

EXTENSION/MODIFICATION AGREEMENT BETWEEN
STONY BROOK UNIVERSITY OF UNITED STATES
AND
THE RESEARCH FOUNDATION OF STATE UNIVERSITY OF NEW YORK
AND
CONFUCIUS INSTITUTE HEADQUARTERS

The Agreement heretofore entered into between STONY BROOK UNIVERSITY OF UNITED STATES (SBU) and CONFUCIUS INSTITUTE HEADQUARTERS (HEADQUARTERS) made effective as of the 5th day of November, 2008 to establish the Confucius Institute at Stony Brook University is hereby amended as follows:

1. THE RESEARCH FOUNDATION OF SUNY FOR STONY BROOK UNIVERSITY (RFSBU) hereby replaces STONY BROOK UNIVERSITY OF UNITED STATES (SBU) as the administering party for all funds provided by HANBAN to the CONFUCIUS INSTITUTE AT STONY BROOK UNIVERSITY.
2. Under Article 6, Obligations, the HEADQUARTERS will provide an appropriate amount of project funding for the Confucius Institute to RFSBU on January 1, 2010 upon receipt of an invoice. RFSBU shall deposit this amount in a separately designation RFSBU account. Upon execution of this amendment, RFSBU shall assume full responsibility for existing funds already transferred to SBU by the HEADQUARTERS.
3. Except as amended as hereinabove set forth, the said agreement between the parties is hereby ratified and confirmed and shall continue in full force and effect according to its terms.

**THE RESEARCH FOUNDATION OF
STATE UNIVERSITY OF NEW YORK**

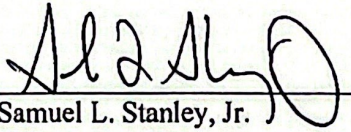
Stony Brook University
Vice-President for the Research Foundation
of SUNY for Stony Brook University

By *Gail S. Habicht*
Dr. Gail Habicht

DATED: *18 December 2009*

STONY BROOK UNIVERSITY

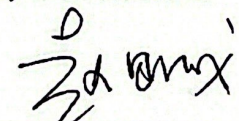
President

By 
Dr. Samuel L. Stanley, Jr.

DATED: 12-18-2009

THE CONFUCIUS INSTITUTE HEADQUARTERS/HANBAN

Deputy Chief Executive

By 
Zhao Guocheng

DATED: 2009. 12. 15

AGREEMENT BETWEEN
CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA
AND
STONY BROOK UNIVERSITY OF UNITED STATES
ON THE ESTABLISHMENT OF
CONFUCIUS INSTITUTE AT STONY BROOK UNIVERSITY

In order to strengthen educational cooperation between China and the United States, support and promote the development of Chinese language education, and increase mutual understanding among people in China and in the United States, *according to the Constitution and By-laws of Confucius Institutes*, the Confucius Institute Headquarters of China (the Headquarters) and ^{SUNY} Stony Brook University of the United States (SBU), for the establishment of Confucius Institute at Stony Brook 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 SBU in the establishment and management of the Institute.

~~Article 2 Character~~

The Institute shall be a non-profit educational institution.

Article 3 Executive Institution

SBU is desirous of collaborating with the Zhongnan University of Economics and Law. The Headquarters will authorize and appoint the Zhongnan University of Economics and Law to construct the Confucius Institute with the SBU 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.

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 SBU 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
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parties, 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 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.

3. Two collaborating parties appoint one director respectively.

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

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 the United States and China.

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 according to the 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 140,000 US Dollars 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 SBU

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 ^{at SBU or} in the local Bank of China or other bank approved by the Headquarters.

Article 7 Financial Support

The Confucius Institute will be jointly funded by SBU and the Headquarters. In principle, it is not less than one half shared by SBU. The Institute draws up annual budget proposals and final financial accounts independently. It should finally assume the sole responsibility for its profits or losses by charging language course fees and other programs.

Article 8 Intellectual Property

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

terminated.

The provider owns intellectual property of the certain program. The two parties can consult the owner of the co-operated programs. In the events of any dispute, the two parties should consult with each other friendly or submit to the jurisdictional organ according to the related laws and regulations.

Article 9 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 10 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, otherwise it will automatically be extended for another 5 years.

Article 11 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 12 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, SBU should make appropriate arrangements on the enrolled students and other works.

Article 13 Dispute Settlement

In the events of any dispute, the two parties should consult each other friendly or submit to the jurisdictional organ of which this Agreement falls within the competence.

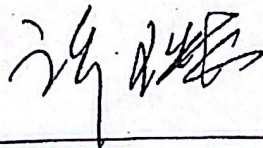
Article 14 Agreement Language

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 15 Other Terms

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

The Confucius Institute
Headquarters [HANBAN]
Chief Executive

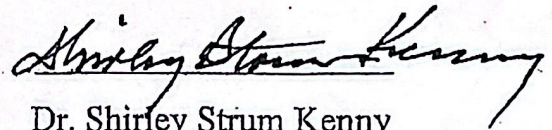


Dr. Xu Lin

Date: 2008.10.15

Stony Brook University

President



Dr. Shirley Strum Kenny

Date: 2008.11.05