Agreement between the Confucius Institute Headquarters of China and
Middle Tennessee State University, USA
on the Dedicated Site of a Model Confucius Institute

The Confucius Institute Headquarters of China (hereinafter referred to as the "Headquarters") and Middle Tennessee State University, USA (hereinafter referred to as the "University"), for the purpose of improving educational facilities of the Confucius Institute at University and on the basis of friendly negotiations, the Headquarters and the University (hereinafter referred to as "both parties"), have hereby reached the following agreement on the joint building of the dedicated site of the Model Confucius Institute at Middle Tennessee State University (hereinafter referred to as the "Model Confucius Institute"):

CHAPTER I CONTENTS OF THE AGREEMENT

ARTICLE 1 This agreement specifies the rights and obligations of both parties on the provision, renovation, decoration, purchase and installation of equipment, and use of the Dedicated Site in a Model Confucius Institute (hereinafter referred to as the "Project").
CHAPTER II  DEDICATED SITE OF THE MODEL CONFUCIUS INSTITUTE

ARTICLE 2  The University provides a site located in the University Bell Street Center as the dedicated site of a Model Confucius Institute (hereinafter referred to as "Dedicated Site"), with a total floor area of 9973 square feet (926.52m²) of assigned and common area space for the feasibility report on the construction of the Dedicated Site, see Annex (Feasibility Study Report for the Model Confucius Institute at Middle Tennessee State University, which shall not include any additional attachments), which is an integral part of this agreement. In the event of any conflict between the language of this agreement and the Annex, the language of this agreement shall control.

CHAPTER III  SOURCES OF FUNDS AND PROVISIONS OF PAYMENT

ARTICLE 3  The total budget for the construction, renovation, decoration, equipment installation and other work of this Dedicated Site as well as for other related expenses is $2,444,350 USD. Based on mutual consultations, the means for raising the funds have been agreed upon as follows:

(A) The Headquarters’ investment to the Model Confucius Institute shall be $1,000,000 USD (hereinafter referred to as the "Special Fund") for the renovation, decoration and purchase of equipment for the Dedicated Site.

(B) The University shall invest a total value of $1,444,350 USD on its own as
the investment to the Dedicated Site of the Model Confucius Institute for providing the site and maintenance costs for facilities and equipment during the operation period after the Project is completed.

**ARTICLE 4** The Headquarters shall, after this agreement has entered into force, allocate the Special Fund by means of bank transfer to the specified account of the University. If there is a need for currency exchange, the exchange rate shall be subject to the data of banks on the day of the receipt of the fund.

**ARTICLE 5** The University is a non-profit institution of higher education in the United States and it shall exempt management fees related to the use of the Special Fund, and shall also seek to exempt taxes related to the Special Fund.

**CHAPTER IV RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE UNIVERSITY**

**ARTICLE 6** The University shall agree and ensure that: the University shall be the owner of the Dedicated Site referred to in **ARTICLE 2** hereof or shall have the exclusive right of its use for the term of this agreement, and there shall not be any third party's joint financial obligation or debt related to the Dedicated Site.

**ARTICLE 7** The University shall agree to accept the Special Fund from the Headquarters, to undertake all the duties and obligations for the construction,
renovation, equipment installation and other related issues to the Project, and to act as the entrusting principal that entrusts work related to the implementation of the Project to a third party.

**ARTICLE 8** The University shall agree to submit programs for project design and construction, the plan of equipment purchase, the timetable of project implementation and the budget report for the use of funds to the Headquarters for approval as soon as they become available after this agreement enters into force. The University shall send the Headquarters monthly progress reports on the Project. In case of a need to change anything of the submittals, the University shall make a written notice in advance for review by the Headquarters.

**ARTICLE 9** The University shall agree, in accordance with its national laws and regulations in force, to select duly qualified, the most cost-effective companies or institutes for engineering, construction, supervision, provision of equipment and furniture as entrusted parties for undertaking the engineering design, construction, supervision, equipment and furniture assembly and related project work.

**ARTICLE 10** The University shall agree, in accordance with its national laws and regulations in force, to carry out controlling and managing measures for the project investment so as to ensure the effective use of the fund. In the event that the actual project expenditures exceed the budget specified in **ARTICLE 3** hereof, the University shall be responsible for all the excess expenses, except
that any change requested by the Headquarters which increases the cost of the Project will be funded by the Headquarters.

**ARTICLE 11** The University shall agree to undertake all the administrative work in the design, application, construction, check and acceptance and use of the Project, including, but not limited to:

(A) The establishment of a project management team that is responsible for organizing, coordinating, implementing and completing such jobs related to the Project as coordination, quality supervision, investment management, accounting, auditing, and others.

(B) Signing necessary documents of check and acceptance so as to obtain the final project licenses, provided that the quantities and quality of the completed project work conform to the specifications in the constructors’ contract.

(C) Inviting the working group of the Headquarters to cooperate on related work at the crucial stage of project implementation.

(D) Reporting the use of the funds to the Headquarters in line with the report on the project schedule.

**ARTICLE 12** The University shall agree, after the Project is completed, to hang a data plate at a notable place of the Dedicated Site with descriptions of the investment to this Project, of which the detailed contents shall be negotiated by the two parties.

**ARTICLE 13** The University shall agree to ensure that the approval documents for the design, construction and use of the Dedicated Site can be
obtained from the local municipal departments and will be kept properly.

**ARTICLE 14** The University shall agree that, if any third party claims for any right or any local administrative authority imposes any administrative penalty during the project implementation, the Headquarters shall not be liable to such a third party or administrative penalty or the University.

**CHAPTER V  RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE HEADQUARTERS**

**ARTICLE 15** The State of Tennessee shall have the right to supervise the use of the Special Fund, using the Special Fund only as provided in this agreement. The State of Tennessee is required to manage construction projects on State property, but the Headquarters will have opportunities to participate in reviews at crucial stages.

**ARTICLE 16** The Headquarters shall have the right to provide proposals on the engineering drawings, the program on the decoration materials and the program on equipment installation of the Project offered by the University.

**ARTICLE 17** The Headquarters shall agree to allocate the Special Fund on time.

**ARTICLE 18** The Headquarters shall agree to send a working group to cooperate on related work at the crucial stages of project implementation.
CHAPTER VI  CONSTRUCTION PERIOD

ARTICLE 19  The Project shall be completed within eighteen (18) months of the beginning of construction of the Dedicated Site.

ARTICLE 20  In case of any event of force majeure or any other event beyond the control of the University that makes it impossible for the Project to be completed on time, the University shall indicate in writing to the Headquarters in a timely manner, and may, negotiate with the Headquarters on the extension of the time limits. Events of force majeure include but are not limited to: war, national emergencies, natural disasters, governmental bans and so on.

CHAPTER VII  TERMS ON THE USE OF THE DEDICATED SITE

ARTICLE 21  The University shall agree that the Dedicated Site as specified in ARTICLE 2 hereof shall be subject to the free and exclusive use of the Model Confucius Institute for the same term, and as it may be extended, (hereinafter the "Project Service Period") as the Renewal of Agreement Between Confucius Institute Headquarters of China and Middle Tennessee State University of United States of America on Co-Development of Confucius Institute at MTSU (hereinafter the "Confucius Institute at the University agreement"), and that during this period, the University shall not change the functions of the Dedicated Site, nor generate any third-party joint financial obligation or debt related to the Dedicated Site, such as mortgage of property
ownership, pledge, guarantee or any other economic activities.

ARTICLE 22 The University shall agree to bear the expenses for network, telephone, cable TV, water, electricity, heating, gas and other fees within the Dedicated Site during the Project Service Period.

CHAPTER VIII TERMINATION

ARTICLE 23 Upon the University’s unilateral termination of the agreement, before the expiration thereof on the establishment of the Confucius Institute at the University with the Headquarters, this agreement shall automatically terminate. In such a case, the Headquarters’ Special Fund investment shall be amortized over a period of fifty (50) years beginning with the effective date of this agreement, and University shall reimburse Headquarters for the unamortized balance of the Special Fund. The University shall, within 45 days after the termination of this agreement, pay the unamortized balance by bank transfer to the Headquarters, with interest on late payment to be payable as provided in the Tennessee Prompt Pay Act.

Upon the Headquarters unilateral termination of the agreement of the Confucius Institute at the University with University, this agreement shall automatically terminate. In such a case University shall not pay a refund of investment to Headquarters.

The termination of this agreement shall not automatically terminate the Confucius Institute at University agreement.
ARTICLE 24  In the event that the University is found to be incapable of fulfilling the obligations under this agreement due to its own reasons from the date when this agreement enters into force to the completion of the Project, the University must submit to the Headquarters a written announcement on the termination of this agreement. Termination of this agreement shall not affect educational activities of the Confucius Institute at the University in the year of this termination. In such a case, the University shall refund the Special Fund invested by the Headquarters in a lump sum. The University shall, within 45 days after the date of the termination of this agreement, repay the above Special Fund to the Headquarters, with interest on late payment to be payable as provided in the Tennessee Prompt Pay Act.

ARTICLE 25  In case of any event of force majeure specified in ARTICLE 20 hereof which cannot end or disappear in a foreseeable time, both parties may terminate this agreement upon friendly negotiations. The University shall, within 60 days after the date of the termination of this agreement, return the remaining amount of the Special Fund to the Headquarters by bank transfer, with interest on late payment to be payable as provided in the Tennessee Prompt Pay Act.

ARTICLE 26  After the Dedicated Site specified in ARTICLE 2 has been put into use, if its use by the Model Confucius Institute cannot be continued due to land requisition by the country or any other reasons, the University shall submit a written statement on the issue to the Headquarters, and offer an alternative site
with the equivalent space and facilities for the Model Confucius Institute to use, and the parties shall negotiate in good faith for the allocation of any resulting costs.

CHAPTER IX  SETTLEMENT OF DISPUTES

ARTICLE 27  In case of any conflict or dispute arising during the performance of this agreement, it shall be settled in a friendly manner. If such negotiations fail within two months, the case may be brought to a court with due jurisdiction for litigation.

CHAPTER X  PERIOD OF VALIDITY

ARTICLE 28  Unless terminated upon friendly negotiations, this agreement shall remain effective for the term of the Confucius Institute at University agreement and any extensions thereof.

CHAPTER XI  MISCELLANEOUS

ARTICLE 29  If any one of the provisions in this agreement is invalid or incompatible with any existing law of the country of the University, both parties must conduct discussions for its modifications, but it shall not affect the implementation of other provisions.

ARTICLE 30  Any modification to this agreement can only be made in a written form in both Chinese and English languages, and shall be signed by
authorized representatives of both parties before it enters into force.

**ARTICLE 31** All the notifications, documents, agreements, requests, statements, opinions and information related to this agreement shall be sent by mail, fax or e-mail.

**ARTICLE 32** Both parties hereby make a statement that, except those terms and conditions that have already been clearly written in this agreement, both parties did not rely on any non-written promise, guarantee or warranty at the time of this agreement being entered into (whether it’s arising from negligence or other unintentional reasons).

**ARTICLE 33** Both parties shall agree to observe provisions that have been clearly specified in this agreement. No party shall depend on any statement, warranty or guarantee other than this agreement to raise a contractual dispute.

**ARTICLE 34** Both parties shall treat this agreement as a confidential file. Without the other party's written consent, any party shall not publish, disclose, make public, or allow others to publish, disclose or make public any material or information concerning the other party of this agreement that has been informed of or obtained, unless the release, disclosure, or publication of the material or information is necessary for one party to fulfill its obligations under this agreement or required by law.

**ARTICLE 35** Title to all improvements heretofore or hereafter constructed by University remains in University, and University shall be solely responsible for maintaining wind, fire or other casualty insurance upon such improvements
at appropriate State of Tennessee required levels. It is specifically understood and agreed that in case of damage or destruction by rain, windstorm, tornado, lightening, hail, fire or other casualty or catastrophic event, University may, at its option, decline to repair, restore, or rebuild the building.

Any matters not covered in this agreement shall be settled through friendly consultations between the two parties.

The undersigned are duly authorized representatives for signing this agreement.

This agreement is made in duplicate, each in the Chinese and English languages, and both are equally authentic.

*Annex: Feasibility Report on the Construction of the Dedicated Site*

Chief Executive                      President
Confucius Institute Headquarters     Middle Tennessee State University

[Signature]
Xu Lin

[Signature]
Dr. Sidney A. McPhee, President

Date: 2014, 12.23

Date: 12/17/14
中国孔子学院总部与中田纳西州立大学
关于中田纳西州立大学示范孔子学院专用场地的协议

中国孔子学院总部（以下简称“总部”）与中田纳西州立大学（以下简称“大学”）为改善与中田纳西州立大学孔子学院办学硬件条件，总部与大学（以下简称“双方”）经友好协商，就合作建设中田纳西州立大学示范孔子学院（以下简称“示范孔子学院”）专用场地达成协议如下：

第一章 协议的内容

第一条 本协议内容规定双方在示范孔子学院专用场地的提供、改造、装修、设备购置和装配、使用（以下简称“项目”）方面的权利和义务。

第二章 示范孔子学院专用场地

第二条 大学为示范孔子学院提供位于美国墨菲斯堡贝尔大街（以下简称“专用场地”），总建筑面积为926.52平方米。专用场地建设的可行性报告见附件，附件是本协议不可分割的一部分。

第三章 资金来源及支付条款

第三条 该专用场地建设、改造、装修、设备装配等与之相关各项费用成本总预算为$2,444,350 美元。经双方协商，达成如下筹集方式：

（一）总部为示范孔子学院投资$1,000,000 美元（以下简称“专项经费”），用于专用场地改造、装修、设备购置。

（二）大学为示范孔子学院投资$1,444,350 美元，用于提供专用场地，以及项目完成后运营期间的设施设备维护费。

第四条 本协议生效后，总部向大学指定账户通过银行转账的方式拨付专项经费。若存在币种兑换，以资金到账当日银行汇率为准。
第五条 大学是美国非营利性高等教育机构，大学应免除与专项经费使用有关的管理费，还应争取免除与专项经费有关的税费。

第四章 大学的权利、义务和责任

第六条 同意购买第二条所述专用场地归大学所有或拥有排他的由此协议规定的使用权，且专用场上月不存在第三方连带经济责任或债务关系。

第七条 同意接受总部专项经费，承担项目建设、改造、设备装配等与之相关的全部责任和义务，并作为委托人委托第三方实施与项目有关的行为。

第八条 同意在本协议生效后尽快向总部提交设计施工方案、设备购置方案、实施计划时间表、费用使用预算报告，并征得总部审核同意。大学应每月向总部提交工程进展报告。上述事项如需要变动，大学应事先书面报请总部审核同意。

第九条 同意按照本国现行法律法规选择并委托具有相应资质的、性价比最优的设计公司、施工单位、监理公司、设备和家具提供商来开展工程设计、建设、监理及设备家具装配工作。

第十条 同意根据本国现行法律法规对项目投资进行管控，确保经费使用效益。若遇项目实际开支超出本协议第三条所述总预算，大学负责承担所有超出部分的资金，除非超出部分的资金是因总部要求对项目作修改而造成。

第十一条 同意履行在项目设计、报批、施工、验收、使用等过程期间的全部行政工作，包括但不限于：

（一）成立项目管理团队，负责组织、协调、执行与完成项目有关的各方联络协调、质量监督、投资管控、会计审计等事务。

（二）签署必要的验收文本以获得项目的最终使用许可，前提是项目完成的数量和质量与施工单位签署的合同内容一致。
（三）在项目实施的关键阶段邀请总部工作组到现场协同工作。
（四）按照工程进度报告向总部提供经费使用情况报告。

第十二条 同意项目竣工完成后在专用场地醒目位置悬挂本项目投资说明牌，具体内容由双方商议确定。

第十三条 同意确保专用场地的设计、施工、使用获得当地市政职能部门的许可文件并妥善保存。

第十四条 同意如果项目实施期间被任何第三方主张任何权利，或被当地行政机关实施任何行政处罚措施，总部对上述第三方、行政处罚措施或大学均不承担任何责任。

第五章 总部的权利、义务和责任

第十五条 田纳西州有权监督专项经费的使用并按协议使用专项经费。田纳西州必须对于在田纳西州拥有的土地上进行的工程进行管理。总部可以在施工的关键期视察。

第十六条 有权对大学提供的项目设计图纸、装修材料方案、设备装配方案提出建议。

第十七条 同意按时拨付专项经费。

第十八条 同意在项目执行的关键阶段派驻工作组赴现场工作。

第六章 工 期

第十九条 工程正式开始后，18 个月内完成。

第二十条 如遇不可抗力或发生其他超出大学控制范围的事件导致无法如期竣工的情况，大学应即时向总部提出书面说明，经总部同意后，可另行商议顺延时限。不可抗力包括但不限于自然灾害、国家紧急状态、发生战争，政府颁布禁令等。

第七章 专用场地使用条款
第二十一条 大学同意本协议第二条所述专用场地为示范孔子学院专属免费使用年限（以下简称“专用年限”）。专用年限与“中国孔子学院总部与美国中田纳西州立大学继续合办中田纳西州立大学孔子学院的协议”一致，并可延续。在此期间，大学不得更换专用场地的用途，也不得在专用场地上产生第三方连带经济关系或债务关系，如产权抵押、质押、担保等经济行为。

第二十二条 大学同意承担专用年限期间专用场地上的网络费、电话费、有线电视信号费、水费、电费、供暖费、燃气费等费用。

第八章 协议终止及赔偿条款

第二十三条 大学在合同期满前单方面终止与总部关于设立大学孔子学院的协议，本协议随即自动终止。逾期情形，大学承担本协议的违约责任，并按协议签署日起 50 年分期偿还总部专项经费，返还总部其中未尽年限的资金（专项经费/50×未尽年限）。自本协议终止之日起算，大学应在 45 日返还总部投资，逾期按田纳西州及时付款法案缴纳专项经费滞纳金利息。如果总部单方面终止大学孔子学院的协议，此协议将自动终止，大学将不返还总部专项经费。此协议的终止不导致大学孔子学院协议的终止。

第二十四条 自本协议生效之日起到竣工期间，大学由于自身原因而无能力履行本协议规定义务的情况下，大学须向总部提出书面终止本协议的声明。本协议的终止不影响当年度大学孔子学院的办学活动。逾期情形，大学应一次性全额偿还总部投资的专项资金，自本协议终止之日起算，大学应在 45 日内将总部投资专项经费一次性全额返还，逾期按田纳西州及时付款法案缴纳专项经费滞纳金利息。

第二十五条 如遇本协议第二十条中所述不可抗拒力的情况，且不可抗拒力在可预见的时间内无法结束或消失，双方友好协商终止本协议。自本协议终止之日起算，大学应在 60 日内将总部剩余专项经费通过银行转
账的方式返还，逾期按田纳西州及时付款法案缴纳专项经费滞纳金利息。

第二十六条 第二条所述专用场地投入使用后，若遇国家征用等原因为导致示范孔子学院无法继续使用该专用场地，大学应就此向总部提出书面说明，并另行提供同等面积和设施条件的替换场地供示范孔子学院使用，场地替换所产生费用由双方友好协商解决。

第九章 争议的解决

第二十七条 双方在协议履行过程中若发生纠纷及争议，应本着友好的精神协商解决。若两个月内协商未果的，可向有管辖权的法院提起诉讼。

第十章 有效期

第二十八条 除非友好协商后终止，本协议有效期与大学孔子学院的协议期及其延续期一致。

第十一章 其他事项

第二十九条 若协议任一条款是无效的或不能适用于大学所在国现行法律，双方须就此商讨修改，但不对其余条款的执行造成影响。

第三十条 本协议的任何改变只能以中英文两种语言书面做出，并经双方授权代表签字后生效。

第三十一条 所有与本协议有关的通知、文件、协议书、要求、声明、意见和信息都需要通过邮寄、传真或者电子邮件方式传递。

第三十二条 双方均声明，除已经明确书写于本协议的条款外，在签订本协议时没有依赖任何非书面的承诺、保证或担保（无论是出于疏忽或无意作出）。

第三十三条 双方同意只承担明确罗列于本协议内的条款内容，任何一方不得依赖协议以外的声明、保证或担保提出合同争议。

第三十四条 协议双方将视此协议为机密文本，未经对方书面许可，
任何协议一方皆不可公布、披露或公开，或者允许他人公布、披露或公开与协议一方有关的获得的、获知的材料或信息，除非这些材料的公布、披露或公开是对于协议一方履行协议中所规定的义务来说是必要的，或者是应法律要求。

第三十五条 大学拥有由大学装修建造物产，并对按照田纳西法律提供相应的风，火及其它灾害保险。若有由于雨，暴风，龙卷风，闪电，冰雹，火或其它灾害对物产造成破坏或损失，大学可以选择不行修复或重建。

未尽事宜由双方通过友好协商加以解决。
下列签署人经各自机构授权，签署本协议，以昭信守。
本协议一式两份，每份均用中文和英文写成，两种文本同等作准。
附件：《专用场地建设的可行性报告》

孔子学院总部
总干事
许琳
日期：2014.12.23

中田纳西州立大学
校长
Dr. Sidney A. McPhee
日期：12/17/14