



Center for Executive Development
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December 4, 2017

Ms. Fang Liu
Shanghai University
99 ShangDa Rd
BaoShan District, Shanghai
China

Dear Ms. Fang Liu,

We are pleased to submit this proposal for a three week training and benchmarking program titled "Challenges and Opportunities in the U.S. Risk Management and Accounting System" to be delivered to Shanghai University students in New York City, with the proposed dates being from Monday, July 9 – Friday, July 27, 2018. The program quote contained in this proposal is based on a minimum of 10 students joining the program.

Purpose/Background

The purpose of this training in the U.S. is to provide Shanghai University students with courses relating to general risk management and insurance topics, as well as accounting topics in the context of the U.S. economic system. The topics themselves have been initially selected by the team at Shanghai University in correspondence with specialists at St. John's University.

The program will be reinforced by benchmarking (site) visits in the New York City metropolitan area. It is understood that an experienced training specialist will attend the benchmarking visits with the purpose of helping Shanghai University students maximize their understanding of the U.S. financial system.

Proposed Topics and Site Visits

The courses will be delivered at the St. John's campuses in Queens and Manhattan. The Queens courses will cover SEC Reporting and Financial Statement Analysis. The Manhattan courses will be divided into three full-morning segments delivered on three separate days, and will be followed with chaperoned site visits to three companies and /or relevant organizations such as The Museum of American Finance. Lunch will be included at the Manhattan campus.

1. The U.S. Financial System and U.S. Financial Markets. This lecture will be followed by a tour of the Museum of American Finance
2. Risk Management and Insurance. Topics covered will include: the fundamentals of risk management --- the definition of risk, the risk management process, spreading risk, the law of large numbers, key players, the U.S. insurance industry; the role of Insurance in risk management; parts of a major insurance organization; the mission of insurance and its role in preserving society – including helping individuals, families, and corporations recover from disaster; the future of risk management: significant specialization, insurtech, responding to the sharing economy, startup risk management, risk modeling, and data analytics.
3. The Role of Accounting in investment and risk management and insurance, including unique aspects of insurance organizations

Additional sightseeing in New York

We understand that the students will be interested in visiting other locations while in New York and we propose the following options for them. Each of these will be accompanied by a student chaperone, and should take about five hours.

- Staten Island Ferry OR walk across Brooklyn Bridge / Brooklyn Heights Promenade
- Wall Street and World Trade Center area
- Rockefeller Center and Times Square
- Coney Island / Brooklyn Cyclones baseball game OR American Museum of Natural History

Resources and Services

The Center for Executive Development (CED) will provide the following resources and services in conjunction with the program, all of which are included in our fee. We will:

- Plan, design, and organize the program (including pre-planning)
- Hire the instructors
- Provide program materials
- Collect and disburse all funds associated with the program, including funds for accommodations and meals provided by the university
- Schedule one JFK airport pick-up and drop off
- Provide a welcome breakfast and farewell dinner at the Queens campus
- Reserve dorm rooms on the Queens campus (double occupancy basis, includes linens)
- Provide 20 meals per student, including three lunches at the Manhattan campus
- Arrange a St. John's ID card and internet service for each student
- Disseminate three unlimited (weekly) Metrocards for three weeks for each student
- Provide chaperoned site visits to three companies and on sightseeing visits

CED is not providing or arranging for airfare, any related hotel accommodations, transportation in New York City, meals for faculty, individual phone/fax services, or internet access. Most importantly, CED is not coordinating visa applications or approvals for individual students. It is understood that Shanghai University is coordinating these.

CED will, however, issue Letters of Invitation if these are required, and if a central distribution source is identified by Shanghai University for the purpose of individual distribution. CED prefers not to be involved with individual visa applications.

Student Life

It is understood that student well-being and the screening of students, any related insurance, and behavior related problems are the sole responsibility of Shanghai University. Students are expected to take all the appropriate precautions necessary to ensure their own safety in New York City.

Participants

It is understood that the participants will be enrolled students at Shanghai University. If there will be any program coordinators assigned in China who would accompany Shanghai University students on this visit, please let us know at the earliest opportunity.

Fee

The minimum fee for this program is \$40,000 for up to 10 students, with an additional fee of \$4,000 per student in excess of 10. The total cost for 10 participants of \$40,000 covers all activities and services associated with St. John's University. This does not include fees for any program coordinators visiting from China.

The fee for any accompanying Shanghai University faculty will be for housing only. Please advise if you prefer single or double occupancy.

Deposit and Cancellation policy

CED's policy is to bill one-third of the minimum program fee as a deposit, which entitles Shanghai University to the exclusive use of the assigned program dates. There will be cancellation and force majeure wording in the Letter of Agreement (final contract) we develop together in conjunction with this project. Cancellation wording generally describes the process of cancelling the program, including timeframes and penalties involved. We hope this will not happen!

Force majeure wording will describe how "Acts of God" such as earthquakes or volcanic eruptions may impact the program.

Solicitation

Faculty members in the program are employed by CED. Shanghai University agrees that it will not compile or place faculty names in any listing or database for its or anyone else's use, and will not contact any faculty member by any means after the program. There will be detailed wording about this in our final contract.

Thank you for considering The Center for Executive Development at St. John's University for this important initiative—we look forward to working with the Shanghai University team.

Sincerely,

A handwritten signature in black ink that reads "Herbert M. Chain". The signature is written in a cursive style with a large, stylized initial 'H'.

Herbert M. Chain
Executive Director
Center for Executive Development
Peter J. Tobin College of Business