AGREEMENT BETWEEN
CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA
AND
MIDDLE TENNESSEE STATE UNIVERSITY OF THE UNITED STATES OF AMERICA
ON THE ESTABLISHMENT OF
CONFUCIUS INSTITUTE AT MIDDLE TENNESSEE STATE UNIVERSITY

In order to strengthen educational cooperation between China and the United States of America ("USA"), support and promote the development of Chinese language education, and increase mutual understanding among people in China and in USA, according to the Constitution and By-laws of Confucius Institutes, the Confucius Institute Headquarters of China ("the Headquarters") and Middle Tennessee State University, for the establishment of Confucius Institute at Middle Tennessee State University (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 Middle Tennessee State University in the establishment and management of the Institute.

Article 2  Character
The Institute shall be a non-profit educational institution.
Article 3 Executive Institution

Middle Tennessee State University is desirous of collaborating with Hangzhou Normal University. The Headquarters will authorize and appoint Hangzhou Normal University to construct the Confucius Institute with Middle Tennessee State University. Hangzhou Normal University will serve as the Chinese executive institution. The two parties of cooperation will sign the supplementary agreement on detailed matters of the cooperation. The supplementary agreement 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 serve the following activities according to the Constitution and By-laws, and local instance:

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;
Article 5 Organization

1. The Institute at Middle Tennessee State University shall adopt a Director Responsibility System under the leadership of the Board of Directors.

2. The Board of Directors is formed with members nominated from two parties, and its duties include: formulating and amending the policies and regulations 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 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. Two collaborating parties appoint one director respectively.

4. The Institute must accept the assessment of the Headquarters on its performances.

5. The Institute activities must be in accordance with the Constitution and By-laws, and also respect cultural custom, shall not contravene concerning the laws and regulations, both in USA and China.

6. The Institute draws up annual budget proposals and final financial accounts independently. Middle Tennessee State University will be in charge of its daily operation and management. It should finally assume the sole responsibility for its profits or losses by charging language course fees and other program fees.

Article 6 Obligations

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

2. To provide teaching materials, coursewares and other books as necessary, to authorize the use of online courses. To provide 3,000 volumes of Chinese books, teaching materials, and audio-visual materials for the first time.

3. To provide $150,000 start-up fund, and provide a set amount of annual fund according to needs.

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

The obligations of Middle Tennessee State University

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 cover relevant cost; to provide necessary working facilities and necessary assistance 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 provide a set amount of annual fund, which should not be less than the amount provided by the Headquarters.
Article 7  Intellectual Property

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

The intellectual property of a particular program belongs to the party who creates it. The two parties can consult about the ownership of co-developed programs. In the event of any dispute, the two parties should consult in a friendly manner with each other or submit to the jurisdictional organ 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 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 in effect on the date when the two parties sign below. The Agreement shall have a period of 5-year validity. 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. At the end of five (5) years, the parties may negotiate a new agreement for an additional five year period.
Article 10 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 11 Termination
This Agreement shall be terminated in one of the following cases:
1. Either party intends to terminate this Agreement upon giving a 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 go through or cannot achieve the anticipated aim because of comedown of the condition.
4. If the act of one party of the Agreement 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 some other agreement, contract and program between the two parties.

Before the Agreement is terminated, Middle Tennessee State University should make appropriate arrangements on the enrolled students and other
Article 12 Dispute Settlement
In the event of any dispute, the two parties should consult in a friendly manner with each other or submit to the jurisdictional organ of which this Agreement falls within the competence.

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 Agreement, in both languages, shall have the same effectiveness.

Article 14 Other Terms
Other matters not settled by this Agreement shall be solved through friendly, cooperative negotiations between the two parties.

Confucius Institute
Headquarters (HANBAN)
Chief Executive

XU Lin
Date: 2009. 9. 12

Middle Tennessee State University
President

Sidney A. McPhee
Date: 2009. 9. 30.