

**AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF CHILE
AND
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA (UC)
TO ESTABLISH
THE CHILE-CALIFORNIA PROGRAM ON HUMAN CAPITAL DEVELOPMENT**

I. - GENERAL STATEMENTS

ACKNOWLEDGING the friendship and excellent bilateral relations between the governments of the United States of America and the Government of the Republic of Chile;

CONSIDERING that the Republic of Chile and the State of California have had a long standing relationship of cooperation and collaboration, and that they have recently signed a Memorandum of Understanding entitled "Chile – California: a Partnership for the 21st Century";

RECOGNIZING that The Regents of the University of California ("UC"), the principal university system of the State of California, USA, and the Government of the Republic of Chile (hereinafter "The Parties"), have common interests in the development of highly qualified human capital in both countries through collaborative initiatives;

AGREE to establish the "CHILE-CALIFORNIA PROGRAM ON HUMAN CAPITAL DEVELOPMENT," hereinafter referred to as "the Program" which will be administered on behalf of the Government of the Republic of Chile by the Chilean Bicentennial Fund for Human Capital Development, as an agency and instrumentality thereof.

II. - PURPOSE

2.1 In response to the desire of the Government of Chile to increase access and promote equal opportunities for Chilean students to advanced degree studies in California, the University of California (UC), with capacity to do so and subject to each campuses' own admission and selection processes, will provide training to students who have been awarded scholarships by the Chilean Bicentennial Fund for Human Capital Development in the following programs:

PROGRAMS	BENEFICIARIES	DURATION
Masters programs	Graduate students	TWO (2) Years
PhD programs	Graduate students	FOUR (4) Years
English training & faculty visits	School system teachers	ONE (1) Semester
Exchange & internship	Academic staff and researchers	ONE (1) Semester or (1) Year
Thesis development & Sandwich	Master and PhD students	ONE (1) Year
Postdoctoral & sabbatical periods	Academic staff and researchers	ONE (1) or TWO (2) Years

2.2 The Program will emphasize Chile's needs to strengthen human capital development and improve the scope and quality of education, scientific & technological research and innovation, in areas associated with its socio-economic development in order to improve its global competitiveness.

Priority fields of study for Chilean scholarship recipients and joint research programs will include: Mining, Offshore Technologies, Agriculture and Food Industry, Aquaculture and Fishing, Tourism and Hospitality, Biotechnology, Information and Communication Technologies, Energy, Environmental Issues, Health, Education, Housing, Public Security and Government Policies. Further fields of cooperation may be added by mutual consent of the Parties.

2.3 The Government of Chile through the Chilean Bicentennial Fund for Human Capital Development will grant up to 500 scholarships each year for Chilean students to enroll in the University of California (UC), the principal university system of the State of California.

2.4 Campuses of the University of California (UC) are invited to negotiate individual agreements with other Chilean educational institutions. This Agreement will not affect in any case pre-existing agreements between member institutions of the Parties and other Chilean government agencies or universities.

2.5 All member institutions of the Parties shall be eligible for consideration as participants in the Program.

2.6 While this agreement covers all campuses of the UC system, individual UC campuses will be free to enter into individual "annex" agreements with the Government of Chile, within the broad framework of this UC system-wide agreement. These "annex" agreements may be appropriate for innovative programs that individual UC campuses wish to explore with Chilean partners. All conditions of the annex agreements will need to be consistent both with UC and with Chilean governmental scholarship policy and the terms of this Agreement.

III. - GENERAL STATEMENTS

3.1 Graduate Student Education and Training: support for integrating outstanding Chilean students into UC graduate programs and for research internships by UC doctoral students in Chilean universities and research centers of excellence. The specific instruments for this area include, without limitation:

- Up to 150 scholarships per year for Chilean students to pursue Masters studies at UC campuses for up to 2 years.
- Up to 150 scholarships per year for Chilean students to pursue Doctoral studies at UC campuses for up to 4 years.

- Up to 100 “sandwich” scholarships per year for Chilean doctoral students to undertake research at UC campuses or research centers of excellence for up to 2 years.
- Up to 100 “sandwich” scholarships per year for UC doctoral students to undertake research at Chilean universities or research centers of excellence for up to 1 year.

3.2 Faculty and Researcher Exchange: support for faculty and research staff members to visit and/or conduct research at UC or Chilean universities or research centers of excellence. The specific instruments for this area are mainly but not exclusive:

- Up to 50 scholarships per year for Chilean professors and researchers to pursue postdoctoral studies or sabbatical stays at UC campuses or research centers of excellence for 1 or 2 years.
- Up to 50 scholarships per year for Chilean professors to visit UC campuses or research centers of excellence for up to 3 months.
- Up to 50 scholarships per year for UC professors and researchers to pursue postdoctoral studies or sabbatical stays at Chilean universities or research centers of excellence for 1 or 2 years.
- Up to 50 scholarships per year for UC professors and researchers to visit Chilean universities or research centers of excellence for up to 3 months.
- Teacher Graduate Education and Training: during the term of this agreement the parties will explore appropriate mechanisms to support school system teachers to carry out training and post degree studies at UC campuses.

3.3 Other instruments: UC campuses and the Chilean Bicentennial Fund for Human Capital Development are open to include and explore other programs and instrument of cooperation aimed to develop human capital, research and innovation. Once these new instruments have been agreed they should be included as “annex” agreements within the broad framework of this Chile-UC system wide agreement.

IV. - FUNDING

4.1 The Chilean Bicentennial Fund for Human Capital Development will be responsible for the following:

A. - Master and Doctoral scholarships for Chilean students admitted to UC graduate programs:

- a. Fund English language training courses in Chile for scholarships holders who do not meet the language entrance requirements established by the relevant UC campuses; such students may be admitted provisionally to the UC, based on policies established by individual campuses.
- b. Support Chilean student participants in the Program through annual grants to cover living expenses while enrolled at a postgraduate program in UC. The grants

- will cover up to 2 successive years of study for grantees pursuing a master's degree and up to 4 successive years of study for doctorate students.
- c. Fund tuition and fees for those students who are not granted financial awards from UC campuses where they intend to enroll. Each UC campus will have the discretion to determine their own program financial support and assistance provisions, but shall have no obligation to fund any amount except as otherwise provided in this Agreement.
 - d. Provide for each grantee and his/her spouse one roundtrip air ticket (economy) from Chile to the corresponding destination in California.
 - e. Cover additional expenses of the scholarships holders and/or their dependents that the Chilean Government might deem necessary.
 - f. Cover appropriate medical insurance costs as required by the current USA international students' visa regulations.
 - g. Provide up to four months of a monthly allowance to those students who enroll full time in UC-affiliated English Language courses in USA, prior to the start of the postgraduate programs in UC campuses.
- B. - Sandwich scholarships for Chilean doctoral students undertaking research in UC laboratories:**
- a. Support participants in the Program through annual grants to cover living expenses while enrolled at the sandwich program.
 - b. Provide for each grantee and his/her spouse one roundtrip air ticket (economy) from Chile to the corresponding destination in California.
 - c. Cover additional expenses of the scholarships holders and/or their dependents that the Chilean Government might deem necessary.
 - d. Cover appropriate medical insurance costs as required by the current USA international students' visa regulations.
- C. - Fellowships for Chilean professors and researchers to pursue postdoctoral studies and sabbatical stays at UC campuses or research centers of excellence:**
- a. Support participants in the Program through annual grants to cover living expenses while pursuing postdoctoral studies or sabbatical stays.
 - b. Provide for each grantee and his/her spouse one roundtrip air ticket (economy) from Chile to the corresponding destination in California.
 - c. Cover additional expenses of the scholarships holders and/or their dependents that the Chilean Government might deem necessary.
 - d. Cover appropriate medical insurance costs as required by the current USA international visiting scholar visa regulations.
- D. - Chilean professors to visit UC campuses or research centers of excellence:**
- a. Provide for each grantee one roundtrip air ticket (economy) from Chile to the corresponding destination in California.
 - b. Provide stipend money for visits that last a maximum of 30 days.
 - c. Cover living expenses during the visits that last from 1 to 3 months.

4.2 Chilean responsibilities towards UC graduate students, faculty members and researcher participants in exchange programs in Chile:

- I. Facilitate the issue of study permits/visas to the participants and dependants for entry into Chile, subject to Chile's laws and regulations, covering the duration of the program of study.
- II. Provide guidance to participants to make their applications to Chilean universities appropriate to each participant's needs.
- III. Explore alternatives for Spanish language training in Chile for participants who may need it.

4.3 The University of California will be responsible for the following:

- I. Provide a UC-affiliated English Language Course, for up to 4 months, to those Chilean Masters and Ph.D. students who might need it.
- II. Seek to identify sources, including from existing research projects, that will fund round trip air tickets, maintenance money, settling-in resources and medical insurance to i) UC doctoral students that are selected to sandwich program ii) UC professors and researchers that are selected to postdoctoral and sabbatical program and iii) UC professors and researchers who undertake visit to Chilean institutions.
- III. Seek support from UC campuses to include in their individual annex agreements health insurance coverage for participants and their dependants, in accordance with US requirements, laws and regulations.
- IV. Negotiate with the Chilean Bicentennial Fund for Human Capital Development matters concerning specific arrangements for graduate students, faculty members and researcher participants in this program.

V. - COORDINATION ACTIVITIES

5.1 The University of California shall:

- I. Establish a California-Chile Scholar Exchange Committee comprised initially of faculty from UC Berkeley, UC San Diego, UC Davis and UCLA, with the possibility to expand and encompass all UC campuses that become actively engaged in the California-Chile Exchange Program.
- II. The California-Chile Scholar Exchange Committee (Committee) will work with the Chilean Bicentennial Fund for Human capital Development to identify graduate study and/or research programs on the respective campuses that meet the educational priorities of Chile. The Committee may also seek to develop new programs to address emerging priorities or that represent innovative opportunities to meet unique educational objectives.
- III. The California-Chile Scholar Exchange Committee will work with UC faculty and researchers to identify research programs in Chile that will provide unique

opportunities for UC faculty and graduate students to collaborate and carry out sandwich programs or sabbaticals in Chile.

- IV. Through the California-Chile Scholar Exchange Committee, determine each year, in collaboration with the Chilean Bicentennial Fund for Human Capital Development, and after the selection process, the number of grants to be awarded during the following academic year.
- V. Provide advice in connection with applications for study permits/visas to the participants and of visas for dependents for entry into the United States, subject to U.S. laws and regulations, covering the duration of the program of study, including visas for Coordinating Committee members.
- VI. Cover administrative costs incurred for supervision and monitoring of participants at the University of California, including academic progress, medical care, visa compliance and emergencies.
- VII. Provide guidance as needed to participants to make their applications to University of California graduate education or research programs appropriate to each participant's needs.

5.2 The Parties shall use the California-Chile Scholar Exchange Committee and the Chilean Bicentennial Fund for Human Capital Development to provide for the services necessary for participant recruitment, screening and selection. Grant competition and selection shall be open and merit-based, adhering to policies and principles established by the Coordinating Committee, the California-Chile Scholar Exchange Committee and by the individual graduate education and research programs. The California-Chile Scholar Exchange Committee shall provide to the Chilean Bicentennial Fund for Human Capital Development a yearly progress report for each Chilean student in the Program.

5.3 The Parties will implement and oversee this Agreement via a Steering Committee that will convene periodically in order to evaluate and serve as an advisory body with regard to the execution of this Agreement. Membership of the Steering Committee consisting on an equal number of representatives designated by each Party should at a minimum include: one representative of the Ministers of Education of Chile and Foreign Affairs; representatives named by the University of California Office of the President; the Executive Officer of the Chilean Bicentennial Committee for Human Capital Development; and representatives of the Chilean Scholarship Program Agencies.

5.4 Meetings of the Steering Committee shall be held in California or Chile as agreed between the Parties.

5.5 Each Party shall responsible for complying with all applicable laws and regulations in performing their obligations hereunder, and individuals participating in the Program shall abide by the laws and customs of the host institution.

VI. - INTELLECTUAL PROPERTY

The disposition of intellectual property created by the participating parties in performance of this Agreement will be guided by each University's applicable policies. In the case of graduate students working and employed by the UC and under the guidance of UC faculty, inventions will be administered in accordance with UC policies. Notwithstanding the laws of Chile, the State of California, and the United States, UC and the Chilean Bicentennial Fund for Human Capital Development will work together to discuss the management and disposition of inventions made under this Agreement by the Chilean sponsored scholars while working at UC, with the goal of achieving an outcome that includes benefits to the scholar's home institution.

VII. - NON - DISCRIMINATION

Each university agrees not to discriminate in the selection or acceptance of any participants on the basis of race, color, national origin, religion, gender, sexual orientation, mental or physical disability, age, veteran's status, ancestry, marital status or citizenship within the limits imposed by law or UC policy.

VIII. - USE OF UNIVERSITY OF INSTITUTION'S NAME

8.1 Use of University of California's name and trademarks is governed by California Educational Code, Section 92000. The Chilean Bicentennial Fund for Human Capital Development may list UC as an associated university in factual statements; otherwise no form of UC's name may be used in advertisements, reports or other information released to the public without prior written approval of UC.

8.2 UC may use the name and trademarks of the Chilean Bicentennial Fund for Human Capital Development or a Chilean university's name as an associated institution in factual statements; otherwise no form of the Chilean Bicentennial Fund for Human Capital Development or a Chilean university's name may be used in advertisements, reports or other information released to the public without prior written approval of the Chilean Bicentennial Fund for Human Capital Development. .

IX. - USE OF UNIVERSITY OF INSTITUTION'S NAME

9.1 **UC's Indemnification.** UC shall indemnify, defend and hold harmless the Chilean Bicentennial Fund for Human Capital Development, its officers, agents and employees from and against any claims, damages, costs, expenses (including an amount equal to reasonable attorneys' fees), proceedings or liabilities arising out of or in any way connected with the performance of, or failure to perform, UC's obligations under this

Agreement including, without limitation, claims, damages, expenses, or liabilities for loss or damage to any property, or for death or injury to any person or persons in proportion to and to the extent that such claims, damages, expenses or liabilities arise from the negligence, willful acts or omissions of, or breaches of this Agreement by UC, its officers, agents, partners, or employees.

9.2 Chilean Bicentennial Fund for Human Capital Development Indemnification.

The Chilean Bicentennial Fund for Human Capital Development shall indemnify, defend and hold harmless UC, its officers, agents and employees from and against any claims, damages, costs, expenses (including an amount equal to reasonable attorneys' fees), proceedings or liabilities arising out of or in any way connected with the performance of, or failure to perform, the Chilean Bicentennial Fund for Human Capital Development obligations under this Agreement including, without limitation, claims, damages, expenses or liabilities for loss or damage to any property, or for death or injury to any person or persons in proportion to and to the extent that such claims, damages, expenses or liabilities arise from the negligence, willful acts or omissions of, or breaches of this Agreement by the Chilean Bicentennial Fund for Human Capital Development, its officers, agents or employees.

X. - CONTROVERSIES, DURATION, AMENDMENT, RENEWAL AND TERMINATION

10.1 Any controversy arising from the interpretation or implementation of this Agreement will be resolved amicably and expeditiously by consultation or negotiation between the Parties or such other means as they may mutually decide. If the Parties are unable to informally resolve the controversy or dispute as provided in the preceding sentence, the Parties agree to submit the matter to mediation.

10.2 This Agreement may be amended by mutual written consent of the Parties at the request of either Party. Any amendments will become effective upon written notification by the Parties. No delay in exercising any right shall constitute a waiver of that right, but time is of the essence in respect to the covenants contained herein.

10.3 This Agreement shall be valid for a period of five (5) years. By mutual consent, the Agreement may be extended for an additional five (5) years period. This Agreement may be terminated (a) for any reason by either Party upon at least six (6) months prior written notice to the other Party, or (b) for cause upon thirty (30) days prior written notice of a material breach in the performance of an obligation hereunder unless the defaulting Party cures such breach with the thirty (30) day period. Termination of this Agreement will not affect the activities already approved jointly under its terms, or obligations that have accrued prior to the effective date of termination.

10.4 This Agreement shall be binding upon and inure to the benefit of the respective heirs, executors, administrators, successors, legal representatives and assigns of the Parties; provided, however, that neither Party shall assign its rights or obligations hereunder without the advance written consent of the other Party.

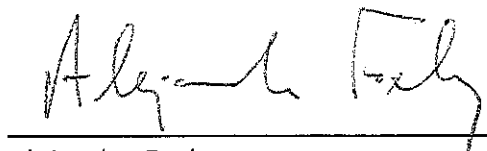
Signed in Washington, DC, United States of America, on November 17, 2008.

The Government of the Republic Chile

By:

Name:

Title:

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Alejandro Foxley

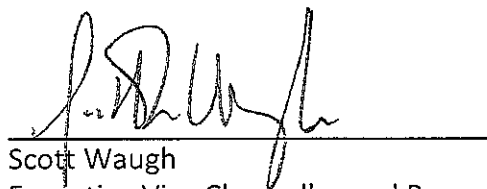
Minister of Foreign Affairs of the Republic of Chile

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, a California corporation

By:

Name:

Title:

A handwritten signature in dark ink, appearing to read "Scott Waugh", written over a horizontal line.

Scott Waugh

Executive Vice Chancellor and Provost, University of California, Los Angeles