MEMORANDUM OF AGREEMENT
For collaboration
Between
INSTITUTE OF TECHNOLOGICAL STUDIES (ITS)
No.7, Kirimandala Mawatha, Colombo 5, Sri Lanka.
Of the First Part
And
TROY STATE UNIVERSITY (TSU)
Troy, Alabama, USA
Of the Second Part
February 26, 2004

Both parties discussed the relevant matters with common interest and reached agreement on the following collaboration items based on equality, mutual respect and mutual benefit.

I. Introduction

1. This agreement is made and entered into on the 26th day of February 2004 by and between Troy State University (henceforth TSU), Adams Administration Building, Troy, Alabama 36082, a public university in the State of Alabama, and Institute of Technological Studies (Pvt.) Ltd, (henceforth ITS) No.7, Kirimandala Mawatha, Colombo 5, Sri Lanka, a private University approved under the amended University Act. In Sri Lanka.

2. TSU will offer the Associate, Bachelor, and Master degrees, in specifically approved concentrations, at ITS campuses in Dubai, U.A.E. providing TSU has visited the campuses, the TSU academic committees authorize the degrees at the campus, and the campus meets TSU accreditation standards.

3. ITS assumes totally responsibility for all financial obligations at the Colombo campus and Dubai Campus.

4. In addition ITS agrees to establish a new site in Dubai campus at Knowledge Village, U.A.E. where TSU will co-locate its’ degree program.

5. The approval of any new location shall only occur if the approval does not infringe on the conditions and terms of other previous Agreements entered into by TSU.

6. ITS must continually meet all TSU academic and administrative requirements and regulations. Failure to do so authorizes TSU to cancel this Agreement according to the terms and conditions TSU decides to impose.

7. The right to offer Troy State University programs will become effective on the date the Chancellor of Troy State University, or authorized officer approves Institute of Technological Studies campuses in Colombo Sri Lanka & Knowledge Village as a Troy State University teaching sites, however, the courses may not commence until accreditation approval is granted in the USA.

8. The approval of any new location shall only occur if any first refusal rights given under previous Agreements are waived and/or not applicable and the approval does not infringe on any of the conditions and terms of other previous Agreements entered into by TSU.

9. TSU agrees to give ITS the first right of refusal before establishing a Bachelor or Master Degree program within 50 kms of ITS locations in Dubai and Sri Lanka. This first right of refusal is not applicable to credit transfer programs at other colleges, the Associate Degree, or University to University programs.

10. The concentrations will be subject to approval by TSU and will follow all TSU regulations and procedures.

TSU agrees to establish Associate, Bachelor, and Master Degree Programs to be offered at ITS. TSU agrees to offer the following programs at ITS as and when student enrollment warrant and at such time as TSU academic approval. Any of these programs require a minimum of six months advance notice and agreement by TSU prior to implementation.
1) **Associate of Science:**
   Preferred Majors:
   a) Business Administration
   b) Computer Systems
   c) General Education

2) **Associate of Arts in Social Science**

3) **Bachelor of Science in Business Administration:**
   Preferred Majors:
   a) Information Systems
   b) General Management
   c) Finance
   d) Marketing
   e) International Business
   f) Human Resource
   g) Risk Management and Insurance
   h) Business Economics
   i) General Business

4) **Bachelor of Science:**
   Preferred Majors:
   a) Computer Science
   b) Psychology
   c) Social Science

5) **Master Degrees**
   Preferred Degrees:
   a) EMBA
   b) MBA
   c) Master of Science Degrees
      i) Human Resource Management
      ii) International Relations
      iii) Management
   d) Master of Public Administration

* These programs may be modified or changed on a year to year basis by TSU at the discretion of TSU.

**II. Contents**

In consideration of the mutual covenants and agreements herein contained the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Troy State University is prepared to establish a Troy State University (TSU) U.A.E. teaching site at Knowledge Village Dubai site in U.A.E. and in Sri Lanka at ITS.
   1.1 TSU will establish a TSU teaching site, at Knowledge Village, U.A.E. and ITS for the completion of the residency requirements in order for a student to receive a TSU degree.
   1.2 ITS is responsible for all student recruitment.
   1.3 ITS is responsible for the process of establishing the teaching site of the TSU programs by the appropriate Government agencies in U.A.E. TSU is responsible to provide all necessary documents and the guidance required obtain accreditation. ITS recognizes that TSU must verify that ITS is an government approved Educational Institution based in Sri Lanka. (and is in a position to seek SACS accreditation standards for foreign university accreditation approval and ITS is responsible to supply all the required necessary documentation for this to
1.4 ITS is responsible for all financial obligations and the establishment of the new site at the Knowledge Village on the advice of TSU.

1.5 ITS guarantees the minimum number of students required to be enrolled for the program(s) to be successful. This number must be approved by TSU.

1.6 The first intake will be September 1st 2004 subject to TSU approval.

2. Content of the cooperation for undergraduate program:

2.1 Upon meeting TSU admission requirements, ITS students may transfer to TSU (Troy), or other TSU sites and may have individual ITS courses taken accepted as transfer credit providing they meet the requirements of TSU (Troy). ITS will supply their syllabi to TSU so a judgment can be made on the applicable transfer subjects.

2.2 If ITS cannot provide equivalent transfer courses, diploma and/or degrees then additional TSU courses may need to be taken, to meet TSU graduation requirements.

2.3 Students must meet all TSU admission requirements, regulations and procedures in effect at the time of enrollment with TSU. ITS must also provide certified evidence from the appropriate Sri Lankan Government Agencies that they are an approved educational institution to offer the university level courses that are to be transferred. TSU guarantees that upon successful completion of the TSU program and meeting all TSU graduation requirements students will be conferred the TSU Degree.

2.4 ITS will modify the present course plan and the curriculum of ITS in line with the TSU during the coming four years after the signing the agreement.

3. Both parties will try and settle unsolved matters in this agreement through consultation.

4. ITS agrees to follow all academic and administrative rules, regulations and procedures of TSU.

5. The Associate, Bachelor and Master’s Degree Diplomas will be from TSU, providing all the regulations and procedures of TSU are adhered to, by both Parties, according to TSU Bulletins and Policy.

III. Special Notes:

1) For the Bachelor Degree, ITS will be responsible for 90 transfer credits to be delivered at ITS sites and a student must complete a minimum of 30 TSU credits in residence at the TSU/ITS campuses or another TSU campus. The 30 credits may be taken from the approved TSU courses in the Business, Business Core, Computer Science, and/or other subject areas. Some specialized programs may require more than 30 credits. At least 50 percent of the degree program must be 3300 or 4400 level credit.

2) For the Associate Degree, ITS will be responsible for 45 transfer credits and a student must complete a minimum of 15 TSU credits in residence at TSU/ITS campus. The 15 credits may be taken from the TSU courses in the Business, Business Core, Computer, and/or other subject areas.

3) In order to earn residency requirements a student must be enrolled for a minimum of two semesters with TSU.

4) All students enrolled in the programs at ITS must take a minimum of 15 TSU credits within their first three or four semesters of attendance. Students enrolled in the Bachelor Program with TSU will be required to take a minimum of 30 credit hours to complete the Bachelor degree. The TSU courses taken in the Associate Degree may apply toward the 30 credit hour minimum to complete the Bachelor Degree.
5) The Associate, Bachelor, and Master Degrees awarded will be Troy State University Degrees. Degrees and the certificates awarded will be identical in every aspect with the degrees normally awarded by TSU to students who satisfactorily complete the similar courses at the TSU campus.

6) Students who satisfactorily complete degree requirements will be awarded the Associate Degree, and/or the Bachelor Degree. In addition, students who meet TSU regulations and requirements may enroll in Master’s Degree Programs. After completion of the Bachelor of Business Administration Degree from TSU, students may enroll in the MBA program if all admission requirements are met.

7) Faculty teaching TSU courses must be approved by TSU and will have to meet TSU and SACS accreditation standards.

8) ITS will appoint a TSU Degree Site Coordinator to work directly with the TSU-Representative(s) and TSU faculty.

9) TUS shall notify ITS, in writing, by the end of a three-week period from the date of the submission of a completed student’s application, whether the student’s application has been accepted or rejected.

10) TSU reserves the right to select or change its’ representative(s), faculty and/or other personnel by notifying ITS in writing.

11) ITS recognizes that Educational Services International (ESI) L.C. is the Official TSU representative for Asia and the Middle East and is responsible for conducting the negotiations for this agreement on behalf of TSU. All negotiations for this Agreement shall be conducted through ESI. After the Agreement is approved by all parties TSU shall appoint a representative. All correspondence relating to this initial TSU-ITS Agreement shall be copied to ESI.

12) All syllabi used in the TSU Degree Programs for transfer credit must be approved by TSU.

13) TSU retains full and complete authority on the admission requirements of all students into any and all TSU programs. ITS agrees to enroll and accept transfer students from all other educational institutions that are approved and recommended by TSU.

14) TSU will issue student transcripts each semester through the TSU (Troy) student records office. Courses will be transferred each semester. Subject to TSU verification and approval student grades for ITS courses may be recorded on the transcripts.

15) ITS guarantees they will provide the necessary faculty to teach the Associate, Bachelor, and Master Degree courses including all supervisory responsibilities. These faculty members will be appointed as adjunct faculty by TSU and must meet TSU and SACS accreditation standards. In the event that ITS is unable to provide the faculty that meet TSU accreditation standards TSU will provide within four (4) weeks such faculty and ITS guarantees that they will pay TSU for all incidental costs travel (economy), living and the portion of the teaching salary incurred by TSU if Troy State University is required to supply these faculty.

16) TSU adjunct faculty must have a minimum of a Master’s Degree from an accredited university and a minimum of eighteen (18) graduate credit hours in the undergraduate subject area they are to teach. If TSU rejects a recommended ITS faculty with these qualifications, TSU will show reasonable written cause for the rejection.

17) Appointed lecturers of ITS and Adjunct Professors appointed by TSU shall be responsible for the grading of all student assignments and exams. They shall have final authority on the final grade assigned to students. Faculty teaching TSU courses must follow TSU’s academic policies.
18) ITS will pay all ITS faculty salaries and benefits. The faculty must meet TSU and SACS Accreditation standards. TSU must approve all faculty teaching in the TSU programs.

19) ITS will provide to TSU, upon a written request from TSU, a realistic projection of student enrollment and marketing plans for each program and site.

20) TSU will accept the institutional TOEFL. Undergraduate students must achieve a TOEFL score of 500 (173 computer based). Graduate Admission will require a TOEFL score of 525 (197 computer based).

21) All students enrolled in ITS-TSU programs will be required to complete a capstone type and/or a comprehensive examination established and controlled by TSU.

22) The TSU-Representative(s) will monitor the general academic aspects of the program. ITS recognizes that the TSU Vice-President, University College or Designee is responsible to ensure academic and administrative compliance and retaining budget authority for TSU.

23) Any advertisement/promotional materials that carry Troy State University’s name, seal, and/or logo has to be approved by TSU prior to publication and/or release to the public within five (5) working days after submission of said materials to TSU. ITS, upon approval, will be able to produce joint promotional products that jointly use TSU and ITS name, seal, and/or logo.

24) ITS students may transfer to TSU at any time, according to TSU’s admission criteria, after their first semester at ITS providing they meet TSU entrance criteria. However, it is expected that most transfers will begin after the second or third year at Colombo.

25) Troy State University will be the only American University offering programs at the ITS Campuses.

26) TSU will allow the use of the name “Troy State University” with the name ITS Campus underneath the TSU name to designate the site. The Dubai site will be named as Tory State University Campus Dubai.

27) ITS and TSU will operate on a Partnership basis.

28) Any academic program changes will only apply to the incoming group/cohort of students upon expiry of four months after date of submission to ITS (of written notification stating the proposed changes) and not the outgoing and continuing group of students, unless specifically required by the Ministry of Education in Sri Lanka, SACS or the US accreditation agencies.

29) Specific Master Degree Programs will be negotiated on a program-by-program basis. Master Degree Programs will require a specific financial guarantee for each program offered. The financial guarantee (s) will be separate and in addition to the guarantees stipulated for the Associate and Bachelor Degrees.

30) Any changes or additions to this Agreement will be in writing and added as Appendices.

IV. Budget Factors

1) ITS will be responsible for all salaries, facilities, marketing, supplies, equipment, administration and other costs deemed necessary to administer the Associate, Bachelor, and Master Degree Programs.

2) ITS will provide and bear the costs for fully furnished office space, utilities, telephone, internet access, supplies, equipment, and related expenses to meet the requirements of TSU. The amount of space required and locations will be decided by mutual agreement.
3) ITS will supply accommodation, office space, secretarial assistance, meals, and ground transportation for TSU faculty and other visiting personnel from TSU.

4) ITS agrees to pay SACS site evaluation costs (economy airfare, lodging, meals, ground transportation, and related costs). ITS will be responsible for any costs (economy class airfare, lodging, meals, ground transportation, and related expenses) for a maximum of six (6) SACS evaluators from the USA associated with each SACS visitation. The administrative fees charged by SACS will be TSU’s responsibility. This is to include all Master, Bachelor, and Associate Degree Programs.

5) ITS will establish the tuition fees and in addition may charge a special fee (i.e. exam fee/registration fee), if necessary, for students enrolled in the Associate and/or Bachelor Program.

6) ITS will pay TSU fees for students enrolled in the TSU courses offered in the Associate Degree and the Bachelor Degree. Students who have completed the Associate Degree will have to complete a minimum of one semester with TSU, and students who have not completed the Associate Degree will be required to complete a minimum of two academic semesters and satisfactorily complete 30 or more credits for the Bachelor Degree.

7) For the undergraduate programs at the Dubai ITS and Sri Lanka campuses and other future campuses/sites ITS will pay, effective September 1, 2004, directly to TSU for students who are enrolled in the ITS credit transfer programs, a semester fee per student that is ten percent (10%) of the in-state semester tuition fee set by Troy State University, Troy, Alabama for students taking 12-16 credits. This fee will be paid up to a maximum of 90 transfer credits. This fee shall be paid each semester. The semester tuition fee effective fall 2003 was US$1765.00. Therefore the amount paid to TSU per student per semester would presently be US$167.50 (1765 X .10). This figure will be adjusted September 1st 2004 and annually thereafter to reflect any increase or decrease in TSU tuition fees.

8) TSU will not levy any additional tuition fees, than those in item 7 above for ITS transfer credits, unless students take in excess of 16 transfer credits in a semester. Non credit courses for students are considered to be within the sixteen credit requirement. **TSU credits are not considered part of the sixteen credits and must be paid on a separate basis.** The charge for additional credits for ITS transfer credits will be 15% of the in-state tuition fee for each undergraduate credit hour above 16 hours which as of September 1, 2003 would have been US$21.80 per credit (US$149.00 X .15). This figure will be adjusted September 1st 2004 and annually thereafter to reflect any increase or decrease in TSU tuition fees.

9) Beginning the fall term 2004, ITS shall pay to TSU an additional US$60.00 per credit for credits required to meet the undergraduate residency requirement which shall be a minimum of thirty (30) undergraduate residency credits. If TSU credits are taken at the same time as ITS transfer credits they will not be considered as part of the 16 credit limit. Fees due for TSU credits must be calculated as an addition to and separate from other fees paid to TSU.

10) These figures will be adjusted annually, by TSU, based on the increase/decrease in tuition charges at TSU, not to exceed a maximum of 25% over a period of three years beginning September 1, 2005. Excluding increases based on TSU main campus tuition charges, any other changes must be mutually agreed upon. This does not include fees for Graduate and/or Distance Learning programs. The tuition rate for Graduate and/or Distance Learning programs will be set by mutual agreement between both parties and will be mutually reviewed on an annual basis subject to TSU and ITS approval. The income split and costs for the Graduate and/or Distance Learning programs will be negotiated separately.
11) ITS guarantees TSU a minimum annual fee payment of USD $150,000.00 per year (two semesters) effective September 1st, 2004, and USD $300,000.00 per year (two semesters) effective September 1st, 2005 for the Associate and/or Bachelor Degree programs launched by ITS. The first payment of USD $150,000.00 will be immediately due and payable on September 1st, 2004. Other payments will be due and payable on September 1st for each year thereafter. This figure will be adjusted upwards annually based on the increase in tuition by TSU proportionally. Any other changes will be mutually agreed upon.

12) ITS guarantees a one-time additional payment to TSU of USD $50,000.00 payable Sept. 1st, 2004.

13) ITS guarantees to set up a campus at “Knowledge Village” on behalf of the TSU immediately upon the signing of this Agreement by both parties. ITS assumes all financial obligations for the “Knowledge Village” campus.

14) TSU is responsible for covering the costs of the mandatory student examinations (e.g. field placement test). TSU will also pay for a full-time TSU coordinator on site at ITS Dubai campus after there are a minimum of 500 students enrolled in the TSU program.

15) Each student will pay a one-time USD $100.00 registration fee to TSU for enrollment in the Associate, Bachelor, and/or Master Degree Programs. The fee charged may be reviewed on an annual basis and will be mutually agreed upon.

16) ITS ensures that all funds are accounted for and all amounts payable to TSU will be wired to a designated account at TSU. The funds due TSU will be wired within thirty (30) days after students have completed registration. Funds due TSU must be wired to TSU prior to any TSU faculty member or representative traveling to an ITS location.

17) TSU and ITS agree to work together toward establishing various other Associate and Bachelor Degree programs. Financial arrangements for all the Associate and Bachelor Degree programs will be similar to the present terms and conditions and will require mutual agreement.

18) TSU may conduct “academic audits” on each site and each degree program at any time but normally twice a year. TSU will annually pay air fare, travel, and other living expenses for a TSU representative(s) for up to three “academic audits” per year.

19) If ITS desires or requires TSU faculty to teach any course(s), ITS will be responsible to pay an appropriate portion of the teaching salary commensurate with the time required, economy airfare USA-Dubai-USA, reasonable accommodation (3-star or above), meals, local and ground transportation and mutually agreed expenses for the visiting faculty member. ITS agrees to pay for a maximum of two persons per visit, twice a year, for a maximum time of one week per visit.

20) ITS pays all airfare and accommodation (4 or 5 star), meals, local and ground transportation and mutually agreed expenses for TSU Representative(s), the Vice President of University College designee, faculty or staff assisting at ITS and other locations for general auditing and/or working with ITS on activities requested by ITS. The Vice President of University College or designee will determine the personnel required to perform the duties requested by ITS. Other than for the purposes of general auditing, such activities must be approved by ITS.

21) If an Academic Auditor is required by ITS to visit another location and/or stay for additional days beyond five, ITS shall be responsible for all additional costs.

22) Where and when ITS is required to pay additional charges all costs must be fair, reasonable, and prudent.

23) TSU shall provide a list of all TSU recommended and required core library books to ITS two (2) months prior to the date of commencement of programs. ITS ensures that all required core library
books including the Harvard Core Business Case Studies required for Graduate Courses will be available in the Library for student use.

24) ITS students will be responsible for paying all the costs of textbooks, supplies, and other miscellaneous items required for the courses being taught. ITS can charge students any price they find reasonable.

25) ITS offers graduating students for the Associate, Bachelor, and Master degrees the graduation gown, cap, tassel, and diploma cover. ITS students will pay the costs of the reception and graduation ceremony held in Dubai U.A.E. TSU will pay for the graduation diploma, and all costs and expenses of TSU officials coming to grace the graduation ceremony. ITS students who have completed the TSU graduation requirements will be entitled (should they wish, at their own expense) to attend graduation ceremonies at TSU, Troy, Alabama.

26) Licenses, fees, and taxes in U.A.E. associated with this agreement are ITS’s responsibility. Taxes, fees and licenses in the United States associated with this agreement are TSU’s responsibility.

V. Additional Provisions

1. Termination
   1.1 If either party breaks the terms and conditions included in this Agreement, this Memorandum of Agreement may be terminated with 30 days notice. All financial obligations resulting from the actions of the party breaking the term and conditions will be immediately due and payable.
   1.2 Both parties may terminate this Agreement by mutual consent. Activities already in process may be completed. Either party shall be reimbursed costs incurred in concluding the work in progress.
   1.3 All funds due either party for the balance of any and all contractual relationships will be immediately due and payable within 30 days upon termination. All costs associated with the termination shall be allowable including all costs or non-cancelable commitments incurred prior to the receipt of the notice of termination, all legal costs, and other costs.
   1.4 ITS or TSU may terminate this Agreement, with immediate effect, if the other party participates in or is a party to illegal activities.
   1.5 In the event of termination both parties agree to carry out commitments to ensure the students enrolled in joint programs have the opportunity to finish and complete the appropriate certificate or degree program within three years.

2. Indemnification
   ITS hereby waives and agrees to indemnify, defend, and hold harmless TSU its trustees, directors, employees, agents, and other associates from any claim arising out of or connected with this Agreement or the activities undertaken under this Agreement, except to the extent that such claim is due to the negligence of TSU or TSU’s failure to comply with the terms of this Agreement. TSU shall promptly notify ITS of any such claim and shall cooperate with ITS in the defense of the claim. TSU likewise hereby waives and agrees to defend and hold harmless ITS, its trustees, directors, employees, agents, and associates from any claim arising out of or connected with this Agreement or the activities undertaken under this Agreement, except to the extent that such claim is due to the negligence of ITS or ITS’S failure to comply with the terms of this Agreement and/or activities undertaken. ITS shall promptly notify TSU of any such claims and shall cooperate with TSU in the defense of such claim.

3. Force Majeure
   No failure or omission by either party to carry out or observe any of the stipulations, conditions or obligations to be performed hereunder shall give rise to any claim against the party deemed to be in breach of this Agreement if such failure or omission arises from any cause reasonably beyond the control of that party. The term “Force Majeure” shall refer to: (i) acts of God or nature such as earthquakes, typhoons, and floods; (ii) acts of government; and (iii) unusual events such as declared
war, strikes, and other.

4. Assignment
Neither party shall assign this Agreement to another without the prior written consent of the other party.

5. Severability
In the event a court of competent jurisdiction holds any provision of this Agreement to be invalid, such holding shall have no effect on the remaining provisions of this Agreement, and they shall continue in full force and effect.

6. Headings
The paragraph headings in this Agreement are for convenience and shall not affect its' construction or interpretation.

7. Non Compete
ITS agrees not to offer the same degree programs, as those offered under contract with TSU, by any other American University or College on the same campus or location as TSU.

8. Entire Memorandum of Agreement; Changes
This Memorandum of Agreement represents the Understanding between the parties with respect to its subject matter and supersedes any prior and/or contemporaneous discussions, representations, or agreements, whether written or oral, of the parties regarding this subject matter. Any other activities that are undertaken will be incorporated as “Appendices”. Purported amendments or changes shall be of no force or effect unless they are in writing and signed by duly authorized representatives of the parties. Both parties acknowledge having read the terms and conditions set forth in this Memorandum of Agreement, understand all terms and conditions, and agree to be bound thereby.

9. Arbitration
This Agreement is made and entered into under International Arbitration standards. In the event of any dispute, controversy or difference arising under or in connection with this Agreement, the parties hereby agree to submit and finally resolve such dispute through arbitration procedure in accordance with the following procedure:
• It shall take place under the Rules of Arbitration of the International Chamber of Commerce (the “ICC-Rules”) in force when the controversy is submitted thereto. The arbitration tribunal shall be composed of three (3) individuals, who shall be appointed in accordance to the ICC-Rules, provided, however, that at least one of the arbitrators is an independent technical expert in the field of university education with direct knowledge of the technical issues to be resolved.
• The arbitration shall be conducted in the city of Paris, France and any award, regardless of the place where the arbitrators deliberate, shall be deemed to be made in such place. The arbitration shall be conducted in the English language. Both parties agree that (i) the obligations and relationships under this Agreement are commercial, (ii) the arbitral award shall be final and binding on the parties, and (iii) that the Convention on Recognition and Enforcement of Foreign Arbitral Awards is applicable. The prevailing party shall be entitled to recover from the other party (as part of the arbitral award or order) its or their reasonable attorney’s fees and other costs directly or indirectly associated with the arbitration.
• The enforcement of the arbitral award may be requested to any court having jurisdiction over the assets of the non-prevailing party, and any such court may order enforcement of the award against such party and their respective successors and permitted assignees.
• If any provision of this Agreement be adjudicated invalid or against public policy for any reason by a Court of competent jurisdiction it is specifically intended that each and every provision not so invalidated shall remain in full force and effect. In the event it is necessary for TSU to initiate action to enforce this agreement, ITS agrees to pay attorney fees, court costs, and any other expenses in addition to the compensation specified herein. Likewise, in the event it is necessary for ITS to initiate action to enforce this agreement, TSU agrees to pay...
attorney fees, court costs, and any other expenses in addition to the compensation specified herein.

10. English
   This Agreement is written in English.

11. Successors and Assigns
   This Agreement shall be binding upon the parties hereto; their successors and assigns, and the parties hereto do covenant and agree that they themselves and their assigns will execute any and all instruments, releases, assignments and consents that may be required of them in accordance with the provisions of this Agreement.

12. Notice: Any notice required or permitted hereunder, when reasonably calculated to give actual notice, may be made:
   - by any form of mail addressed to the party to be given notice at their known address and requiring a signed receipt; or
   - by personal delivery in the manner prescribed for service of legal process within the State of Alabama.

For purposes of this agreement, notice shall be given to Troy State University at the following two addresses simultaneously:
Dr. Susan C. Aldridge, Vice President
University College
Troy State University
Adams Administration Building
Troy, Alabama 36082
USA

Dr. Thomas D. Halbert, President ESI
Official Representative Asia and the Middle East
Troy State University
109-37-03A Bistari
Jalan 1/64D, 50350 Kuala Lumpur
Malaysia

For purposes of this agreement, notice shall be given to ITS at the following address:

Dr. E.M.S. Edirisinghe
President
Institute of Technological Studies
No.7, Kirimandala Mawatha,
Colombo 5,
Sri Lanka.

(The rest of this page is left intentionally blank.)
Signatures:

Dr. E.M.S. Edirisinghe  
President  
Institute of Technological Studies  
Colombo  
Sri Lanka

Dr. Jack Hawkins, Jr.  
Chancellor  
Troy State University System  
Troy  
Alabama, USA

Witnesses:

Dr. Samir Odeh  
Vice President  
Sharjah College  
Sharjah  
United Arab Emirates

Dr. Susan C Aldridge  
Vice President, University College  
Troy State University  
Troy  
Alabama, USA

Dated this February 26th 2004
This EMBA/MBA/MSc Appendix is an addition to the Memorandum of Agreement between Troy State University (TSU), Troy, Alabama and Institute of Technological Studies, No.7, Kirimandala Mawatha, Colombo 5, Sri Lanka dated February 26th 2004. The Terms and Conditions of the February 26th 2004 Agreement will remain in full force and effect unless specifically changed in this EMBA/MBA Appendix. Any changes stated in this EMBA/MBA Appendix supercede any previous terms and conditions stated in the February 26th 2004 Agreement.

Both parties agree to the following terms and conditions:

1) ITS and TSU agree to establish the Executive Master of Business Administration Degree (EMBA), Master of Administration Degree (MBA) and or MSc in Management program(s) to be offered by ITS at their location in Dubai, U.A.E. and/or Sri Lanka. The decision on whether to offer either the EMBA, MBA and/or MSc in Management will be based on market conditions. TSU and ITS will mutually negotiate which program(s) shall be offered.

2) TSU shall be guaranteed the greater of a minimum payment of US$ of One Hundred Fifty Thousand (US$ 150,000) for the EMBA or MBA and US$ One Hundred Twenty Five thousand for the MSc in Management (US$ 125,000) or 60% of the fees paid for the first 30 students and 50% thereafter enrolled for EMBA, MBA and/or MSc in Management programs, whichever is greater.

3) TSU will receive 25% of the fees paid by students for any and all prerequisite MBA courses. The tuition fee for the prerequisite courses will be set by mutual agreement.

4) The commencement of the prerequisite courses will occur at the earliest possible date.

5) The tuition rate will be set by mutual agreement between both parties and will be mutually reviewed on an annual basis. Initially the tuition for Fall 2004 shall be set at a maximum of US$ 15,000.00 for the full EMBA, MBA or MSc in Management program. Troy State University is guaranteed a minimum of USD One Hundred Fifty Thousand (US$150,000.00) per MBA/EMBA Cohort Group and One Hundred Twenty Five Thousand (US$ 125,000) for each cohort group that starts the degree program. This guaranteed payment shall be made for a maximum of 50 students enrolled per cohort group and is effective upon the start of any program with in thirty days of the registration.

6) Students pay a one-time registration fee to TSU of US$ 250.00. This fee is in addition to the tuition fee.

7) The tuition fee does not include textbooks. Textbooks, printed materials and similar expenses will be the responsibility of the student.

8) ITS agrees to pay the minimum guarantee or the total funds due to TSU, whichever is greater, upon student registration and payment of tuition. The funds due TSU will be wired within four weeks after students have completed registration. If the students pay in installments the payments to TSU will be as follows: the first payment of 35% on registration and initial payment of fees prior to the start of the program, the second 30% prior to the beginning of the fourth course of the program and the final 30% prior to the beginning of the seventh course of the program.
9) The EMBA, MBA and/or MSc Program(s) shall commence on or before 1st September 2004, and other programs mutually agreed to on dates mutually agreed upon. If the program(s) do not commence by these dates, TSU, at its sole discretion, may cancel the EMBA/MBA/MSc program or other program(s) with ITS and enter into a new agreement with another party.

10) ITS ensures that all funds are accounted for and all amounts payable to TSU will be wired to a designated account at TSU. Funds due TSU must be wired to TSU prior to any TSU faculty member or representative traveling to an ITS site.

11) Each cohort group will be capped at 50 students.

12) ITS is granted authority to start a Cohort group with one to thirty students recognizing that once a program is started TSU shall be paid the minimum guarantee.

13) ITS is permitted to commence advertising and recruitment for the EMBA, MBA and/or MSc in Management immediately upon the signing of this Appendix, provided that TSU approves all advertising and brochures in advance.

14) ITS guarantees a minimum of one intake per year. If it appears the number of students for an intake will not reach thirty both parties may mutually agree to cancel the intake. The decision to cancel must be made two months in advance of the first intake.

15) The EMBA will be a twelve-course program plus one preparation course for a total of thirteen courses, a total of twelve courses for the MBA, and a total of ten courses for the MSc in Management. The program may be completed within 12-18 months for full time and 18-24 months for part time students.

16) The EMBA, MBA and MSc must be taught as separate cohort groups.

17) ITS will appoint an EMBA, MBA and/or MSc coordinator to work directly with the program.

18) TSU shall notify ITS, in writing, within a month after the submission of a completed student’s application, whether the student’s application has been accepted or rejected.

19) TSU will teach seven courses with faculty members from Troy State University in the EMBA/MBA and six courses for the MSc in Management. TSU will determine the courses taught by TSU faculty or adjunct faculty from ITS. TSU will be responsible for the TSU faculty salaries, travel and living expenses for the seven courses, taught by TSU. (length of time and expense)

20) ITS will supply ground transportation for the TSU faculty and other visiting personnel from TSU.

21) ITS guarantees they will provide faculty to teach six courses. These faculty members may be appointed as adjunct faculty by TSU with prior consultation with ITS and must meet TSU accreditation standards. In the event that ITS is unable to provide the faculty that meet TSU accreditation standards, TSU will immediately provide within four (4) weeks such faculty and ITS guarantees that they will pay TSU for all additional costs travel (economy), reasonable living and salary incurred by TSU if Troy State University is required to supply these faculty.

22) ITS adjunct faculty must have Doctorate degrees and a minimum of eighteen (18) graduate credit hours in the subject area they are to teach. The doctorate degree does not necessarily have to be in business. If TSU rejects a recommended ITS faculty with these qualifications, TSU will show reasonable written cause for the rejection.

23) ITS will be fully responsible for all salary, benefits, expenses etc. for the faculty members they provide to teach and supervise courses.

EMBA/MBA/MSc APPENDIX TO THE AGREEMENT
24) ITS will be responsible for all facilities, equipment, computer labs, promotion, administration and all other costs deemed necessary by ITS for the running of the EMBA/MBA/MSc program, and required to meet SACS accreditation standards. (need to specify to estimate cost)

25) Troy State University will set all EMBA, MBA and/or MSc entrance requirements and conditions. TSU retains the final decision on all academic standards and policies for TSU students.

26) Providing the documentation required from ITS is submitted to TSU immediately and upon the approval of the EMBA/MBA/MSc program by the TSU academic councils and SACS, the EMBA/MBA/MSc will be able to commence Summer or Fall 2004.

ENTIRE AGREEMENT: This EMBA/MBA/MSc APPENDIX constitutes the entire, final, complete and exclusive changes and additions to the February 26th 2004 Agreement between the parties and supersedes all previous agreements or representations, oral or written, relating to this EMBA/MBA/MSc Appendix. Neither this EMBA/MBA/MSc Appendix nor the February 26th 2004 Agreement may be modified or amended except in writing signed by a duly authorized representative of each party. Both parties acknowledge having read the terms and conditions set forth in this EMBA/MBA/MSc Appendix, understand all terms and conditions, and agree to be bound thereby.

Signatures:

Dr. E.M.S. Edirisinghe  
President  
Institute of Technological Studies  
Colombo  
Sri Lanka

Dr. Jack Hawkins, Jr.  
Chancellor  
Troy State University System  
Troy  
Alabama, USA

Witnesses:

Dr. Samir Odeh  
Vice President  
Sharjah College  
Sharjah  
United Arab Emirates

Dr. Susan C. Aldridge  
Vice President, University College  
Troy State University  
Troy  
Alabama, USA

Dated this February 27th 2004
July 26, 2004

Dr. E.M.S. Edirisinghe
President
Institute of Technological Studies
7, Kirimandala Mawatha
Colombo – 5, Sri Lanka

Dear Dr. Edirisinghe,

This letter is to serve as clarification of the Agreement between the Institute of Technological Studies (ITS) and Troy State University (TSU) dated February 26th, 2004.

Troy State University hereby accepts and agrees to the following clarification in the February 26th, 2004 Agreement:

1. The U.A.E. location will be changed from Knowledge Village, Dubai, U.A.E., to Sharjah College, Sharjah U.A.E.

2. ITS guarantees that the ITS location in Sharjah, U.A.E. and the ITS location in Colombo, Sri Lanka are legal entities and are approved and entitled to operate as Educational Institutions in U.A.E. and Colombo, Sri Lanka. Furthermore, ITS guarantees that ITS has the legal and appropriate governmental approvals and authority to operate the Troy State University site locations and has approval and authority for Troy State University to offer any program(s) approved by TSU in each of these locations.

3. Both locations (Sharjah College, Sharjah, U.A.E. and ITS, Colombo, Sri Lanka) will operate under the authority of the Institute of Technological Studies.

1. The Sharjah, U.A.E. and Colombo, Sri Lanka locations are authorized to start and enroll students for the fall 2004 semester, based upon approval from the academic councils at Troy State University. The start dates must be negotiated, based upon the academic approval dates.

2. ITS will guarantee TSU, for the undergraduate programs, a minimum annual guarantee, effective September 2004, of US$ 75,000 the first year and US$ 150,000 the second year for the ITS Sharjah, U.A.E. location and an additional US$ 75,000 the first year and US$ 150,000 the second year for the ITS Colombo, Sri Lanka location. The total minimum guarantee payment for both locations is US$ 150,000 for the first year and US$ 300,000 for the second year.

3. ITS also guarantees a one time additional payment to TSU of US$ 50,000.00, per location. This payment totals US $100,000 for the Sharjah, U.A.E. and Colombo, Sri Lanka locations and is due and payable Sept. 1st 2004.

4. The two locations are independent of one another and the guarantees apply to each site independent of the other.

5. ITS is not bound by the condition that TSU will be the only American University on site. However, ITS guarantees TSU the “FIRST RIGHT OF REFUSAL” for any new programs that are the same as the programs approved and operating between ITS and TSU. This “FIRST RIGHT OF REFUSAL” is reciprocal.

6. ITS is not required to teach 15 TSU credits during the first two years of the undergraduate program. The thirty (30) TSU residential credits may be taken at any time. However, in order for
students to be TSU students they must be enrolled as TSU students and take a minimum of one credit per semester with TSU.

Sincerely,

[Signature]

Dr. Susan C. Aldridge
Vice Chancellor
University College

I hereby concur and accept the conditions and noted in this July 26th clarification of Letter of Agreement.

__________________________________________
Signature

Name______________________________
Title______________________________
Date______________________________
MEMORANDUM OF AGREEMENT
For collaboration
Between
INSTITUTE OF TECHNOLOGICAL STUDIES (PTS)
No.7, Kirimandala Mawatha, Colombo 5, Sri Lanka
Of the First Part
And
TROY STATE UNIVERSITY (TSU)
Troy, Alabama, USA
Of the Second Part
December 28, 2004

Both parties discussed the relevant matters with common interest and reached agreement on the following collaboration items based on equality, mutual respect and mutual benefit.

I. Introduction

1. This agreement is made and entered into on the 28th day of December 2004 by and between Troy State University (henceforth TSU), Adams Administration Building, Troy, Alabama 36082, a public university in the State of Alabama, and Institute of Technological Studies (Pvt.) Ltd., (henceforth ITS), No.7 Kirimandala Mawatha, Colombo 5, Sri Lanka a private University approved under the amended University Act. In Sri Lanka.

2. TSU will offer the Associate, Bachelor, and Master degrees, in specifically approved concentrations, at ITS campus in Sharjah, U.A.E. providing TSU has visited the campuses, the TSU academic committees authorize the degrees at the campus, and the campus meets TSU accreditation standards.

3. ITS assumes totally responsibility for all financial obligations at the Colombo campus and Sharjah campus.

4. In addition ITS agrees to establish a new site in Sharjah campus at Sharjah Airport International Free Zone (Saif), where TSU will co-locate its' degree program.

5. The approval of any new location shall only occur if the approval does not infringe on the conditions and terms of other previous Agreements entered into by TSU.

6. ITS must continually meet all TSU academic and administrative requirements and regulations. Failure to do so authorizes TSU to cancel this Agreement according to the terms and conditions TSU decides to impose.

7. The right to offer Troy State University programs will become effective on the date the Chancellor of Troy State University, or authorized officer approves Institute of Technological Studies campuses in Colombo Sri Lanka & Sharjah Airport International Free Zone (Saif), as a Troy State University teaching sites, however, the courses may not commence until accreditation approval is granted in the USA.

8. The approval of any new location shall only occur if any first refusal rights given under previous Agreements are waived and/or not applicable and the approval does not infringe on any of the conditions and terms of other previous Agreements entered into by TSU.

9. TSU agrees to give ITS the first right of refusal before establishing a Bachelor or Master Degree program within 50 kms of ITS locations in Sharjah and Sri Lanka. This first right of refusal is not applicable to credit transfer programs at other colleges, the Associate Degree, or University to University programs.

10. The concentrations will be subject to approval by TSU and will follow all TSU regulations and procedures.

TSU agrees to establish Associate, Bachelor, and Master Degree Programs to be offered at ITS. TSU agrees to offer the following programs at ITS as and when student enrollment warrant and at such time as TSU academic approval and SACS accreditation approval is granted as well as approval from the Government Agencies is obtained in U.A.E. Any of these programs require a minimum of six months advance notice and agreement by TSU prior to implementation.
1) **Associate of Science:**
   Preferred Majors:
   a) Business Administration
   b) Computer Systems
   c) General Education

2) **Associate of Arts in Social Science**

3) **Bachelor of Science in Business Administration:**
   Preferred Majors:
   a) Information Systems
   b) General Management
   c) Finance
   d) Marketing
   e) International Business
   f) Human Resource
   g) Risk Management and Insurance
   h) Business Economics
   i) General Business

4) **Bachelor of Science:**
   Preferred Majors:
   a) Computer Science
   b) Psychology
   c) Social Science

5) **Master Degrees**
   Preferred Degrees:
   a) EMBA
   b) MBA
   c) Master of Science Degrees
      i) Human Resource Management
      ii) International Relations
      iii) Management
   d) Master of Public Administration
   e) Master in Computer Science

* These programs may be modified or changed on a year to year basis by TSU at the discretion of TSU.

II. Contents
In consideration of the mutual covenants and agreements herein contained the sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

Troy State University is prepared to establish a Troy State University (TSU) U.A.E. teaching site at Sharjah - UAE and in Sri Lanka at ITS.

1.1 TSU will establish a TSU teaching site at Sharjah, U.A.E. and ITS for the completion of the residency requirements in order for a student to receive a TSU degree.

1.2 ITS is responsible for all student recruitment.

1.3 ITS is responsible for the process of recognition of the TSU programs by the appropriate Government agencies in U.A.E. TSU is responsible for providing all necessary documents and the guidance required to obtain accreditation. ITS recognizes that TSU must verify that ITS is an government approved Educational Institution based in Sri Lanka. (and is in a position to seek SACS accreditation standards for foreign university accreditation approval and ITS is responsible for supplying all the required necessary documentation for this to occur.

1.4 ITS is responsible for all financial obligations and the establishment of the new site at the Sharjah Airport International Free Zone on the advice of TSU.

1.5 ITS guarantees the minimum number of students required to be enrolled for the program(s) to be successful. This number must be approved by TSU.
1.6 The first intake will be January 1st 2005 subject to TSU approval and for Colombo will be September 1st, 2005 subject to TSU approval.

2. Content of the cooperation for undergraduate program:

2.1 Upon meeting TSU admission requirements, ITS students may transfer to TSU (Troy), or other TSU sites and may have individual ITS courses taken accepted as transfer credit providing they meet the requirements of TSU (Troy). ITS will supply their syllabi to TSU so a judgment can be made on the applicable transfer subjects.

2.2 If ITS cannot provide equivalent transfer courses, diploma and/or degrees then additional TSU courses may need to be taken, to meet TSU graduation requirements.

2.3 Students must meet all TSU admission requirements, regulations and procedures in effect at the time of enrollment with TSU. ITS must also provide certified evidence from the appropriate U.A.E. Government Agencies that they are an approved and accredited educational institution licensed to offer the subjects that are to be transferred. TSU guarantees that upon successful completion of the TSU program and meeting all TSU graduation requirements students will be conferred the TSU Degree.

2.4 ITS will modify the present course plan and the curriculum of ITS in line with the TSU during the coming four years after signing the agreement.

3. Both parties will try and settle unsolved matters in this agreement through consultation.

4. ITS agrees to follow all academic and administrative rules, regulations and procedures of TSU.

5. The Associate, Bachelor and Master’s Degree Diplomas will be from TSU, providing all the regulations and procedures of TSU are adhered to, by both Parties, according to TSU Bulletins and Policy.

III. Special Notes:

1) For the Bachelor Degree, ITS will be responsible for a maximum of 90 transfer credits to be delivered at ITS sites and a student must complete a minimum of 30 TSU credits in residence at the TSU/ITS campuses or another TSU campus. The 30 credits may be taken from the approved TSU courses in the Business, Business Core, Computer Science, and/or other subject areas. Some specialized programs may require more than 30 credits. At least 50 percent of the degree program must be 3300 or 4400 level credit.

2) For the Associate Degree, ITS will be responsible for 45 transfer credits and a student must complete a minimum of 15 TSU credits in residence at TSU/ITS campus. The 15 credits may be taken from the TSU courses in the Business, Business Core, Computer, and/or other subject areas.

3) In order to earn residency requirements a student must be enrolled for a minimum of two semesters with TSU.

4) All students enrolled in the programs at ITS must take a minimum of 15 TSU credits within their first three or four semesters of attendance. Students enrolled in the Bachelor Program with TSU will be required to take a minimum of 30 credit hours to complete the Bachelor degree. The TSU courses taken in the Associate Degree may apply toward the 30 credit hour minimum to complete the Bachelor Degree.

5) The Associate, Bachelor, and Master Degrees awarded will be Troy State University Degrees. Degrees and the certificates awarded will be identical in every aspect with the degrees normally awarded by TSU to students who satisfactorily complete the similar courses at the TSU campus.

6) Students who satisfactorily complete degree requirements will be awarded the Associate Degree, and/or the Bachelor Degree. In addition, students who meet TSU regulations and requirements may enroll in Master’s Degree Programs. After completion of the Bachelor of Business Administration Degree from TSU, students may enroll in the MBA program if all admission requirements are met.

7) Faculty teaching TSU courses must be approved by TSU and will have to meet TSU and SACS accreditation standards.
8) ITS will appoint a TSU Degree Site Coordinator to work directly with the TSU-Representative(s) and TSU faculty.

9) TSU shall notify ITS, in writing, by the end of a three-week period from the date of the submission of a completed student’s application, whether the student’s application has been accepted or rejected.

10) TSU reserves the right to select or change its’ representative(s), faculty and/or other personnel by notifying ITS in writing.

11) All syllabi used in the TSU Degree Programs for transfer credit must be approved by TSU.

12) TSU retains full and complete authority on the admission requirements of all students into any and all TSU programs. ITS agrees to enroll and accept transfer students from all other educational institutions that are approved and recommended by TSU.

13) TSU will issue student transcripts each semester through the TSU (Troy) student records office. Courses will be transferred each semester. Subject to TSU verification and approval student grades for ITS courses may be recorded on the transcripts.

14) ITS guarantees they will provide the necessary faculty to teach all the Associate, Bachelor, and Master Degree courses including all supervisory responsibilities. These faculty members will be appointed as adjunct faculty by TSU and must meet TSU and SACS accreditation standards. In the event that ITS is unable to provide the faculty that meet TSU accreditation standards TSU will provide within four (4) weeks such faculty and ITS guarantees that they will pay TSU for all incidental costs travel (economy), living and the portion of the teaching salary incurred by TSU if Troy State University is required to supply these faculty.

15) TSU adjunct faculty must have a minimum of a Master’s Degree from an accredited university and a minimum of eighteen (18) graduate credit hours in the undergraduate subject area they are to teach. If TSU rejects a recommended ITS faculty with these qualifications, TSU will show reasonable written cause for the rejection.

16) Appointed lecturers of ITS and Adjunct Professors appointed by TSU shall be responsible for the grading of all student assignments and exams. They shall have final authority on the final grade assigned to students. Faculty teaching TSU courses must follow TSU’s academic policies.

17) ITS will pay all ITS faculty salaries and benefits. The faculty must meet TSU and SACS Accreditation standards. TSU must approve all faculty teaching in the TSU programs.

18) ITS will provide to TSU, upon a written request from TSU, a realistic projection of student enrollment and marketing plans for each program and site.

19) TSU will accept the institutional TOEFL. Undergraduate students must achieve a TOEFL score of 500 (173 computer based). Graduate Admission will require a TOEFL score of 525 (197 computer based).

20) All students enrolled in ITS-TSU programs will be required to complete a capstone type and/or a comprehensive examination established and controlled by TSU.

21) The TSU-Representative(s) will monitor the general academic aspects of the program. ITS recognizes that the TSU Vice-Chancellor, University College or Designee is responsible to ensure academic and administrative compliance and retaining budget authority for TSU.

22) Any advertisement/promotional materials that carry Troy State University’s name, seal, and/or logo has to be approved by TSU prior to publication and/or release to the public within five (5) working days after submission of said materials to TSU. ITS, upon approval, will be able to produce joint promotional products that jointly use TSU and ITS name, seal, and/or logo.
23) ITS students may transfer to TSU at any time, according to TSU’s admission criteria, after their first semester at ITS providing they meet TSU entrance criteria. However, it is expected that most transfers will begin after the second or third year at ITS.

24) Troy State University will be the only American University offering programs at the ITS Campuses.

25) TSU will allow the use of the name “Troy State University Sharjah Campus” with the name Sharjah Campus underneath the TSU name to designate the site. The Sharjah site will be named as Troy State University Sharjah Campus. The Colombo site will be named as Troy State University Colombo Campus.

26) ITS and TSU will operate on a Partnership basis.

27) Any academic program changes will only apply to the incoming group/cohort of students upon expiry of four months after date of submission to ITS (of written notification stating the proposed changes) and not the outgoing and continuing group of students, unless specifically required by the Ministry of Education, SACS or the US accreditation agencies.

28) Specific Master Degree Programs will be negotiated on a program-by-program basis. Master Degree Programs will require a specific financial guarantee for each program offered. The financial guarantee(s) will be separate and in addition to the guarantees stipulated for the Associate and Bachelor Degrees.

29) Any changes or additions to this Agreement will be in writing and added as Appendices.

IV. Budget Factors

1) ITS will be responsible for all salaries, facilities, marketing, supplies, equipment, administration and other costs deemed necessary to administer the Associate, Bachelor, and Master Degree Programs.

2) ITS will provide and bear the costs for fully furnished office space, utilities, telephone, internet access, supplies, equipment, and related expenses to meet the requirements of TSU. The amount of space required and locations will be decided by mutual agreement.

3) ITS will supply accommodation, office space, secretarial assistance, meals, and ground transportation for TSU faculty and other visiting personnel from TSU.

4) ITS agrees to pay SACS site evaluation costs (economy airfare, lodging, meals, ground transportation, and related costs). ITS will be responsible for any costs (economy class airfare, lodging, meals, ground transportation, and related expenses) for a maximum of six (6) SACS evaluators from the USA associated with each SACS visitation. The administrative fees charged by SACS will be TSU’s responsibility. This is to include all Master, Bachelor, and Associate Degree Programs.

5) ITS will establish the tuition fees and in addition may charge a special fee (i.e. exam fee/registration fee), subject to the approval of the Ministry of Education, if necessary, for students enrolled in the Associate and/or Bachelor Program.

6) ITS will pay TSU fees for students enrolled in the TSU courses offered in the Associate Degree and the Bachelor Degree. Students who have completed the Associate Degree will have to complete a minimum of one semester with TSU, and students who have not completed the Associate Degree will be required to complete a minimum of two academic semesters and satisfactorily complete 30 or more credits for the Bachelor Degree.

7) For the undergraduate programs at the Sharjah ITS and Sri Lanka campuses and other future campuses/sites ITS will pay, effective January 1, 2005, directly to TSU for students who are enrolled in the ITS credit transfer program, a semester fee per student that is ten percent (10%) of the in-state semester tuition fee set by Troy State University, Troy, Alabama for students taking 12-16 credits. This fee will be paid up to a maximum of 90 transfer credits. This fee shall be paid each semester. The semester tuition fee effective fall 2003 was US$1765.00. Therefore the amount paid to TSU per
This figure will be adjusted September 1st 2005 and annually thereafter to reflect any increase or decrease in TSU tuition fees.

8) TSU will not levy any additional tuition fees, than those in item 7 above for ITS transfer credits, unless students take in excess of 16 transfer credits in a semester. Non credit courses for students are considered to be within the sixteen credit requirement. TSU credits are not considered part of the sixteen credits and will be paid on a separate basis. The charge for additional credits for ITS transfer credits will be 15% of the in-state tuition fee for each undergraduate credit hour above 16 hours which as of September 1, 2003 would have been US$21.80 per credit (US$149.00 X .15). This figure will be adjusted September 1st 2005 and annually thereafter to reflect any increase or decrease in TSU tuition fees.

9) Beginning the Spring term 2005, ITS shall pay to TSU an additional US$60.00 per credit for credits required to meet the undergraduate residency requirement which shall be a minimum of thirty (30) undergraduate residency credits. If TSU credits are taken at the same time as ITS transfer credits they will not be considered as part of the 16 credit limit. Fees due for TSU credits must be calculated and deducted from the minimum annual fee guaranteed, until the minimum guarantee is exceeded, then the additional fees over the minimum guarantee shall be paid to TSU.

10) These tuition fees will be adjusted annually, by TSU, based on the increase/decrease in tuition charges at TSU, not to exceed a maximum of 25% over a period of three years beginning January 1, 2005. Excluding increases based on TSU main campus tuition charges, any other changes must be mutually agreed upon. This does not include fees for Graduate and/or Distance Learning programs. The tuition rate for Graduate and/or Distance Learning programs will be set by mutual agreement between both parties and will be mutually reviewed on an annual basis subject to TSU and ITS approval. The income split and costs for the Graduate and/or Distance Learning programs will be negotiated separately.

11) ITS guarantees TSU a minimum annual fee payment per site of USD $75,000.00 per year (two semesters) effective January 2005, USD $150,000.00 per year (two semesters) effective September 1st 2005 for the Associate and/or Bachelor Degree programs launched by ITS. The first payment of USD $75,000.00 will be immediately due and payable in January 2005. Other payments will be due and payable on September 15th for each year thereafter. Any other changes will be mutually agreed upon.

12) ITS guarantees to set up a campus at ”Sharjah Airport International free Zone (Saif), Sharjah, UAE” on behalf of the TSU immediately upon the signing of this agreement by both parties. ITS assumes all financial obligations for the Saif zone campus.

13) TSU is responsible for covering the costs of the mandatory student examinations (e.g. field placement test). TSU will also pay for a full time TSU coordinator on site at ITS – Sharjah campus after there are a minimum of 500 students enrolled in the TSU program.

14) Each student will pay a one time USD $100.00 registration fee to TSU for enrollment in the Associate, Bachelor, and/or Master Degree Programs to be calculated into the minimum guaranteed annual fee. The fee charged may be reviewed on an annual basis and will be mutually agreed upon.

15) ITS ensures that all funds are accounted for and all amounts payable to TSU will be wired to a designated account at TSU. The funds due TSU will be wired within thirty (30) days after students have completed registration. Funds due TSU must be wired to TSU prior to any TSU faculty member or representative traveling to an ITS location.

16) TSU and ITS agree to work together toward establishing various other Associate and Bachelor Degree programs. Financial arrangements for all the Associate and Bachelor Degree programs will be similar to the present terms and conditions and will require mutual agreement.

17) TSU may conduct an “academic audit” on each site and each degree program at any time but normally twice a year. TSU will annually pay air fare, travel, and other living expenses for a TSU representative(s) for up to three “academic audits” per year.
18) If ITS desires or requires TSU faculty to teach any course(s), ITS will be responsible to pay an appropriate portion of the teaching salary commensurate with the time required, economy airfare USA-Sharjah-USA, reasonable accommodation (3 star or above), meals, local and ground transportation and mutually agreed expenses for the visiting faculty member.

19) ITS pays all airfare and accommodation (4 or 5 star), meals, local and ground transportation and mutually agreed expenses for TSU Representative(s), the Vice Chancellor of University College designee, faculty or staff assisting at ITS and other locations for general auditing and/or working with ITS on activities requested by ITS. The Vice Chancellor of University College or designee will determine the personnel required to perform the duties requested by ITS. Other than for the purposes of general auditing, such activities must be approved by ITS.

20) If an Academic Auditor is required by ITS to visit another location and/or stay for additional days beyond five, ITS shall be responsible for all additional costs.

21) Where and when ITS is required to pay additional charges all costs must be fair, reasonable, and prudent.

22) TSU shall provide a list of all TSU recommended and required core library books to ITS two (2) months prior to the date of commencement of programs. ITS ensures that all required core library books including the Harvard Core Business Case Studies required for Graduate Courses will be available in the Library for student use.

23) ITS students will be responsible for paying all the costs of textbooks, supplies, and other miscellaneous items required for the courses being taught. ITS can charge students any price they find reasonable.

24) ITS offers graduating students for the Associate, Bachelor, and Master degrees the graduation gown, cap, tassel, and diploma cover. ITS students will pay the costs of the reception and graduation ceremony held in U.A.E. TSU will pay for the graduation diploma, and all costs and expenses of TSU officials coming to grace the graduation ceremony. ITS students who have completed the TSU graduation requirements will be entitled (should they wish, at their own expense) to attend graduation ceremonies at TSU, Troy, Alabama.

25) Licenses, fees, and taxes in U.A.E. associated with this agreement are ITS'S responsibility. Taxes, fees and licenses in the United States associated with this agreement are TSU's responsibility.

V. Additional Provisions

Termination
1.1 If either party breaks the terms and conditions included in this Agreement, this Memorandum of Agreement may be terminated with 30 days notice. All financial obligations resulting from the actions of the party breaking the term and conditions will be immediately due and payable.

1.2 Both parties may terminate this Agreement by mutual consent. Activities already in process may be completed. Either party shall be reimbursed costs incurred in concluding the work in progress.

1.3 All funds due either party for the balance of any and all contractual relationships will be immediately due and payable within 30 days upon termination. All costs associated with the termination shall be allowable including all costs or non-cancelable commitments incurred prior to the receipt of the notice of termination, all legal costs, and other costs.

1.4 ITS or TSU may terminate this Agreement, with immediate effect, if the other party participates in or is a party to illegal activities.

1.5 In the event of termination both parties agree to carry out commitments to ensure the students enrolled in joint programs have the opportunity to finish and complete the appropriate certificate or degree program within three years.

2. Indemnification
ITS hereby waives and agrees to indemnify, defend, and hold harmless TSU its trustees, directors, employees, agents, and other associates from any claim arising out of or connected with this Agreement or the activities undertaken under this Agreement, except to the extent that such claim is due to the negligence of TSU or TSU'S failure to comply with the terms of this Agreement. TSU shall promptly notify ITS of any such claim and shall cooperate with ITS in the defense of the claim. TSU likewise
hereby waives and agrees to defend and hold harmless ITS, its trustees, directors, employees, agents, and associates from any claim arising out of or connected with this Agreement or the activities undertaken under this Agreement, except to the extent that such claim is due to the negligence of ITS or ITS’S failure to comply with the terms of this Agreement and/or activities undertaken. ITS shall promptly notify TSU of any such claims and shall cooperate with TSU in the defense of such claim.

3. Force Majeure
No failure or omission by either party to carry out or observe any of the stipulations, conditions or obligations to be performed hereunder shall give rise to any claim against the party deemed to be in breach of this Agreement if such failure or omission arises from any cause reasonably beyond the control of that party. The term “Force Majeure” shall refer to: (i) acts of God or nature such as earthquakes, typhoons, and floods; (ii) acts of government; and (iii) unusual events such as declared war, strikes, and other.

4. Assignment
Neither party shall assign this Agreement to another without the prior written consent of the other party.

5. Severability
In the event a court of competent jurisdiction holds any provision of this Agreement to be invalid, such holding shall have no effect on the remaining provisions of this Agreement, and they shall continue in full force and effect.

6. Headings
The paragraph headings in this Agreement are for convenience and shall not affect its’ construction or interpretation.

7. Non Compete
ITS agrees not to offer the same degree programs, as those offered under contract with TSU, by any other American University or College on the same campus or location as TSU.

8. Entire Memorandum of Agreement; Changes
This Memorandum of Agreement represents the Understanding between the parties with respect to its subject matter and supersedes any prior and/or contemporaneous discussions, representations, or agreements, whether written or oral, of the parties regarding this subject matter. Any other activities that are undertaken will be incorporated as “Appendices”. Purported amendments or changes shall be of no force or effect unless they are in writing and signed by duly authorized representatives of the parties. Both parties acknowledge having read the terms and conditions set forth in this Memorandum of Agreement, understand all terms and conditions, and agree to be bound thereby.

9. Arbitration
This Agreement is made and entered into under International Arbitration standards. In the event of any dispute, controversy or difference arising under or in connection with this Agreement, the parties hereby agree to submit and finally resolve such dispute through arbitration procedure in accordance with the following procedure:

- It shall take place under the Rules of Arbitration of the International Chamber of Commerce (the “ICC-Rules”) in force when the controversy is submitted thereto. The arbitration tribunal shall be composed of three (3) individuals, who shall be appointed in accordance to the ICC-Rules, provided, however, that at least one of the arbitrators is an independent technical expert in the field of university education with direct knowledge of the technical issues to be resolved.

- The arbitration shall be conducted in the city of Paris, France and any award, regardless of the place where the arbitrators deliberate, shall be deemed to be made in such place. The arbitration shall be conducted in the English language. Both parties agree that (i) the obligations and relationships under this Agreement are commercial, (ii) the arbitral award shall be final and binding on the parties, and (iii) that the Convention on Recognition and Enforcement of Foreign Arbitral Awards is applicable. The prevailing party shall be entitled to recover from the other party (as part of the arbitral award or order) its or their reasonable attorney’s fees and other costs directly or indirectly associated with the arbitration.

- The enforcement of the arbitral award may be requested to any court having jurisdiction over the
assets of the non-prevailing party, and any such court may order enforcement of the award against
such party and their respective successors and permitted assignees.
• If any provision of this Agreement be adjudicated invalid or against public policy for any reason by
a Court of competent jurisdiction it is specifically intended that each and every provision not so
invalidated shall remain in full force and effect. In the event it is necessary for TSU to initiate
action to enforce this agreement, ITS agrees to pay attorney fees, court costs, and any other
expenses in addition to the compensation specified herein. Likewise, in the event it is necessary for
ITS to initiate action to enforce this agreement, TSU agrees to pay attorney fees, court costs, and
any other expenses in addition to the compensation specified herein.

10. English
This Agreement is written in English.

11. Successors and Assigns
This Agreement shall be binding upon the parties hereto; their successors and assigns, and the parties
hereto do covenant and agree that they themselves and their assigns will execute any and all
instruments, releases, assignments and consents that may be required of them in accordance with the
provisions of this Agreement.

12. Notice: Any notice required or permitted hereunder, when reasonably calculated to give actual notice,
may be made:
• by any form of mail addressed to the party to be given notice at their known address and requiring a
signed receipt; or
• by personal delivery in the manner prescribed for service of legal process within the State of
Alabama.

For purposes of this agreement, notice shall be given to Troy State University at the following two addresses
simultaneously:
Dr. Jack Hawkins, Jr.
Chancellor
Troy State University
Adams Administration Building
Troy, Alabama 36082
USA

Dr. Susan C. Aldridge, Vice Chancellor
University College
Troy State University
Adams Administration Building
Troy, Alabama 36082
USA

For purposes of this agreement, notice shall be given to ITS at the following address:

Dr. E.M.S. Edirisinghe
President
Institute of Technological Studies (ITS)
No.7, Kirimandala Mawatha,
Colombo 5,
Sri Lanka

(THE REST OF THIS PAGE IS LEFT INTENTIONALLY BLANK.)
Signatures:

Dr. E.M.S. Edirisinghe
President
Institute of Technological Studies (ITS)
No.7, Kirimandala Mawatha, Colombo
Sri Lanka

Dr. Jack Hawkins, Jr.
Chancellor
Troy State University
Troy
Alabama, USA

Witnesses:

Dr. Samir Odeh
Vice President
Sharjah College
Sharjah
United Arab Emirates

Dr. Susan C Aldridge
Vice Chancellor, University College
Troy State University
Troy
Alabama, USA

Dated this December 28th 2004