle Upon Tyne Vice Chancellor

MA Jianfei | Date: 2012, 2117

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Prof. Chris Brink Date: 17.02. 2012