AGREEMENT BETWEEN CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA AND THE INSTITUTE OF EDUCATION, UNIVERSITY OF LONDON,

UK

ON THE ESTABLISHMENT OF

CONFUCIUS INSTITUTE AT THE INSTITUTE OF EDUCATION

In order to strengthen educational cooperation between China and the United Kingdom, support and promote the development of Chinese language education, and increase mutual understanding among people in China and in the United Kingdom, according to the *Constitution and By-laws of Confucius Institutes*, the Confucius Institute Headquarters of China (the Headquarters) and the Institute of Education, University of London (IOE), hereby agree that the IOE will assume responsibility for the Confucius Institute previously hosted by SSAT (The Schools Network) in partnership with Peking University (PKU) in order to establish a Confucius Institute at the Institute of Education (the Institute) and hereby agree as follows:

Article 1 Purpose

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

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Article 2 Character

The Institute shall be a non-profit educational institution.

Article 3 Executive Institution

The Institute should maintain collaboration with PKU. The Headquarters will authorize and appoint the IOE Confucius Institute to establish the Confucius Institute with PKU as the Chinese executive institution. The two parties to this cooperation will sign the supplementary agreement which should be audited by the Headquarters before signing.

The Institute must be launched within one year after this agreement is signed.

Article 4 Scope of activities

The Institute can undertake the following activities according to the Constitution By-laws, and local conditions:

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 with authorization and by appointment of the Headquarters.

The Institute will have the same scope of activities as the SSAT Confucius Institute. Specifically it will:

- Leading and supporting the development of Chinese teaching in SSAT Confucius Classrooms and in the wider school community in England;
- 2. Developing and promoting teaching materials suitable for use in English schools;
- 3. Training local teachers of Chinese and teachers sent from China;
- Advancing research on the learning of Chinese by non-natives providing a secure basis for future thinking and developments in the field;
- 5. Supporting the development of appropriate accreditation both with English Examination Boards and using YCT/HSK proficiency tests;
- 6. Encouraging the Confucius Classrooms to hold a range of appropriate cultural activities;
- 7. Leading and supporting the development of teaching about China in schools;
- 8. Working with Chinese and English schools on bilateral programs at teacher and student level.

Article 5 Organisation

1. The Institute shall adopt a Director Responsibility System under the leadership of the Board of Directors;

2. The Board of Directors will be formed with members nominated from two parties, and its duties include: formulating and amending the Constitution of the Institute; formulating development plans for the Institute; decision-making on significant issues including teaching, research and management; fund raising; appointing and dismissing the director of the Institute; examining and approving the budget proposal and final financial accounts of the Institute; reporting to the two parties on the management status and significant issues;

3. The two collaborating parties will appoint one director respectively.

4. The Institute must accept the assessment of the Headquarters on teaching quality;

5. The Institute's activities must be in accordance with the Constitution and By-laws, and also respect cultural custom and not contravene relevant laws and regulations, both in the United Kingdom and China;

6. The Institute will draw up annual budget proposals and final financial accounts independently. IOE will be in charge of its daily operation and management. It should be responsible for ensuring that profits balance losses when charging fees for language course and other programs.

Article 6 Obligations

The obligations of the Hanban are:

- 1. To authorize the use of the title "Confucius Institute", logos and Institute emblems;
- 2. To provide teaching materials, courseware and other books as necessary, to authorize the use of online courses, and to provide a set amount of annual funds according to needs;
- 3. To send numbers of Chinese instructors based on the requirements of teaching, and pay for their air fares and salaries.

The obligations of IOE are:

- 1. To provide a fixed office place and appropriate sites for teaching and other activities of the Confucius Institute; equipped with office and teaching facilities, and with responsibility for the setting, management and maintenance;
- 2. To provide necessary administrative personnel (full time or part-time) and provide the related payment; to provide necessary working facilities and life conveniences for the Chinese instructors;

- 3. To assist the Chinese party on the visa application and residence procedures;
- 4. To open the special account for the Confucius Institute in the local Bank of China or other bank approved by the Headquarters;
- 5. To ensure an annual investment, which should not be less than the amount provided by the Headquarters.

Article 7 Intellectual Property

The Headquarters has exclusive ownership of the title of "The Confucius Institute", its related logo, and emblem as its exclusive intellectual property. IOE cannot continue using or transfer the title, logo and emblem in any form, either directly or indirectly, after this agreement has been terminated.

The provider of a specific program will own intellectual property of that program. For jointly developed programs, ownership of intellectual property will be decided through joint negotiation. In the event of any dispute, the two parties should consult with each other on friendly terms or submit to the jurisdiction authorities, according to the relevant laws and regulations.

Article 8 Revision

With the consent of both parties, this Agreement may revised during the period of 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 the parties.

Article 9 Term

The Agreement shall be effective on the date when the two parties sign below. The Agreement shall have a period of validity of 5 years. Either party, if it wishes to terminate the Agreement must notify the other in writing during the 90 days before the end of the Agreement, otherwise it will automatically be extended for another 5 years.

Article 10 Force Majeure

The Parties hereto will be released from the 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 circumstances, the party in this situation shall inform the other party in writing that the program may be delayed or terminated, and take effective measures to mitigate the loss of the other party.

Article 11 Termination

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

1. Either party intends to terminate this Agreement upon giving written notice at least six months in advance of their intention to terminate.

2. The two parties have no aspiration of cooperation at the expiration of the term.

3. The Agreement cannot be implemented or cannot achieve the anticipated aim because of changed circumstances.

4. If the act of one party severely harms the image and reputation of the Confucius Institute.

5. The Agreement cannot go through because of force majeure.

The termination of the Agreement cannot affect any other agreement, contract and program between the two parties.

Before the Agreement is terminated, IOE shall make appropriate arrangements for enrolled students and other activities.

Article 12 Dispute settlement

In the event of any dispute, the two parties should consult with each other on friendly terms or submit to the jurisdiction authorities at the place this Agreement is signed.

Article 13 Agreement Language

The 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 effect.

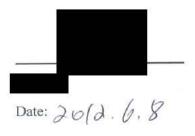
Article 14 Other Terms

The parties to this Agreement will treat this Agreement as confidential and will not, without prior written consent, publish, release or disclose or permit supplied to, obtained by, or which comes to the knowledge of each parties as a result of this agreement except insofar as such publication, release or disclosure is necessary to enable 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) The Institute of Education University of London







Date: 8.6.2012