SUPPLEMENTARY AGREEMENT BETWEEN
CONFUCIUS INSTITUTE HEADQUARTERS OF CHINA
AND
THE UNIVERSITY OF IOWA OF THE UNITED STATES OF
AMERICA ON THE USE OF ENDOWMENT OF
CONFUCIUS INSTITUTE AT THE UNIVERSITY OF IOWA

Whereas:

1. The Confucius Institute Headquarters of China (hereinafter referred to as “the Headquarters”) and the University of Iowa signed an agreement in March 2006 on collaboration to establish the Confucius Institute at the University of Iowa (hereinafter referred to as the “Original Agreement”) over an eight-year period. The Headquarters and the University of Iowa signed another agreement in September 2014 on continuing collaboration to establish the Confucius Institute at the University of Iowa (hereafter referred to as the “Renewed Agreement”), of which the expiration date is July 31, 2019. Continuation agreements regarding endowment contributions by the Headquarters and University of Iowa support are negotiated upon the expiration of each Renewed Agreement.

2. The Original Agreement and the Renewed Agreement both stipulate that the funds for the operation of the Confucius Institute at the University of Iowa (hereinafter referred to as the “Confucius Institute”) should be jointly raised by the Headquarters and the University of Iowa, and the Confucius Institute should function in the form of endowment. The Original Agreement and the Renewed
Agreement both stipulate each party’s specific support content, and one of the Headquarters’ support content is to provide endowment funds to the Confucius Institute in the amount of US$100,000 for each academic year, and interest generated from the endowment annually shall be the funds utilized for the operation of the Confucius Institute and used for the for the Confucius Institute’s daily operation, conduction of relevant projects of teaching Chinese language, and etc.

3. As of June 30, 2014, the Headquarters has provided endowment contributions to the Confucius Institute in the total amount of US$750,000, the endowment and the interests generated annually have been fully used for the operation of the Confucius Institute. In accordance with the stipulations of the Renewed Agreement, the Headquarters will provide additional endowment contributions to the Confucius Institute in the total amount of US$500,000. These contributions will be deposited into the corresponding endowment account of Confucius Institute in 5 installments within 5 years.

The Headquarters and the University of Iowa confirm the following facts and stipulations on the endowment provided by the Headquarters:

A. The Headquarters shall reserve the right to oversee the expenditure of the Endowment funds and generated interest in accordance with the Original Agreement and subsequent renewed agreements between the Headquarters and the University of Iowa.

B. During the duration of the Confucius Institute, interests generated from the endowment shall be used as the funds provided by the Headquarters for the operation of the Confucius Institute. The use of the capital of the endowment should be approved by the Headquarters in writing in advance. The University of Iowa shall annually provide financial documentation of past-year Confucius Institute operations, and report the details of use of endowment funds and any interest to the Headquarters and the Institute’s Board of Directors.
C. If the University of Iowa decides to terminate the agreement between the Headquarters and the University of Iowa on continuing collaboration to establish the Confucius Institute for reasons unrelated to operational changes initiated by the Headquarters that fundamentally violate or infringe on the Original and Renewed Agreements establishing the Confucius Institute, the University of Iowa shall return all the remainder endowment and interest to the Headquarters within thirty days after the Confucius Institute has been closed. However, in the event the agreement is terminated due to reasons related to operational changes initiated by the Headquarters that fundamentally violate or infringe on the Original and Renewed Agreements establishing the Confucius Institute, the University of Iowa is not obligated to return the remainder of the endowment or accrued interest.

This Supplementary Agreement shall be an integral part of the Original Agreement and all subsequent renewed agreements and of the same legal force as the Original Agreement and the subsequent Renewed Agreements.

This Supplementary Agreement shall go into effect upon signature by both parties. This Supplementary Agreement is made in duplicates, both written in Chinese and English, and each party shall keep one copy. The agreement, in both languages, shall have the same effectiveness.
Confucius Institute at the University of Iowa
Confucius Institute Director

Dr. Chuanren Ke
Date: 31 Oct 2016

International College at the University of Iowa
Dean of International Programs

Dr. Downing Thomas
Date: 28 March 2016

University of Iowa
President

Bruce Harreld
Date: 26 April 2016

Confucius Institute Headquarters (HANBAN)
Chief Executive

XU Lin
Date: 2016.5.12