

China Agricultural University, the People's Republic of China

University of Groningen, Kingdom of the Netherlands

**Yantai Municipal People's Government, Shandong Province,
the People's Republic of China**

Agreement on Establishing Yantai Groningen University

Contents

Article 1	Parties to the Agreement
Article 2	Basis of the Agreement
Article 3	Governing Laws of the Agreement
Article 4	Objectives of the Agreement
Article 5	Educational Conditions and their Realization
Article 6	Supplementary Provisions

Article 1 Parties to the Agreement

Party A: China Agricultural University

Address: No. 2, Yuanmingyuan West Road, Haidian District, Beijing, the People's Republic of China

Legal Representative: KE Bingsheng, President

Party B: University of Groningen, the Netherlands

Address: Broerstraat 5, PO Box 72, 9700 AB Groningen, the Netherlands

Legal Representative: Sibrandes POPPEMA, President

Party C: Yantai Municipal People's Government, Shandong Province, the People's Republic of China

Address: No.6, Furong Road, Laishan District, Yantai, Shandong Province, the People's Republic of China

Legal Representative: ZHANG Yongxia, Mayor

Article 2 Basis of the Agreement

Each Party of this Agreement signs the agreement in accordance with the validity of the following files:

1. The Memorandum of Understanding signed by Party A, B, and C.
2. The Agreement on Cooperative Education signed by Party A and B.

Article 3 Governing Laws of the Agreement

This agreement is based on the Regulations of the People's Republic of China on Chinese-Foreign Cooperation in Running Schools (Decree No. 372 of the State Council of the People's Republic of China on March 1st 2003) and its *Implementation Measures*

(abbreviated as *Regulations* hereafter), and other relevant laws, regulations and charters of the People's Republic of China as well as relevant laws and regulations on higher education of the Kingdom of the Netherlands.

Article 4 Objectives of the Agreement

The Memorandum of Understanding was signed by Party A, B, and C in Shanghai on March, 2015. The three parties agreed that Party A and B jointly build Yantai Groningen University, a world-class international university at the site of China Agriculture University (Yantai). The University will be research intensive and focus on international education at Bachelor, Master and PhD level, high level fundamental and applied research, industrial collaboration, entrepreneurship and sustainability. Party C supports in terms of policies, funds and other means for the construction and the operation of the joint university. This agreement is to implement the Memorandum of Understanding, and to stipulate responsibilities and obligations of the three parties in order to build Yantai Groningen University in accordance with the university-municipality agreement between Party A and Party C.

Article 5 Educational Conditions and their Realization

To build a world-class comprehensive research university, the first step is to run through the official procedures of application in 2015 and to enable enrollment of the first batch of students in 2016 or one year after approval. The three parties agree to fulfill the following obligations respectively to realize the educational conditions:

Party A:

1. Provide necessary applications and legal documents for Yantai Groningen University to obtain the official ratification of the Chinese government.
2. Give Yantai Research Institute of China Agriculture University carte blanche in managing all the assets of China Agricultural University (Yantai) founded by Party A.
3. Agree that, according to the needs of cooperative education, the land use plan of the unremuneratively granted educational land under the name of China Agriculture University (Yantai) (Yantai State-owned (2005) No.2125, Yantai State-owned (2006) No.2258, Yantai State-owned (2006) No.2259) is to be adjusted to allow the legal and open selling of land use rights of 40.7 hectares (610 *Mu*) by Party C. After the deduction of national tax, fees and other costs according to relevant laws, the net profits will be used to construct and develop Yantai Groningen University.
4. Agree that Yantai Groningen University rents the university facilities belonging to China Agriculture University (Yantai) for free for a period of 15 years. Yantai Groningen University and the three parties will renegotiate the terms of use after the lease expires, while taking into account the sustainability of Yantai Groningen University. Yantai Groningen University, if they agree, can lease or purchase these facilities at a price no higher than the market price of the year of the expiration date.
5. Agree that Yantai Groningen University coordinates all the resources and manages the education programs of Yantai Research Institute of China Agricultural University. The president of Yantai Groningen University recommended by Party A shall also serve as the dean of Yantai Research Institute

of China Agriculture University (the legal representative of the institute) who shall be in charge of overall arrangements and management of the Institute.

6. Dispatch excellent teachers and senior management personnel as support in human resources to Yantai Groningen University according to its actual needs.
7. Carry out joint graduate programmes with Party B and Yantai Groningen University before Yantai Groningen University can conduct graduate programmes independently by using Party A's quotas for graduate students and on behalf of Yantai Research Institute of China Agricultural University. Support research projects to be conducted in Yantai Groningen University.
8. Seek actively for investments and projects from the world and the Chinese government, especially from Shandong Province and relevant national departments for the construction and development of Yantai Groningen University.

Party B:

1. Provide necessary applications and legal documents to enable students at Yantai Groningen University to get the degrees and diplomas officially recognized by the Dutch government.
2. Dispatch excellent teachers and senior management personnel according to the actual needs of Yantai Groningen University and the Chinese regulations on cooperative education.
3. Provide, maintain and update the educational programs of the University of Groningen (constituting the Intellectual Property) for the free use of Yantai Groningen University for the first 15 years. After the expiration date, Yantai

Groningen University and the three parties will renegotiate the terms of use, while taking into account the long-term sustainability of Yantai Groningen University.

4. Cooperate actively with industrial partners, universities and research institutes, and assist Dutch and EU enterprises in search for cooperation in Yantai. Try to obtain 175 million Yuan of project funds (about 25 million euros) from Dutch and global enterprises as the start-up funds for research projects of Yantai Groningen University within the first seven years after Yantai Groningen University is approved to establish.

Party C:

1. Provide assistance to Party A and Party B to obtain necessary legal documents for the establishment of Yantai Groningen University. .

2. Support the construction and the development of Yantai Groningen University and Yantai Research Institute of China Agricultural University.

3. Conduct coordinated renovation or construction of library, campus infrastructure and classrooms, research building housing research centers (in the initial stage including Advanced Materials Research Center, Molecular Life Science & Human Health Research Center) as well as dormitory and other projects according to the package scheme of campus construction agreed by the three parties, so as to provide physical supports for the recruitment of excellent students and staff, and for high quality teaching and research at Yantai Groningen University.

4. Lease out the existing and would-be education resources of Party C (the ownership belongs to Yantai Agriculture Institute or legal person designated by Party C) to Yantai Groningen University for free for a period of 15 years. Yantai Groningen University and the three parties will renegotiate the terms of use after the lease expires,

while taking into account the sustainability of Yantai Groningen University. Yantai Groningen University, if they agree, can lease or purchase these facilities at a price no higher than the market price of the year of the expiration date.

5. Agree that, according to the needs of cooperative education, the land use plan of the unremuneratively granted educational land under the name of China Agriculture University (Yantai) (Yantai State-owned (2005) No.2125, Yanlai State-owned (2006) No.2258, Yanlai State-owned (2006) No.2259) is to be adjusted to allow the legal and open selling of land use rights of 40.7 hectares (610 *Mu*) by Party C. After the deduction of national tax, fees and other costs according to relevant laws, the net profits will be solely used to construct and develop Yantai Groningen University, and it shall be managed in an enclosed and independent way.

6. As for Party B's projected fund shortage of 238 million Yuan (about 34 million Euros) for university operation in the first three years after Yantai Groningen University is established. Party C will examine and evaluate the actual needs and actual progress (students number according to time period and planning), and cover the expenditure on annual basis with the net profits from the legal and open selling of land use rights of 40.7 hectares (610 *Mu*). If there is still fund gap, Party C will find other resources to cover the shortfall so as to ensure the operation of Yantai Groningen University and its research work. The funds allocated to Yantai Groningen University from Yantai will be audited and monitored in a follow-up auditing way.

7. Agree that the personnel in Yantai Agriculture Institute, with the current salary/ insurance/ financial allocation system unchanged, will be employed by Yantai Research Institute of China Agricultural University to provide human resources support to Yantai Groningen University

8. Agree that Yantai Groningen University coordinates resources and manages the education programs of Yantai Agriculture Institute.
9. Support Yantai Groningen University with preferential policy, administrative services and public facilities. Fees collected by Yantai Municipality and Yantai Hi-tech Zone shall be taken care of by Yantai Municipality and Administrative Committee of Hi-tech Zone. Assist Yantai Groningen University to apply for remission of fees charged by departments at provincial or above levels.
10. Make joint efforts with Party A, Party B and Yantai Groningen University to obtain investments and projects from the world and the Chinese government, especially from Shandong Province, relevant national departments and the industrial circle.

Article 6 Supplementary Provisions

1. The parties affirm that *the Construction Scheme of Yantai Groningen University*, including, development plan, campus renovation and new construction programmes of Yantai Groningen University, is an important part of this agreement. the construction scheme will be valid after it is signed separately by the three parties through friendly consultation, and has the same legal effect as this agreement.
2. The three parties will make joint efforts to achieve the development goals of Yantai Groningen University, trying to reach the scale of 3,000 and 5,000 students within the first three and five years respectively after its establishment, and over the scale of 10,000 students within ten years.
3. If any of the parties fails to fulfill the responsibility specified in this agreement so that Yantai University of Groningen is not founded on schedule, and/or does not reach the expected goals specified in *the Construction Scheme of Yantai Groningen*

University after its establishment, and/or does not reach the projected scales of different stages, other parties are entitled to adjust or suspend performance of their responsibilities and obligations under this agreement.


This agreement is written in English and Chinese and both versions are equally authentic.

This agreement is done in sextuplicate in English and Chinese versions, with 2 for each party.

This agreement shall become effective upon the signature of the three parties.

Party A

President: Ke Bingsheng

Signature: 

Date: 2015.10.21

Party B

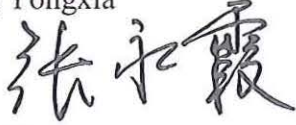
President: S. Poppema

Signature: 

Date: 2015.10.21

Party C

Mayor: Zhang Yongxia

Signature: 

Date: 2015.10.21