RENEWAL OF AGREEMENT BETWEEN CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA

AND

UNIVERSITY OF IDAHO IN USA ON CO-DEVELOPMENT OF CONFUCIUS INSTITUTE AT UNIVERSITY OF IDAHO (2018-2023)

In order to strengthen educational cooperation between China and the United States of America ("United States"), support and promote the development of Chinese language education, and increase mutual understanding among people in China and in the United States of America, according to the Constitution and By-laws of Confucius Institutes, the Confucius Institute Headquarters of China ("the Headquarters") and Regents of the University of Idaho ("the University") signed the AGREEMENT BETWEEN CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA AND THE UNIVERSITY OF IDAHO ON THE ESTABLISHMENT OF A CONFUCIUS INSTITUTE AT THE UNIVERSITY OF IDAHO on January 29, 2013. Upon the end of five-year term, after collegial consultation, the Headquarters and the University agree to renew the agreement on the Confucius Institute at The University of Idaho ("the Institute"), as follows:

Article 1 Purpose

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

Article 2 Character

The Institute shall be encompassed within the University, a public cooperation, state educational institution, and a body politic and corporate organized and existing under the Constitution and laws of the state of Idaho.

Article 3 Executive Institution

The University of Idaho and the South China University of Technology ("SCUT") will continue to collaborate on building and operating the Confucius Institute, with SCUT functioning as the Chinese executive institution appointed by the Headquarters. The University and SCUT will sign a supplementary agreement describing the details of cooperation. The supplementary agreement should be reviewed and approved by the Headquarters before signing.

During the operation of the Confucius Institute, if SCUT is determined by the Headquarters to have failed to perform its responsibilities as the Chinese executive institution, the Headquarters can disqualify SCUT and appoint another Chinese institution to function the Chinese executive institution. Such substitute institution shall be required to sign a new implementation agreement with the University. This agreement will not need to be signed anew.

Article 4 Scope of Activities

The Institute can carry out the following activities according to the Constitution and Bylaws of Confucius Institutes as well as local circumstances:

1. Teaching Chinese language, providing Chinese language teaching resources and carrying out research on Chinese language teaching;

- 2. Training Chinese language instructors and developing Chinese language teaching materials;
- 3. Organizing 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 the University and SCUT shall agree, with authorization of the Headquarters.

Article 5 Organization, Operation and Management

- 1. The Institute shall have two Co-Directors who shall operate the Institute under the direction of the Institute's Advisory Board (Advisory Board).
- 2. The Advisory Board shall be selected both by University and SCUT (to be detailed see the supplementary agreement between University and SCUT). Duties of the Advisory Board include advising on: 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 directors 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. A meeting of the Advisory Board should be held at least once a year.
 - 3. The University and SCUT shall each appoint one Director respectively.
- 4. The Headquarters acknowledges that the University of Idaho and its faculty ultimately have the right to determine the content of the curriculum and the manner of instruction for all programs administered by the University. The University of Idaho acknowledges that the Headquarters ultimately has the right to determine the Institute programs to which it provides funding.
- 5. Chinese citizens involved in activities of the Institute shall be subject to the laws of the state of Idaho and the United States of America and the policies of the University of Idaho. United States citizens involved in activities of the Institute in China shall be subject to the laws and policies of China.
- 6. The Institute shall prepare independent annual budget proposals and final financial accounts for the Advisory Board. The University will be in charge of the Institute's daily operation and management and shall assume responsibility for the Institution's profits or losses by charging language course fees and other programs.

Article 6 Obligations

The obligations of the Headquarters:

- 1. To authorize the use of the title "Confucius Institute" and Institute logos and emblems.
- 2. To provide teaching materials, course wares and other books, according to the need, and to authorize the use of online courses.
- 3. To provide annual funding in an amount to be determined by mutual agreement of the parties according to the operational needs of the Institute.
 - 4. To provide Chinese instructors, who shall be selected by the Headquarters, in a number

adequate to meet the Institute's needs for instruction, and to pay for each instructor's salaries, employment costs and travel expenses.

5. To provide support of and access to the Headquarters' programs, including the Confucius Institute Scholarship, Summer or Winter Camps in China, and the Confucius China Studies Program, etc.

The obligations of the University of Idaho:

- 1. To provide appropriate working facilities for the Chinese instructors, including office space and sites for teaching and other activities of the Confucius Institute that are appropriately equipped, managed and maintained by the University, and to assist the Chinese instructors with finding housing.
- 2. To provide necessary administrative university personnel and teaching staff (full time or part-time, at the University's expense) for the operations of the Institute.
- 3. To provide information and reasonable assistance to the Chinese instructors regarding visa application and residency as necessary to accomplish the mission of the Institute, provided however, this shall not include payment of the costs, including counsel fees, associated with visa and residency applications.
- 4. To open a special account for the Confucius Institute in the local Bank of China or other major United States national bank or set up a separate account for independent accounting in the Institution's financial system. To submit an audited financial report of the Institute to the Headquarters every 5 years.
- 5. To provide a combination of annual matching funds, the total of which shall not be less than the total funds provided annually by the Headquarters, as set forth in Article 6 under "Obligations of the Headquarters" in Paragraph 3.
- 6. The Headquarters shall assess the operation and effectiveness of the Institute and provide its assessment to the University and SCUT. The University and SCUT shall accept the assessment and shall take reasonable efforts address any deficiencies or issues identified by Headquarters. Teaching activities through the Institute shall be carried out based on the University's rules and procedures for instruction.

Article 7 Intellectual Property

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

The creator of any software, instructional materials or other intellectual property used in the operations of the Institute shall retain all rights there in (subject to the University's or Hanban's agreements between employee and employer relating to such property developed within the course and scope of employment). The parties shall have joint-ownership of any such intellectual property created jointly by the parties through the operation of the Institute. In the event of any dispute regarding such intellectual property, the two parties should consult with each other in the spirit of friendship and cooperation to attempt to resolve the dispute. In the event the dispute is not resolved through consultation, it shall be submitted to a court of

competent jurisdiction according to the related laws and regulations.

Article 8 Revision

With the consent of both parties, this agreement may be revised during its implementation and all 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

This agreement shall be effective on the date of the last signature below. This agreement shall have a term of five (5) years (subject to termination under Article 11 below), and may be extended for another five (5) years by mutual written agreement of the parties.

Article 10 Force Majeure

The 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 that renders the performance of this agreement impossible. In such event, the party seeking release shall inform the other party in writing that the program may be delayed or terminated and shall thereafter take reasonable measures in the circumstances to assist the other party in mitigation loss resulting from the delay or termination.

Article 11 Termination

This agreement can be terminated in any one of the following cases:

- 1. This Agreement can be terminated according to Article 9, if the two parties have no intention to continue their cooperation on the expiration of the Term.
 - 2. The agreement cannot achieve the anticipated aim because of force majeure.
- 3. The Headquarters has the right to terminate this agreement, if the University and SCUT have not remediated the deficiencies or issues identified in the assessment provided to the University and SCUT by the Headquarters under Article 6 of this agreement.

Upon termination of this agreement, the unobligated funds provided by the Headquarters to the University for support of the Institute will be automatically frozen and returned to the Headquarters, after the parties have mutually agreed upon amount of funds to be returned.

In the event of termination, the Parties shall make every effort to effect the termination in such manner as to not affect other contracts or agreements that may exist between them, and shall ensure that programs of instruction and other activities are completed in a responsible manner that does not adversely affect students and other participants.

Upon termination of this agreement, the implementation agreement between the University and SCUT shall be terminated automatically.

Article 12 Dispute Settlement

In the events of any dispute, the two parties agree to consult each other and work in good faith to find resolve the dispute. In the event the dispute is not resolved through consultation, it shall be submitted to a court of competent jurisdiction according to the related laws and regulations.

Article 13 Other Terms

The parties to this agreement will treat this agreement as confidential subject to the requirements for disclosure under Idaho law, and, except as required by Idaho Law, no party shall, without prior written consent of the other party, publish, release or disclose or permit publication, release or disclosure of this agreement except insofar as such publication, release or disclosure is necessary to enable each party to fulfill their obligations under this agreement.

This agreement contains the full understanding between the parties with respect to the subject matter hereof. Any amendment hereto must be in writing, signed by both parties. Matters not settled by this agreement that are necessary to accomplish the aim of the Institute shall be solved through friendly, cooperative negotiations between the two parties.

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.