

**Articles of Association
of the Sino-Foreign Jointly Operated School "ECSL"**

Contents

Article 1: Purpose 1

Article 2: Name, Address 1

Article 3: Level/Category of School, Non-Profit Organisation 1

Article 4: Objectives and Scale of ECSL's Activities 1

Article 5: Assets of ECSL and Contributions 5

Article 6: Joint Managerial Committee 6

Article 7: The Co-Deans..... 8

Article 8: The Advisory Board..... 10

Article 9: Human Resources 10

Article 10: Accounting and Taxes 11

Article 11: Entry into Force, Duration and Termination, Winding Up..... 11

Article 12: Amendments to these Articles of Association 12

Article 13: Miscellaneous 12

Article 1: Purpose

- 1.1 These Articles of Association shall govern the activities of ECSL as established pursuant to the Agreement on ECSL entered into between the University of Hamburg ("UHH") and China University of Political Science and Law ("CUPL") at the date hereof.
- 1.2 The Agreement on ECSL shall form an integral part hereof and its provisions shall be incorporated into these Articles of Association.

Article 2: Name, Address

- 2.1 The name of the school shall be 中国政法大学中欧法学院 ("中欧法学院") or "Europe-China School of Law at China University of Political Science and Law ("ECSL").
- 2.2 The Address of ECSL shall be: Mingfa Building, China University of Political Science and Law, No.27, Fuxue Rd., Changping District, Beijing, P.R. China.

Article 3: Level/Category of School, Non-Profit Organisation

- 3.1 ECSL shall be a higher educational institution in full conformity with the Chinese Regulations on Chinese-Foreign Cooperation in Running Schools.
- 3.2 ECSL shall be a non-profit bearing educational institution and any and all profits resulting from ECSL's activities shall be reinvested into the pursuit of ECSL's purpose and activities and the Parties have not requested any return on their investment into ECSL.

Article 4: Objectives and Scale of ECSL's Activities

- 4.1 The general purpose of ECSL is to support the Government of the People's Republic of China in its effort to develop a society based on the rule of law and to increase capacity for realising China's governance priorities by aiming at improving the knowledge, skills and performance of the Chinese legal profession, the transition process and the sustainability of legal, social and economic reforms.
- 4.2 By providing high quality legal education, professional training, and by engaging in legal research at ECSL, the Parties aims at
- facilitating legal exchanges between China and European countries;
 - promoting economic reform and the rule of law in China, and;

- enhancing legal education in China.

4.3 In pursuit of the above purpose, ECSL will engage in the legal and scientific education and training of students and of legal professionals in European, Comparative and International law by

- (1) implementing a qualification programme leading to a Chinese post-graduate qualification and/or a European post-graduate qualification (the "Master Programme");
- (2) implementing an exhaustive programme of professional training (the "Professional Training");
- (3) engaging in research and consultancy activities, including joint training for Ph.D. students (the "Research and Consultancy Activities");
- (4) implementing alumni and membership activities (the "Alumni/Membership Activities");
- (5) any other scientific or educational activity furthering the purpose of ECSL pursuant to par. (1) above, such additional activity to be agreed upon by the Joint Managerial Committee (as defined below), the European Commission and the relevant authorities of the People's Republic of China.

4.4 Master Programmes - Double Degree Programme

ECSL shall establish the "Double Degree Programme" consisting of the "Juris Master of Chinese Law" (JM) and the "European Law Master Programme" (LL.M.).

4.4.1 The Juris Master of Chinese Law

(1) General

- (a) As an integrated part of the Double Degree Programme which will last for 3 consecutive academic years/6 consecutive semesters, the duration of JM can be technically identified as for 3 semesters.
- (b) 2nd academic year and 1st semester of 3rd academic year: courses on European law and master thesis (no less than 60 credits);
- (c) 2nd semester of 3rd academic year: selective courses for 6 credits and the work on the thesis for 15 credits .

(2) Application Qualifications and Entrance Examinations

- (a) Applicants having been awarded bachelor degrees (excluding the Bachelor of Law) by Chinese educational institutions or who have been awarded bachelor degrees (including law degrees) by foreign educational institutions may apply for this program and

participate in both the National Graduate School Entrance Examination and the Juris Master Examination as required by the Ministry of Education.

(b) ECSL may decide on

- the qualifications for exemption from entrance examination requirements
- respective weights of the Graduate School Entrance Examination and the Juris Master Examination, and
- the scope and style of re-examinations

(c) Number of Students

In the first two years following the establishment of ECSL, the two Master degree programmes intend not to enroll more than 125 students per year. This number can be increased gradually to 200 from the third to the fifth year.

(3) The degree "Juris Master" shall be conferred by CUPL.

4.4.2 The European Law Master Programme

(1) Duration and Credits

- (a) The European Law Master Programme will have a duration of 3 consecutive semesters.
- (b) The students have to achieve 60 credits during the duration of the European Law Master Programme as follows: 39 credits within classes during the first two semesters, 6 credits in the 3rd semester; 15 credits for the LL.M.-thesis to be written in the 3rd semester.

(2) Application Qualifications and Entrance Examinations

- (a) Applicants having been awarded degree diplomas by Chinese or foreign educational institutions proving the completion of a regular undergraduate education may apply.
- (b) Examination criteria will be at the discretion of the school conferring the degree.

(3) The LL.M.-degree shall be conferred by UHH.

4.4.3 The Master Programmes shall, subject to the permission by the Chinese authorities, start no later than in September 2008 and will have an intake of new students on an annual basis. The credits to be achieved on the completion of modules in the frame of the Chinese or the European Master will be based on the Chinese credit system and the European Credit Transfer System (ECTS) accordingly.

4.5 Professional Training Programme

By means of the Professional Training Programme, ECSL will provide top-quality, cutting-edge,

executive-type seminars of vital and topical legal interest led by internationally-known presenters as well as professional career-development training programmes, on topics relating to European, International and Comparative law, for practicing Chinese lawyers, judges and prosecutors. Such seminars and training programmes will mainly focus on European, International and Comparative Law issues. The contents, methodology and duration of the Professional Training will be provided in accordance with the Grant Contract and the regularly updated Project work plans. The relevant judicial institutions in China will be consulted beforehand and mutual agreement will be sought. The Professional Training Programme shall start no later than 6 months after the commencing date defined in the Grant Contract.

4.6 Teaching Languages

- (1) Courses of the European Law Master program should be taught in English.
- (2) Courses of the Chinese Juris Master program should be taught in Chinese with the exception of courses targeted specifically at international students and courses on International Law and Comparative Law, which should be taught in English.
- (3) Professional Training Courses will be held in Chinese and/or in the English language depending on the language skills of the audience and the subject of the relevant class. If necessary, ECSL will provide for the translation of lectures and class materials in order to meet the audience's needs.

4.7 Joint training of Ph.D. students

ECSL will carry-out the joint training of Ph.D. students in the following manners and any other means agreed upon by

- (1) inviting foreign professors of law to act as supervising professors for Ph.D. candidates of CUPL;
- (2) sending Ph.D. candidates of ECSL to foreign law schools to be supervised by foreign professors of law. The Parties expect CUPL to send approximately at least
 - 2 persons for the 2008-2009 per academic year
 - 4 persons for the 2009-2010 per academic year
 - 6 persons annually from 2010-2012 per academic year;
- (3) receiving Ph.D. candidates from foreign law schools to visit or study at ECSL. The Parties expect ECSL to receive approximately at least

- 2 persons for the 2008-2009 academic year
 - 4 persons for the 2009-2010 academic year
 - 6 persons annually from 2010-2013 academic year;
- (4) enrolling international students for the Ph.D. in law at ECSL. ECSL is expected to enrol approximately at least
- 2 persons for the 2008-2009 academic year
 - 4 persons for the 2009-2010 academic year
 - 6 persons annually from 2010-2013 academic year.

4.8 Legal Research and Consultancy Activities

- (1) ECSL will establish a research department to function mainly as a laboratory for Chinese and European joint academic work. ECSL aims at promoting the establishment of joint working groups between Chinese and European academics, judges and prosecutors as well as private lawyers to work on law reform and the drafting of new legislation. Both, joint Sino-European research as well as individual research will be encouraged and supported. ECSL will explore the combination of the research programme and the Ph.D. programme in order to benefit of the Chinese and European Ph.D. candidates.
- (2) Consulting services shall be offered to the local and international markets, including Chinese government departments, law firms, international organisations and other actors.

4.9 ECSL will engage in marketing activities, alumni activities, and in promoting a membership programme with the aim to establish an international expert platform, raise funds and to augment the visibility of ECSL.

4.10 Further details, methods and contribution of ECSL activities will be fixed in the regularly updated work plan.

Article 5: Assets of ECSL and Contributions

5.1 The financing of ECSL's activities shall consist of the grant granted to UHH pursuant to the Grant Contract entered into between UHH and the Commission of the European Community (the "EU Grant") and the contributions of the Partners (as defined in the Consortium Agreement).

5.2 According to the Consortium Agreement, UHH as Beneficiary shall represent all Partners of the Consortium Agreement (as defined therein) in application for and receipt of the EU Grant. The total

amount of the EU Grant is EUR 17,512,574.64 as fixed in the Grant Contract and the payment of the EU Grant will be made in instalments according to Grant Contract, its Annex II, and the rules and regulations of the Commission of the European Communities and are considered to be pre-financing until the final approval of the respective report by the Commission. UHH as Beneficiary shall use the EU Grant entirely for the purposes of establishing and running ECSL in accordance with the Grant Contract and the respective work plan. The receipt showing that the grant has entered the account shall be regarded as the proof that the initial fund of ECSL is in place.

5.3 Within the initial five years following ECSL's establishment, the Mingfa Building located on the Changping campus of CUPL shall be used by ECSL as its teaching and office building. For the purpose of the implementation of activities listed in Article 6, neither ECSL nor any partners shall pay rental fees to CUPL for using the Mingfa Building and CUPL shall not claim reimbursement from the EU Grant for this contribution. The use of the building includes free use of equipment including computers and software, air conditioners, multimedia equipment, tables and chairs and special equipment for moot courts. Water, electricity and heating will be provided free of charge. After ECSL obtains approval from the Chinese government and before 20 July 2008, CUPL shall transfer the management of the Mingfa building to ECSL.

5.4 The Partners (as defined in the Consortium Agreement) shall contribute to ECSL in such manner and to such extent as provided for in the relevant Annex to the Consortium Agreement.

Article 6: Joint Managerial Committee

6.1 (1) The supreme body of governance of ECSL shall be the Joint Managerial Committee (hereinafter referred to as the "JMC") which will be composed of 8 members and the seats will be distributed as follows:

Nomination Institution or Reference	Number and type of seat
UHH	1 (permanent)
CUPL	1 (permanent)
Chinese Partner other than CUPL nominated by CUPL pursuant to par. (3) below.	1 (term: 3 years)
Representatives of the European Partners nominated pursuant to par. (4) below	2 (term: 3 years)

Seats decided by position	2 (one for each of the Chinese and the Foreign Co-Dean)
CUPL	1 (for the representative of teachers and administrative staff)

(2) UHH and CUPL shall each have a permanent seat in the JMC. Candidates for these seats shall be nominated by their respective institutions, and JMC members elected in this way may also be removed by their respective institutions.

(3) One additional seat on the JMC shall be for a representative of a Chinese Partner other than CUPL and the power of nomination for the seat shall be vested in CUPL.

(4) There are two seats for representatives of the European Partners and the right of nomination is determined according to the Consortium Agreement.

(5) Both of the Co-Deans of ECSL are members of the JMC.

(6) One seat shall be reserved for a representative of teachers and administrative staff of ECSL.

6.2 Without prejudice to the powers conferred to it pursuant to Art. 23 of the Chinese Regulations on Chinese-Foreign Cooperation in Running Schools, the JMC shall have decision-making powers with regard to

- (1) formulating educational guidelines;
- (2) approving or dismissing the Co-Deans;
- (3) approving and modifying these Articles of Association;
- (4) formulating development plans and approving annual work plans;
- (5) examining and approving the annual budget (including the annual budget submitted by UHH to the European Commission) and the overall budget; overseeing the implementation of the annual and overall budgets;
- (6) monitoring and approving the final accounts;
- (7) raising operational funds;
- (8) determining staff arrangements, quotas and wage scales;
- (9) dividing, merging or terminating ECSL.

6.3 The decisions of the JMC shall require a majority of more than fifty per cent of the votes; decisions with regard to issues (2), (3), (4), (6) and (9) shall require a majority of at least two-thirds of the members of the JMC.

6.4 Chairpersons of the JMC:

The JMC will have 2 Co-Chairpersons, one of Chinese nationality nominated by CUPL and one of a nationality other than Chinese nominated by UHH.

6.5 Meetings of the JMC:

- (1) Meetings of the JMC will be called by one of the Co-Chairpersons with the approval of the other. On request of half of the members, the Co-Chairpersons will convene the meeting. Notice of an upcoming meeting shall be given to each member at least 14 days in advance.
- (2) The JMC shall convene at least once a year.
- (3) Decisions of the JMC are valid only if at least 5 members are in attendance at the meeting; proxy votes shall be permitted. For issues requiring the personal attention of members in accordance with the Articles of Association, proxy votes may not be permitted.
- (4) Meetings of the JMC may be held by means of presence in person, mail communication and/or teleconference;
- (5) The Co-Chairpersons shall provide to the members of the JMC the minutes of each meeting in the English language within two weeks. Each member shall notify the Co-Chairpersons of its consent to or rejection of such minutes within an additional period of two weeks after the receipt thereof; the failure of a member to object to such minutes within such period shall be deemed to constitute such member's consent.
- (6) Seats on the JMC are unsalaried positions. However, the cost of attending meetings will be compensated by ECSL including, but not limited to, transportation and accommodation expenses in accordance with the Grant Contract and the relevant rules and regulations of the European Commission.
- (7) The JMC may establish such sub-committees with such members, powers, rights and obligations as determined by the JMC in such decision.

Article 7: The Co-Deans

7.1 The ongoing affairs of ECSL shall be administered by two Co-Deans (one of Chinese nationality, one of a nationality other than the Chinese nationality). The Co-Dean of Chinese nationality is to be nominated by CUPL, the other Co-Dean shall be nominated by UHH in close co-operation with the European Partners to the Consortium Agreement.

- 7.2** The Co-Dean nominated by CUPL shall act as Executive Principal of ECSL.
- 7.3** During the term of either Co-Dean, CUPL or UHH (the latter to act in accordance with the instructions given by the European Partners to the Consortium Agreement) may choose to remove the Co-Dean serving under its nomination by nominating another candidate for Co-Dean so long as such nomination is approved by two-thirds of the JMC.
- 7.4** Three members of the JMC may collectively propose to terminate the mandate of each of the Co-Deans. If more than two-thirds of the members of the JMC agree, the JMC will decide to terminate the mandate of the respective Co-Dean and seek new nominations.
- 7.5** Unless otherwise specified herein, the Co-Deans are in charge of the following matters and take responsibilities jointly to the JMC for the
- (1) execution the decisions of the JMC;
 - (2) implementation of the development plan;
 - (3) drafting of work plans, financial budgets, rules and by-laws;
 - (4) employment and dismissal of the staff and administration of compensation and discipline;
 - (5) organisation of teaching and scientific research activities and teaching quality;
 - (6) taking charge of daily administrative work, and;
 - (7) any additional matter conferred upon the Co-Deans by the JMC.
- 7.6** The Co-Deans, acting jointly, may empower one of them to act alone in the name and on behalf of ECSL in specific cases or for a specific area of expertise, provided however that in case the relevant other Co-Dean withdraws her or his consent to such empowerment the power to act alone shall immediately cease. Any declarations destined to ECSL shall in any case be valid if received by one of the Co-Deans.
- 7.7** The Co-Dean nominated by the European partners is in charge of the finances of ECSL. Within 45 days following the conclusion of each reporting year, he/she shall report to the JMC on the financial state of ECSL (including the implementation of the past year's budget and the financial plan for the upcoming year).
- 7.8** If needed, the Co-Deans may appoint executive co-managers. The co-managers are in charge of daily administration within the scope of power delegated to them by the Co-Deans. Executive co-managers are responsible and report their work to the Co-Deans.

Article 8: The Advisory Board

- 8.1** The activities of ECSL will be regularly monitored and evaluated by a board of external advisors (the "Advisory Board") composed of five to seven members elected by the General Assembly of the Consortium (as defined in the Consortium Agreement) for a term of five years among the most internationally distinguished experts in the fields covered by ECSL and shall not be representatives of any of the Partners of the Consortium (as defined in the Consortium Agreement). A representative of the European Commission may participate in the meetings of the Advisory Board and such representative shall have the same rights as the other members.
- 8.2** The members of the Advisory Board shall elect among themselves a Chairman to act as its president for a term of three years (the "Chairman") with the power to convoke meetings of the Advisory Board, to preside over its meetings, to represent the Advisory Board vis-à-vis the Consortium, the Beneficiary, ECSL and third parties and to exert such additional powers and competences as conferred to her or him as determined by the Advisory Board. The Chairman shall among others be entitled to demand any information relating to the Project from the Co-Deans and the Chairman of the JMC. The Co-Deans shall supply to the Advisory Board an exhaustive report on the activities of ECSL at the end of each reporting year.
- 8.3** The Advisory Board shall determine the rules governing the procedural aspects of its work upon its first meeting.

Article 9: Human Resources

- 9.1** By the joint authorisation of CUPL and UHH, ECSL shall sign the service contracts (including but not limited to labour contracts) with local personnel in its own name.
- 9.2** A labour union shall be established by the staff working at the ECSL. One seat in the JMC shall be reserved for the representative of teaching and administrative staff.
- 9.3** UHH and the European Partners to the Consortium Agreement shall sign service contracts (including but not limited to labour contracts) of the non-Chinese personnel delegated to work for ECSL in accordance with the instructions of the JMC.

Article 10: Accounting and Taxes

10.1 The fiscal year of ECSL shall begin on the 1 January each year and end on 31 December each year.

10.2 All of the vouchers, receipts, reports and account books shall be written in Chinese and in English.

10.3 All of the vouchers, receipts, reports and account books shall be maintained in Beijing at the premises of ECSL. They shall be available for inspection to the Parties (as defined in the Agreement on ECSL), to members of the JMC, project officials of the European Commission, auditing institutions of China and other relevant people with the right to inspect accounting files according to the relevant laws and contracts.

10.4 Within 45 days following the end of each reporting year, the European Co-Dean shall have the financial report of that reporting year prepared and shall submit it to the JMC if this regulation is not contradictory to the conditions in the Grant Contract.

10.5 At the end of each reporting period, ECSL shall have financial and accounting reports prepared, and shall submit them for audit conducted by an auditor registered in P.R. China from an internationally recognised firm of certified public accountants. The auditor appointed by ECSL shall be nominated by the Co-Deans and approved by the JMC. The report of the results thereof shall be prepared in Chinese and English and submitted to the JMC and to the Parties.

Article 11: Entry into Force, Duration and Termination, Winding Up

11.1 With the exception of issues pending government approval, these Articles of Association shall enter into force on the date of the signing hereof.

11.2 Subject to the approval by the Ministry of Education of the P. R. China, the duration of ECSL shall be five years. In case the term of the license is shorter than 10 years, the Parties may, at the end of the duration of the license, collectively apply for a new license.

11.3 These Articles of Association shall automatically be terminated and ECSL shall be wound up if one of the following events occurs (each a "Termination Event")

- (1) the Grant Contract is revoked or ceases to be binding on the European Commission and/or UHH for any reason;
- (2) ECSL is unable to secure a license from the Ministry of Education of the P. R. China or such license is revoked or ceases to be valid for any reason;

- (3) the application for a new license or an extension following the original expiration is rejected.

Article 12: Amendments to these Articles of Association

Any amendment or alteration to these Articles of Association shall require the consent of the Parties hereto and shall be made in writing.

Article 13: Miscellaneous

13.1 These Articles of Association shall be governed by the promulgated and publicly available laws and regulations of the P. R. China.

13.2 Any disputes arising out of or in connection with these Articles of Association which cannot be settled through negotiation, such negotiation to be undertaken by the Parties in good faith, shall be subject to arbitration at the Arbitration Court of the China Chamber of International Commerce according to the Rules of Arbitration of the International Chamber of Commerce; the number of arbitrators shall be three (one arbitrator to be nominated by each party, the chairperson to be determined by the nominated arbitrators).

13.3 These Articles of Association shall be executed in three sets of originals in the Chinese and English language each. Both language versions shall be equally binding. Any discrepancy between the two language versions shall be interpreted according to the aim and context of these Articles of Association.

13.4 The Parties sign these Articles of Association relying on the validity of the following documents

- the Financing Agreement between the European Community and the Government of the People's Republic of China and its Annexes signed in 2006;
- the Guidelines for Grant Applicants Responding to the Call for Proposals for 2007 (Reference: EuropeAid/125527/L/ACT/CN);
- the Grant Contract and its annexes concluded between the European Commission and UHH (Reference: ASIE/2007/146-573);
- the Consortium Agreement entered into between the Parties hereto as well as the Partners as defined in the Consortium Agreement.

13.5 In case of any inconsistency between these Articles of Association and the Consortium Agreement, (i) these Articles of Association shall be applied if the issue raised is within the

jurisdiction of the Regulations, (ii) the Consortium Agreement shall prevail if the issue raised is beyond the jurisdiction of the Regulations.

China University of Political Science and Law

Place and Date

Signature
(Prof. XU Xianming, President)

University of Hamburg

Universität Hamburg
Die Präsidentin
Edmund-Siemers-Allee 1
20146 Hamburg



Place and Date

Signature
(Prof. Dr.-Ing. habil. Monika Auweter-Kurtz,
President)