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CHANCELLOR—BERKELEY CAMPUS

Delegation of Authority – Approval and Execution of Documents Relating to the University’s Participation in a Jointly Operated Research and Education Institution with Tsinghua University in Shenzhen, China

Standing Order of The Regents 100.4(oo) provides that:

The President is authorized to administer University participation in corporations, companies, and partnerships, provided that such participations have been approved by the Board for University-related purposes, and to execute all documents in connection therewith on behalf of the University. The President shall be the custodian of all documents related to such participations.

On July 23, 2015, The Regents approved the participation of the Berkeley campus in a non-profit jointly operated research and education institution with Tsinghua University to be named the Tsinghua-UC Berkeley Shenzhen Institute (TBSI) to operate the Institute and associated research centers in Shenzhen, China, and in Berkeley subject to the following conditions:

- A. The institution will be jointly operated by Tsinghua University and The Regents, each having a 50 percent interest in the institution. Under Chinese law, The Regents’ contribution will be in-kind contribution of research services and expertise, academic mentoring of graduate students, and the use of UC Berkeley’s name as described below.
- B. The Shenzhen municipal government will provide the capital contributions and fixed assets required to operate the institute. The initial phase of funding will be approximately \$52 million for activities in Shenzhen. Activities in Berkeley will be funded by the Tsinghua Education Foundation (N.A.), Inc. (TEFNA) in an amount of \$22 million over five years.
- C. The institution will be governed by a governing board. The Berkeley Chancellor will appoint four members to the board. Tsinghua University will appoint four members to the board and the Shenzhen municipal government will appoint three members.


- D. TBSI will have two Institute Co-Directors and two Deputy Co-Directors; in each case one will be appointed by UC Berkeley and one by Tsinghua University. The institute will initially include three research centers that will be led by Co-Directors. UC Berkeley and Tsinghua University will each appoint a Co-Director for each research center. The Institute Co-Directors will also serve in two of the six Center Co-Director positions based on their research areas of interest.
- E. The use of UC Berkeley's name will be licensed to the new non-profit entity for co-branding purposes in connection with the operation of TBSI, which will be consistent with both California statutes and University of California policy.
- F. Prior to the establishment of the new institution, the initial formational documents and any amendments shall be subject to the approval of the Chancellor following consultation with the General Counsel.
- G. A three-party agreement among Tsinghua University, The Regents, and the Shenzhen municipal government will be signed based on the agreement between Tsinghua University and The Regents. The three-party agreement will constitute Shenzhen's endorsement of TBSI and Shenzhen's funding commitment to the establishment and operation of TBSI. No new legal entity will be created as a result of the three-party agreement.
- H. Under the applicable People's Republic of China (PRC) regulations permitting jointly operated Sino-foreign educational institutions to operate in a preparatory phase prior to required approval by the PRC Ministry of Education, Tsinghua University and UC Berkeley intend to operate the institution in this manner under the name "TBSI (in Preparation)," as is common in the PRC, and in accordance with applicable PRC regulations.
- I. Either party may terminate the Master Affiliation Agreement by providing 90 calendar days' notice. Upon termination, UC Berkeley and Tsinghua University will dissolve the institution or Tsinghua University will acquire UC Berkeley's interest. In either case, the license to use the name TBSI will be terminated. UC Berkeley may invoke its termination right for any reason, including, but not limited to, (i) the disapproval by the Ministry of Education of TBSI as a Sino-foreign jointly operated research and educational institution; (ii) any uncured material breach by Tsinghua University of its obligations to UC Berkeley; or (iii) the failure of the Shenzhen municipal government or TEFNA to provide the necessary funding previously committed.

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Further, The Regents authorized me to approve and execute certain documents in connection with the foregoing, after consultation with the General Counsel, as follows:

The Regents authorize the President of the University or her designee, following consultation with the General Counsel, to approve and execute (i) any documents reasonably required to participate in the jointly operated institution as described above, including but not limited to a Master Affiliation Agreement, an Agreement on a Sino-Foreign Jointly Operated Educational Institution, Articles of Association for the institution, an Inter-Institutional Agreement for the management of intellectual property in accordance with the terms of the Master Affiliation Agreement, and sponsored research agreements for research performed at UC Berkeley; and (ii) any modifications, addenda, or amendments (collectively, "amendments") provided, however, such amendments do not materially reduce the rights of The Regents or materially increase the obligations of The Regents.

I hereby delegate to you the authorities granted to me by the above action of The Regents and by Standing Order 100.4(oo) in connection with the foregoing. You may redelegate this authority.

  
Janet Napolitano  
President

cc: Division Leaders  
Universitywide Policy Office