AGREEMENT BETWEEN

THE OFFICE OF CHINESE LANGUAGE COUNCIL INTERNATIONAL

AND

EÖTVÖS LORÁND UNIVERSITY

FOR THE ESTABLISHMENT OF THE CONFUCIUS INSTITUTE AT EÖTVÖS LORÁND UNIVERSITY

In order to strengthen educational cooperation between China and Hungary, support and promote the development of Chinese language education, and increase mutual understanding between the peoples of China and Hungary, the Office of Chinese Language Council International (Hanban) and the Eötvös Lorónd University hereby agree as follows:

Article 1 Purpose

The purpose of this agreement is to identify the rights and responsibilities of Hanban and the Eötvös Loránd University in the establishment of the Confucius Institute at Eötvös Loránd University.

Article 2 Character

The Confucius Institute at Eötvös Loránd University shall be a non-profit institute with the purpose of enhancing intercultural understanding in Hungary by sponsoring courses of Chinese language and culture.

Article 3 Executive Institution

Whereas, the Eötvös Loránd University and the Beijing Foreign Studies University agree to work

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together and with the authorization and appointment of Hanban, Beijing Foreign Studies University will construct the Confucius Institute with Eötvös Loránd University as the executive institution. The two parties of cooperation can sign the supplementary agreement on the matters not settled by this Agreement. The supplementary agreement should be audited by Hanban before signing.

Article 4 Scope of Activities

The Confucius Institute at Eötvös Loránd University can serve the following Chinese teaching courses and programs according to the local instance:

- 1. Teach Chinese using a variety of methods including multimedia and the internet;
- 2. Train teachers to teach Chinese in primary schools, high schools and colleges;
- 3. Administer the Chinese Proficiency Test (HSK) and tests to certify ability to teach Chinese as a foreign language;
- 4. Teach Chinese courses of various types in various areas for all circles of person;
- 5. Sponsor academic activities and Chinese competitions;
- 6. Show Chinese movies and TV programs;
- 7. Provide consulting services for individuals wishing to study in China;
- 8. Provide reference materials for the educational and other professional individuals.

Article 5 Organization

The Confucius Institute shall have a Board of Advisors and the two parties nominate members of the Board of Advisors. The Board of Advisors shall have the responsibility for the operation of the Confucius Institute.

Article 6 Obligations

The obligations of Hanban:

- 1. To authorize the use of the title "Confucius Institute", and provide logos and institute emblems.
- 2. To provide Great Wall multimedia courseware and other teaching materials, supplementary materials, and audio-visual materials authorized by the Head office of Hanban; and to authorize

the use of online courses.

- 3. To provide 50,000-100,000 Dollars as a start-up fund.
- 4. To provide 3,000 volumes of books, audio-visual, and multimedia materials.
- 5. To send one or two Chinese instructors and pay for their air fares and salaries.

The obligations of the Eötvös Lorand University

- 1. To provide an appropriate site for the Confucius Institute to carry out its activities; to provide the necessary conditions and facilities management to establish the Confucius Institute and take charge setting, management and maintenance.
- 2. To provide necessary administrative personnel (full time or part-time) and provide the related payment.
- 3. To provide necessary working conditions for the Chinese instructors.
- 4. Assist the Chinese party at the Institute with all immigration procedures.

The Confucius Institute should finally assume sole responsibility for its profits or losses by charging language course fees and other programs.

Article 7 Intellectual Property

Hanban exclusively owns the title of "The Confucius Institute", its related logo, and plaque (or badge) as its exclusive intellectual property. The Eötvös Loránd University cannot continue applying or transfer the title, logo, and plaque (or badge) 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 8 Revision

With the consent of both parties, this Agreement may from time to time be revised through a process of negotiation and discussion in a spirit of cooperation and good will and any revisions will be made in writing, in both English and Chinese, and signed by authorized representatives of

the parties.

Article 9 Terms

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. If, during the 90 days before the end of the Agreement, neither party notifies the other in writing that it wishes to terminate the Agreement, then it will automatically be extended for another 5 years.

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 so the program may be delayed or terminated in order 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 may 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 can not go through or can not achieve the anticipated aim because of comedown of the condition.
- 4. If the act of the Eötvös Loránd University severely harms the image and reputation of the Confucius Institute, Hanban will terminate the Agreement immediately and reserve the right of claiming.
- 5. The Agreement can not go through because of force majeure.

The termination of the Agreement can not affect some other agreement, contract and program between the two parties.

Before the Agreement is terminated, the Eötvös Loránd University should make appropriate

arrangements on the enrolled students and other works and should not make blight for the report of the Confucius Institute.

Article 12 Dispute Settlement

In the events of any dispute, the two parties should consult with each other friendly or submit to the jurisdictional organ at the place this Agreement signed.

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 effect.

Article 14 Other Terms

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

Fore Holm.

The Eötvös Loránd University

The Office of Chinese Language

Council International

7 July , 2006

Date:

2006.7.7