



**KOREAN-AMERICAN EDUCATIONAL COMMISSION
AWARD TERMS AND CONDITIONS**

Fulbright U.S. Student Awards to Korea
Open Study/Research Program

5/2022

The Award Terms and Conditions are an integral part of the Fulbright Award Authorization (hereinafter, award document). Please read the award document carefully to confirm award benefits and stipend amounts.

If you wish to accept this award, you must print the award document, sign it by hand, and upload a scan of the signed award document to the IIE Participant Portal (<https://connect.iie.org>). Additionally, you must send a scan of the signed award document to us.student@fulbright.or.kr. *Retain the original signed award document for your records.*

The Korean-American Educational Commission (hereinafter, KAEC) administers the Fulbright Program in Korea. *All inquiries regarding your award or its terms and conditions should be addressed directly to KAEC via email: us.student@fulbright.or.kr.*

I. EXPLANATION OF AWARD DOCUMENT

All references in < > are to the numbered items and sections of the award document. Review the explanations with the award document in hand.

<Item 1>: *Name & Address of Awardee*

Any changes to this information should be reported immediately to KAEC and the relevant cooperating agency in the United States.

<Item 2>: *Date of Issue*

The signed award document must be returned to KAEC **within two weeks of its receipt by the awardee**, per the deadline provided in the award letter. Within limits, postponements for response may be granted upon written request by the awardee to KAEC prior to the response deadline.

<Item 3>: *Period of Award*

Basic Stipulations

The award length is indicated in the award document. All award benefits are based on this period subject to the “Contingencies” stipulated in Section VII (see below). Adjustments are made in the award benefits, as warranted, in cases of late arrival or early departure. Grantees who wish to arrive in Korea in advance of the award period must consult with KAEC regarding their proposed arrival date.

Grantees are expected to arrive in Korea by the start date of the award period, either as stated in the award document or as subsequently established and confirmed in writing by KAEC. Late arrival without

approval may constitute grounds for withdrawal of the award. Early arrival may be permitted, but prior approval must be obtained from KAEC for such early arrival.

Approval of an early arrival date shall not constitute a commitment by KAEC to change or extend the award period. The funded award period will remain the same length as initially stated. The award period is counted such that the ending date equals the start date minus one (1) day. For example, a 10-month grant starting September 1 ends on June 30 of the following year.

Award benefits, in the form of monthly allowances, start after the grantee has made proper arrangements with KAEC and continue on a monthly basis.

Extension

Upon request, and conditional upon making satisfactory progress toward the approved award project objectives, a grantee may request that the award period (i.e., Fulbright visa sponsorship period) be extended. Such a request must be submitted in writing and address the grantee's reasons and goals for the extension period, as well as the length of extension requested, not to exceed 90 days.

As Fulbright funding for such an extension is not available, a grantee requesting an extension must certify the availability of adequate funds to cover the requested period of extension. Funding must be from personal sources or another award. The grantee must make explicit reference to the availability of other funds in their extension request, including, for example, health care, housing (if available), and return airfare.

KAEC grants extensions solely at its own discretion, subject to the final approval of the J. William Fulbright Foreign Scholarship Board (FFSB). *Extensions are typically approved only in exceptional cases.*

Absences

Limited absences from Korea during the award period are permitted provided such absences do not interfere with the purposes of the award. Prior written approval for each absence must be obtained from KAEC through the Leave of Absence Request Form. As explained below, depending on the circumstances, an absence may or may not result in an adjustment of award benefits. KAEC reserves the right to decline absence requests.

Note: Due to the ongoing pandemic, non-essential international travel during the award period is strongly discouraged. KAEC will review requests for grant-related and personal travel on a case-by-case basis.

- a. **Grant-Related Travel:** Travel related to a grantee's specific grant project or research, as outlined in the grantee's Fulbright application, will not count toward the allotted 14-day leave or personal travel policy. All grant-related travel must be approved by the grantee's Korean host institution and KAEC. Absences necessitated by activities directly and immediately related to the approved project, or other Fulbright-sponsored or approved activities such as inter-country conferences, will be construed as "professional absences," and no adjustment of award benefits will be made for such periods of absence from Korea. Supporting documentation for professional obligations (such as invitations, emails, conference details, etc.) must be presented to KAEC in advance.

- b. Personal Travel:** Absences for any other purposes, such as tourism, home visits, enrichment travel, or non-Fulbright matters, will be construed as "personal absences." Grantees whose Period of Award is at least 10 months are permitted a cumulative total of 14 days of personal travel outside of the host country (including weekends and holidays). A grantee must obtain prior approval from KAEC for all personal travel outside of Korea.

Absences from Korea are not permitted during either the first month or the last month of the award period as such absences would constitute in effect a late arrival or early departure/resignation, respectively. This restriction applies to both professional and personal leaves of absence.

If, for any reason, a grantee, during the period of their award, leaves Korea without KAEC's written authorization, KAEC may suspend the grant stipend and any other benefits provided under the terms of this award until the grantee returns to Korea, and no claim for such stipend or other benefits for such period of suspension shall be honored. See <Item 8> for additional information.

Early Completion of Project

Grantees who accomplish their objectives earlier than expected and who wish to leave Korea before their official grant end date should submit a written request for early departure to KAEC. Advance approval in writing for the early departure must be obtained from KAEC and IIE. As the award benefits are intended only to cover expenses while in Korea to pursue the stated objectives, *award benefits will be paid only up to the day of departure*. Requests for early completion are typically expected not to exceed departing 4-6 weeks (30-45 days) in advance of the original grant end date.

Resignation

Grantees who must depart early because of professional or personal obligations in the U.S. should submit a written request for resignation to KAEC. As the award benefits are intended only to cover expenses while in Korea to pursue the stated project objectives, *award benefits will be paid only up to the day of departure*.

KAEC expects the maximum possible advance notice for a resignation request and the fullest possible cooperation from the grantee. Any grantee who resigns from the Fulbright Program may be required, within the discretion of KAEC or IIE, to reimburse KAEC or IIE for advances on stipends, allowances or other benefits including return travel. *Award benefits will be paid only up to the day of departure*.

Delayed Return

A grantee wishing to remain in Korea for a significant period after the end of the award period is responsible for seeking an appropriate adjustment in the status of entry (i.e., visa status) from Korean immigration authorities. Under current regulations, a former grantee is required to either leave the country or obtain an adjustment within 30 days of the expiration of the award period (including extensions). During any additional period of stay under such adjusted visa status, former grantees may not represent themselves as Fulbright grantees, either officially or unofficially. KAEC assumes no responsibility for any increase in return travel costs incurred because of the additional stay. See <Item 8> for relevant information.

Grantees must arrange roundtrip airfare to and from Korea as directed by KAEC. The return leg of a roundtrip ticket purchased through KAEC is set to expire 12 months after the arrival date. Therefore, if a grantee wishes to return to the U.S. beyond 12 months after their arrival date, they may seek partial

reimbursement for the return ticket. Upon receiving reimbursement, the grantee will be responsible for all costs related to the return ticket.

<Item 4>: *Category of Award*

Any change in the category of the award must be approved by KAEC.

<Item 5>: *Award Project*

Full-time research and/or study is expected as outlined in the grantee's Fulbright application. Prior approval from KAEC is required for any change in the stated project of the award. *Acceptance of remunerative employment in South Korea violates the conditions of the award.* Teaching or lecturing on a regular basis is not an authorized activity for Fulbright U.S. Open Study/Research grantees.

<Item 6>: *Institution of Affiliation in Korea*

KAEC determines appropriate affiliations based on the objectives stated in the grantee's proposal, as outlined in their Fulbright application. Any institutional affiliation confirmed in the award document may not be changed by the grantee without the approval of KAEC.

For Open Study/Research grantees, the objective of having an affiliation is to provide a "base" for facilitating access to other contacts. It does not mean that the grantee should be confined to working only with that institution or with one specific contact at that institution. Conversely, from the host institution's perspective, the offer of an affiliation which entails no services to the institution does not necessarily imply a firm commitment to extend substantial assistance or privileges. For Open Study/Research Grantees who are recent college graduates, rather than enrolled graduate students or Ph.D. dissertation researchers, the institutional affiliation may be of a nominal nature.

In some instances, institutional affiliations may be arranged or finalized after arrival in Korea. Irrespective of when the affiliation is established, a grantee should remain in regular contact with their host institution throughout the award period. If the affiliation does not work out, the grantee should inform KAEC and seek to arrange an alternate affiliation with KAEC's approval.

Before or after arrival, KAEC may provide letters of introduction, upon request, to organizations and individuals that a grantee may need to contact in relation to their approved objectives in Korea.

<Item 7>: *Cooperating Agency in the U.S.*

INSTITUTE OF INTERNATIONAL EDUCATION (IIE) – IIE is a private, non-profit agency which manages the recruitment, selection and grant administration of candidates for the Fulbright Program under a cooperative agreement with the U.S. Department of State. IIE works in tandem with KAEC, which manages and administers the Fulbright Program within Korea.

<Item 8>: *Award Benefits*

The award is tenable in South Korea only. Payment of award benefits is contingent upon a grantee's official award period and their continued presence in Korea throughout this period. Early departure from Korea, early resignation from an award, or other periods of absence not included in approved leave will result in an adjustment to award benefits in proportion to the duration of the grantee's absence.

Depending on the category of the award, as indicated in the award document, the financial terms will include all or most of the following benefits:

- a. The **STIPEND** is primarily intended to contribute toward living costs in Korea. It will be paid in Korean currency.

A grantee will not be entitled to the stipend until they have taken up their assignment in Korea. Stipend disbursements are made monthly to grantees, with the final disbursement made close to the grant end date. Grantees must establish a Korean bank account in order to receive stipend disbursements in Korean won.

If, for any reason, a grantee ceases to carry out the approved project or activity during the term of their award, KAEC may suspend payment of the stipend and any other benefits provided under the terms of this award until such time as the approved project or activity resumes, and no claim for such stipend or other benefits for such period of suspension shall be honored.

If, for any reason, the grantee, during the term of this award, leaves Korea without KAEC's written authorization, KAEC may suspend the stipend and any other benefits provided under the terms of this award until the grantee returns to Korea, and no claim for such stipend or other benefits for such period of suspension shall be honored.

- b. The **HOUSING ALLOWANCE** is paid only to a grantee who is not provided housing by KAEC, by a host institution, or by a spouse's employer.

Institutions do not normally provide housing for Open Study/Research grantees. All charges for utilities and maintenance fees in housing, whether in private, institutional, or Fulbright housing, are the responsibility of the grantee.

The housing allowance, when paid, is intended only to offset some rental charges and may not necessarily cover the full cost of rent, much less other expenses such as utilities and furnishings. The allowance varies depending on whether the grantee is accompanied or unaccompanied by a dependent(s). The award document specifies the amount to which a grantee may be entitled. This amount may be subject to change. For example, if a grantee's spouse secures employment that provides housing during their stay in Korea, this will lead to an adjustment in the grant benefits. It is the grantee's responsibility to inform KAEC of any arrangement that would impact their housing allowance amount.

- c. A **DEPENDENT ALLOWANCE** is provided to offset basic living costs for up to two accompanying dependents. A dependent is either (1) a spouse, or (2) a relative (child, parent) who is financially dependent on the grantee. Accompanying dependents are those who will spend at least 80% of the grant period with the grantee abroad.

Spouses and children who will accompany a grantee may qualify for A-3-99 visa sponsorship through the grantee. If an accompanying dependent arrives in Korea with a different passport or visa status (e.g., Korean passport, F-4 visa, E-2 visa), the grantee will be required to submit verification of the legal relationship between the grantee and their dependent (e.g., marriage or birth certificate) to qualify for dependent benefits.

Spouses or other relatives who have secured employment in Korea cannot be declared as dependents. If a grantee's spouse or other relative secures employment after arriving in Korea, it is the grantee's responsibility to inform KAEC of this fact.

- d. All **TRANSPORTATION** from the grantee's U.S. home of record to Korea is coordinated by KAEC. At least five (5) weeks prior to the date of departure, grantees must submit to KAEC via email their preferred date and travel itinerary. **DO NOT MAKE TRAVEL RESERVATIONS** through any travel office or airline prior to contacting and receiving approval from KAEC.

Under current FFSB regulations, the dependent of a Fulbright U.S. Student grantee is not eligible for a travel benefit, irrespective of the length of the award.

KAEC will only cover airfare up to the amount of the least expensive coach (economy) class routing from the grantee's home of record to Korea. If a grantee wishes to make intermediate stops and/or take alternate routing, or wishes to choose a more expensive non-stop flight, any additional costs will be the grantee's individual responsibility. All grantees must fly with U.S. or Korean flag carriers.

Exceptions:

1. A grantee who is already in Korea on the date of issue of the award document will only be provided return transportation from Korea to the home of record in the U.S. as shown in the application or as otherwise verified by KAEC. At its own discretion, KAEC may reimburse a grantee for the actual expenses incurred in traveling to Korea provided the grantee is judged to have had a valid reason for traveling to Korea prior to the beginning date of the award and funding is available for this purpose.
2. Return transportation may not be provided if a grantee leaves Korea prior to the end date of the award, unless such early departure is approved by KAEC. If a return ticket has been provided in advance, the grantee may be required to reimburse KAEC for the difference between the cost of roundtrip and one-way travel.

Travel expenses from home to the airport in the United States and from the airport to lodgings in Korea are not specifically covered by the award. When the host institution is located outside of Seoul, however, the grantee will receive a ticket or be reimbursed for any travel costs incurred during the grantee's initial travel to their host institution.

Normally, KAEC provides one-year open airfare tickets as most grantees return to the U.S. within 12 months. However, return transportation is assured to grantees only for 30 days after conclusion of the award. Extension of return travel beyond this period requires prior approval from KAEC. Note: This 30-day grace period does not apply to grantees whose award is for 12 months.

- e. If the grantee is not assigned and provided housing by KAEC, a one-time **SETTLING-IN ALLOWANCE** will be paid to assist the grantee in meeting various expenses normally incurred in settling into new housing, such as costs for desired utensils, small appliances, linens, or other household items.

- f. A **BAGGAGE ALLOWANCE** is provided on a roundtrip basis. The total amount may be used either in traveling to Korea or in returning to the U.S. KAEC will process reimbursement for shipping or mailing charges only upon submission of original receipts. At KAEC's discretion, the allowance may be adjusted if only one-way travel is authorized.
- g. A **BOOK & RESEARCH ALLOWANCE** in the amount indicated in the award document will be provided as a one-time payment. This allowance is intended to offset the costs of incidental expenses for items such as books, journals, educational material, etc.

Nonexpendable items purchased by the grantee with this allowance which are unessential to the grantee for completion of the project after the grant has expired should remain with the host institution.

- h. **DEPENDENT TUITION ALLOWANCE** may be provided for one (1) school-age dependent. If the actual tuition is more than the allowance, the grantee will be responsible for covering the remaining balance.

Only actual tuition costs of up to \$5,000 per child per semester (max two semesters) for one (1) accompanying dependent in grades K-12 will be covered if enrolled at an international school. Approved costs up to a maximum of KRW 5,000,000 per school year will be covered if the dependent is enrolled at a Korean public school. This tuition coverage does not include extracurricular courses or activities such as music, art, or sports. Payment will be made based on actual receipts. This benefit is only available for a dependent who is at least six (6) years of age at the grant start date.

This allowance may be applied to the costs of correspondence study on a receipt basis if the grantee elects such an option in lieu of formal schooling, or if formal schooling opportunities are not available at the grantee's place of residence in Korea.

- i. A **HEALTH BENEFIT POLICY** is provided through arrangements by the U.S. Department of State (USDOS). This health benefit policy provides supplemental accident and sickness health benefits coverage. Such coverage is not all-purpose health insurance; it is subject to specific limitations. Thus, this coverage is not intended to replace any insurance a grantee may already have. Instead, its intent is to supplement existing health insurance coverage and to ensure that a grantee's basic health is protected in Korea. For detailed information, please visit <https://www.sevencorners.com/about/gov/usdos>. Please note that **you are not covered whenever you are outside of Korea**. Moreover, your property and personal effects are not insured under the terms of the award. Fulbright participants are responsible for providing their dependents with a health insurance policy that includes medical evacuation and repatriation coverage. Fulbright participants and dependents with A-3-99 visa status are not eligible for Korean national health insurance.

<Item 9>: *Orientation, Events & Conferences*

Orientation to the Fulbright Program in Korea is a process that includes all information sent to the grantee by KAEC, and other sources, prior to departure from the U.S. as well as individual and/or group in-processing and orientation sessions which will take place in Korea after arrival.

Other informal socializing opportunities include the Fulbright Forums and gatherings organized by the grantees themselves. Such groups are welcome to use Fulbright Building facilities upon request.

Grantees may also be required to attend one or two conferences each year. Grantees must attend all orientation, seminar, and conference sessions unless explicitly exempted by KAEC.

After arrival in Korea, a grantee, and dependents on A-3-99 visas, will complete the paperwork to be issued a Residence Card. The Residence Card is, for all intents and purposes, a Foreigner ID Number. It may be used when making online transactions on Korean websites, setting up a bank account, or obtaining a cell phone in Korea. KAEC will submit Residence Card paperwork to Immigration on the grantee's behalf. Processing times vary, but grantees should be prepared for the card to take 6-8 weeks to be issued. Grantees must return their Residence Card, and the Residence Cards of any dependents, to KAEC or to Immigration prior to departure from Korea upon grant completion.

<Item 10>: *Special Provisions*

1. A **LANGUAGE STUDY ALLOWANCE** may be offered to grantees who need additional Korean language training. The allowance offsets the cost of Korean language study during the award period. To receive this allowance, a grantee must pursue instruction through an approved institution or with an approved tutor. Payment is made directly to the institution/tutor or reimbursed on a receipt basis.

It is the responsibility of the grantee to seek approval from KAEC for a program before enrolling. Summer programs and cultural/language programs will not be covered as they are not exclusively oriented toward Korean language study.

If pursuing individual tutoring, the tutor must be approved before the grantee signs a contract with them.

Grantees who qualify for the Language Study Allowance are required to begin their Korean language study during the first half of their grant period, or they will forfeit the allowance.

2. All grants are contingent upon KAEC's receipt of a **MEDICAL CLEARANCE** from IIE.
3. All grants are contingent upon satisfactory **COMPLETION OF AN UNDERGRADUATE DEGREE** by the grantee.

Other special provisions which might apply include adjustment in one or more of the regular allowances depending on the special circumstances of the award being offered.

<Item 11>: *Authorizing Officer*

The award document must be duly signed by the awardee and the KAEC Executive Director to be valid.

<Item 12>: *Acceptance or Declination of Award*

An awardee must complete, date, and sign the award document, and return the copies as instructed.

II. OTHER TERMS AND CONDITIONS

Expenses Not Covered or Reimbursed

1. This award does not provide for expenses in connection with procuring passports; visas; birth, health, or identification certificates; photographs; inoculations; or insurance. It also does not

provide for expenses in connection with shipments of unauthorized baggage, baggage transfer, maintenance, or per diem during periods of travel between the United States and Korea; taxi fares; IRS application fees; or any other items not specifically covered in the award document and explained herein.

2. In principle, this award is not intended to meet any expenses in the U.S. during the period of the award, nor is it intended to cover all expenses for accompanying dependents.
3. Any overpayment of benefits authorized in the award shall be refunded by the grantee immediately upon request by KAEC.

Assistance from Other Sources

A grantee must report to KAEC all scholarships, fellowships, grants, and salaries from other sources, in U.S. dollars or foreign currency, received during or with respect to the Fulbright grant. Adjustments in the Fulbright award may be made if such funds duplicate benefits provided under the terms of this award. In special cases, and only with prior written approval from KAEC, a grantee may accept honoraria or other remuneration for work related to the Fulbright grant, provided such work does not conflict with responsibilities under the grant or visa regulations.

Periodic Reports/Deliverables

1. All grantees are required to complete periodic reports and to submit a final project deliverable to KAEC. Instructions will be provided.
2. Around the halfway mark of the official award period, and again toward the conclusion of the award period, IIE will directly send to the grantee links to mandatory midterm and final report surveys. Issuance of a grantee's Fulbright Certificate of Completion is contingent upon completing both surveys.
3. A pre-departure interview may be conducted to review the grantee's experiences in Korea.

Obligations as a Fulbright Fellow

Once you have returned to the U.S., we would appreciate your cooperation with the following:

1. Acknowledging the assistance of KAEC and Fulbright in any publications resulting from your grant work; a copy of such publication would be appreciated whenever feasible.
2. If approached, agreeing to serve as a member of campus or national screening committees for the Institute of International Education (IIE).

III. PAYMENT OF TAXES

Fulbright grantees are responsible for determining their U.S. tax liability and should consult with their local Internal Revenue Service representative regarding any questions pertaining to the financial provisions of the award before they accept it. Neither KAEC nor IIE is permitted to answer questions regarding tax liability.

United States Tax

Normally, by mid-March, KAEC will provide a statement itemizing all benefits received in Korean currency and U.S. dollars under the Fulbright award which may be filed with the tax return. U.S. tax information is available on the internet at www.irs.gov with specific information for Fulbright grant awardees at www.irs.gov/individuals/international-taxpayers/fulbright-grants.

Korean Tax

Fulbright grantees are exempted from Korean income tax by virtue of the provisions of the tax treaty between the United States of America and the Republic of Korea.

IV. RIGHTS AND RESPONSIBILITIES

The following statements, quoted from *FFSB Policy 460*, define the rights and responsibilities of a Fulbright grantee:

As provided in U.S. law, all recipients of Fulbright academic exchange grants will have full academic and artistic freedom, including freedom to write, publish, and create, and no grant made by the Board may be revoked or diminished on account of the political views expressed by the recipient or on account of any scholarly or artistic activity that would be subject to the protections of academic and artistic freedom normally observed in universities in the United States. It is the policy of the Board to ensure that the academic and artistic freedoms of all persons receiving grants are protected.

Grantees are responsible for observing satisfactory academic and professional standards and for maintaining a standard of conduct and integrity that is in keeping with the spirit and intent of the Fulbright Program and that will contribute positively to the promotion of mutual understanding between the peoples of the United States and those of other countries. Grant recipients are expected to obey the laws of the United States.

A person accepting a grant is not by virtue thereof an official or employee of the U.S. Department of State or other agency of the Government of the United States of America, or of an agency of the government home country.

V. SUSPENSION OF AWARD BENEFITS

KAEC may suspend any benefits provided by the award if, in its opinion, a grantee ceases to carry out the purpose of the award, or if the grantee is found to violate any provisions of the Award Terms and Conditions. Such suspension will continue until the grantee resumes the prescribed purpose. No claims will be honored for allowances or other award benefits not paid during the period of suspension.

If it is found before or after arrival that the institution or affiliation specified in the award document does not or cannot fully accommodate a grantee for any reason, KAEC reserves the right to arrange additional or alternative affiliations, or in extreme cases, to withdraw the award.

VI. POSTPONEMENT OF AWARD

Awards may not be postponed to a subsequent program year. In exceptional cases, grantees may be permitted to postpone an award until sometime in the second semester of the program year, upon approval by the institution of affiliation and KAEC, as applicable. Requests for such postponements should be addressed to KAEC. If a grantee postpones the award to the second semester of the program year (U.S. academic year), the deadline for starting the Fulbright grant period is March 1st of the same program year (e.g., the PY2022 deadline is March 1, 2023). If a grantee does not commence their award prior to this date, the award will be withdrawn.

VII. CONTINGENCIES

The ECA, the R.O.K. Government, KAEC, the J. William Fulbright Foreign Scholarship Board, and the cooperating agency in the United States do not assume responsibility for personal injury, accident, illness, loss of personal property, acts of war or other contingencies that may befall the grantee or dependents during or in connection with the stay abroad during the period of this award.

The ECA, the R.O.K. Government, KAEC, the J. William Fulbright Foreign Scholarship Board, and the cooperating agency in the United States shall not be liable for any claim that may arise from the grantee's failure to enter upon or to complete the project in this award.

The initiation of awards is, in every instance, contingent upon the availability of contributions to the program from the governments of the United States of America and the Republic of Korea. Grant dates and funding amounts stated in the grant document are subject to change, contingent upon the host institution's operating status, changes in the institution's academic program availability or start date, travel availability, and evolving travel or health advisories. A grant is activated only if the grantee can obtain a passport as well as the required visa, and enter the Republic of Korea to begin the academic program outlined in their grant document at their host institution.

VIII. REVOCATION OF AWARD

All Fulbright Programs are apolitical. Any politically charged comments made negatively towards the R.O.K or U.S. Governments through online media platforms may result in revocation of your award.

The following statements, quoted from *FFSB Policy 438.3*, define the conditions for a revocation of the award:

In addition to the grounds specified in Section 426.3, grounds for revocation or termination include, but are not limited to: (1) violation of any law of the United States or the host country; (2) any act likely to give offense to the host country because it is contrary to the spirit of mutual understanding; (3) failure to observe satisfactory academic or professional standards; (4) physical or mental incapacitation; (5) engaging in any unauthorized income-producing activity; (6) failure to comply with the grant's terms and conditions; (7) material misrepresentation made by any grantee in a grant application form or grant document; (8) conduct which may have the effect of bringing the Department of State or the Fulbright Program into disrepute; (9) violation of the Policies of the J. William Fulbright Foreign Scholarship Board.

In addition, the Board may terminate a grant, unless prohibited by law, if (1) the grantee has exhausted all benefits of health and accident insurance provided by the U.S. Department of State in connection with the grant and continued medical treatment would lead to the grantee's becoming a public charge, or (2) the grantee requires such protracted medical treatment that successful completion of the grant is jeopardized, or (3) medical information submitted in the application is found to be substantially inaccurate or incomplete.