

9/07

**BYLAWS
OF
MAJURO COOPERATIVE SCHOOL, INC.**
A Marshall Islands Non-Profit Corporation

ARTICLE 1 MEMBERSHIP

Section 1.1 Eligibility Each person who is a parent or guardian of a student and each person who pays the tuition fee for a student enrolled in a school established by the corporation shall be eligible for membership in the corporation; provided, however, there may be only two members per student and one membership per person. Membership in the corporation is not transferable.

Section 1.2 Application An applicant shall be admitted to membership on his or her execution of a written agreement to be bound by the bylaws and any amendments thereto and the Parent-Student Handbook or Manual, and to discharge the duties of membership as may be set forth in the bylaws and in any rules or regulations promulgated under them.

Section 1.3 Good Standing Only members whose child's or children's tuition, book use, and other fees are fully paid-up are members in good standing.

Section 1.4 Suspension or Termination A member may be suspended or terminated by the board of directors for cause, including the failure to pay tuition when due for 60 days or conduct prejudicial to the best interest of the corporation; provided that such a member shall be entitled to a hearing before the board of directors not less than 7 days after the suspension or termination.

ARTICLE 2 MEMBERS' MEETINGS

Section 2.1 Place of Meeting All meetings of the members shall be held at the office of the corporation in Majuro, Marshall Islands, or any other place inside or out of the Marshall Islands, as may be designated for that purpose from time to time by the board of directors.

Section 2.2 Annual Meeting The annual meeting of the members shall be held each year on a date after the start of the school year but before October 1. At the annual meeting, the members shall elect the directors, elect the PTA representatives, consider reports of the affairs of the corporation, and transact such other business as may properly be brought before the meeting.

Section 2.3 Special Meetings Special meetings of the members for any purpose may be called at any time by a request from the president, a director, or members holding not less than twenty-five percent of the voting power of the corporation; provided, however, any member may call a meeting to elect directors, if directors were not elected at the annual meeting or there was no annual meeting. Such requests must be in writing and either personally delivered to the president, vice-president, secretary, or treasurer or sent by registered mail to such officers at the principal office of the corporation in the Marshall Islands. Upon receipt of a request for a special meeting, it shall be the duty of the officer in receipt to fix the time of meeting and to cause notice to be given to the members entitled to vote. If notice shall not be given within 15 days after the date of delivery or the date of mailing, whichever first occurs, then the person or persons calling the meeting may fix the time of meeting and give notice in the manner provided for in these bylaws.

Section 2.4 Notice of Meetings

2.4.1 Notices of meetings, regular, annual or special, shall be given in writing at the direction of the Secretary or other officer to the members entitled to vote not less than 4 nor more than 10 days before the meeting. Such notices may be sent home with the students for delivery to the members, may be posted in the school office, or may be published in the Marshall Islands Journal.

2.4.2 Notice of any meeting of the members shall specify the place, the day and the hour of meeting, and in case of a special meeting, the general purpose of the business to be transacted.

2.4.3 Any member prior to, at the meeting, or subsequent thereto, may waive notice of any meeting in writing, signed by the member. At any meeting, the presence of any member shall be equivalent of the waiver of the giving of notice of said meeting to the member.

Section 2.5 Consent to Members' Meeting The transactions of any meeting of members, however called and noticed, shall be valid as though the meeting was duly held after regular call and notice if a quorum be present, and if either before or after the meeting, 75% of the members entitled to vote, sign a written waiver of notice or a consent or approval to the holding of such meeting. All such waivers, consents, or approvals shall be filed with the corporation records or made a part of the minutes of the meeting.

Section 2.6 Members Acting Without Meeting Any action which may be taken at a meeting of the members, may be taken without a meeting if authorized in writing by 75% of the members entitled to vote at a meeting for such purpose, and filed with the secretary of the corporation.

Section 2.7 Quorum 25% of the members entitled to vote, present in person, shall be requisite and shall constitute a quorum at all meetings of the members for the transaction of business, except as may otherwise be provided by law, the charter of incorporation, or these bylaws. If, however, such quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereon, present in person, shall have the power to adjourn the meeting from time to time, until the requisite number of members shall be present. At such adjourned meeting at which the requisite number of members shall be represented, any business may be transacted which might have been transacted at the meeting as originally notified. A quorum once present is not broken by the subsequent departure of any member.

Section 2.8 General voting rights

2.8.1 At any meeting of the members of the corporation, each member in good standing shall be entitled to one vote on any question or issue voted on by the membership. In the elections of the directors and the PTA representatives, each such member shall have as many votes as there are respective positions to be filled at the election; provided, however, each member may cast only one vote for each candidate.

2.8.2 Except as otherwise provided by law, or the petition of charter, or these bylaws, all matters voted on the members at any meeting shall be decided by vote of the majority of the members present; provided, however, that in any election of the directors and the PTA representatives, the number of elected positions to be filled shall be filled by those candidates who

receive the highest number of votes cast and accept the appointment, without regard to the presence or absence of an absolute majority in any case.

Section 2.9 Organization The president, or in the absence of the president, the vice-president, shall call the meeting of the members to order, and shall preside over the meeting. In the absence of the president and the vice-president, members shall appoint a chairman for such meeting. The secretary of the corporation shall act as secretary at all meetings of the members, but in the absence of the secretary at any meeting of the members, the presiding officer may appoint any person to act as secretary of the meeting.

ARTICLE 3 DIRECTORS: MANAGEMENT

Section 3.1 Power Subject to the limitation of the charter of incorporation, or the bylaws, and of the laws of the Marshall Islands as to action to be authorized or approved by the members, all corporate powers shall be exercised by or under authority of, and the business and affairs of this corporation shall be controlled by, a board of directors, which shall, without limitation, receive all committee reports, determine the policies of administration and finance, and assume responsibility for the ethical standards of the corporation. The board of directors of the corporation may require such dues, assessments, or fines as they deem necessary to enable the efficient operation of the corporation, and shall possess such powers as to insure that the corporation remains accredited by the U.S. based Western Association of Schools and Colleges.

Section 3.2 Number and Qualification The authorized number of directors of the corporation shall be seven. To be eligible for election as director, a person must be a member in good standing.

Section 3.3 Ex Officio Directors The president of the PTA and two at large representatives shall be non-voting *ex officio* directors. The Board shall appoint the two additional non-voting *ex officio* directors, who are not required to have children enrolled in the school.

Section 3.4 Election and Tenure of Office Directors shall be elected by ballot at the annual meeting of the members, to serve for two years or until their successors are elected and qualified. The term of office shall begin immediately after election and qualification. Three directors shall be elected in odd-numbered years, and four directors shall be elected in even-numbered years.

Section 3.5 Vacancies

3.5.1 Vacancies in the board of directors may be filled by a majority of the remaining directors, though less than a quorum, and each director so elected shall hold office for the remainder of that particular term and until that director's successor is elected at an annual meeting of members or at a special meeting called for that purpose and qualified.

3.5.2 The members may at any time elect a director to fill any vacancy not filled by the directors and may elect additional directors at the meeting at which an amendment of the bylaws is voted authorizing an increase in the board of directors.

3.5.3 A vacancy shall be deemed to exist in case of the death, resignation or removal of any director, or if the members shall increase the authorized number of directors but shall fail at the meeting at which such increase is authorized, or at an adjournment thereof, to elect the directors.

Section 3.6 Removal of Directors All the directors or any individual director may be removed from office by a vote of membership holding a majority of the outstanding vote. Any director who misses three consecutive meetings without a valid excuse ceases to be a member of the board, thereby creating a vacancy.

Section 3.7 Organizational and Other Regular Meetings The organizational meeting of the board of directors shall be held immediately following the adjournment of the annual meeting of the members, and at the same place as the meetings of the members, without any other notice than this bylaw. The board of directors shall hold regular monthly meetings. Notice of such meeting shall be posted in the office and communicated by notices sent home with students. The board of directors may provide, by resolution, the time and place for holding other regular meetings without other notice than such resolution. Such additional regular meetings shall be held at the principal office of the corporation in the absence of any designation in the resolution.

Section 3.8 Special Meetings, Notice

3.8.1 Special meetings of the board of directors for any purpose shall be called at any time by the president or if the president is absent or unable or refuses to act, by any two directors.

3.8.2 Written notice of the time and place of special meetings shall be delivered personally to the directors or sent to each director by letter, fax, or email. Such notice must be received at least 24 hours before the meeting.

Section 3.9 Waiver of Notice When all directors are present at any directors' meeting, however called or noticed, and sign a written consent thereto on the records of such meeting, or, if a majority of the directors are present, and if those not present sign in writing a waiver of notice of such meeting, whether prior to or after the holding of such meeting, which said waiver shall be filed with the secretary of the corporation, the transactions thereof are as valid as if had at a meeting regularly called and noticed.

Section 3.10 Directors Acting Without a Meeting by Unanimous Written Consent Any action required or permitted to be taken by the board of directors may be taken without a meeting and with the same force and effect as if taken by unanimous vote of the directors, if authorized by writing signed by all members of the board of directors. Such consent shall be filed with the secretary of the corporation.

Section 3.11 Notice of Adjournment Notice of the time and place of holding an adjourned meeting need not be given to the absent director, if the time and place be fixed at the meeting adjourned.

Section 3.12 Quorum A simple majority of the full number of voting directors shall be necessary to constitute a quorum for the transaction of business, and the action of a majority of the directors present at meetings at which a quorum, if duly assembled, is valid as a corporation act; provided that a majority of the directors present, in the absence of a quorum, may adjourn from time to

time but may not transact business. A quorum once present is not broken by the subsequent departure of any director.

Section 3.13 Compensation of Directors Directors as such, shall not receive any compensation for their services; provided that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

Section 3.14 Executive Committee An executive committee may be appointed by resolution passed by a majority of the whole board of directors. The executive committee shall be composed of not less than three members of the board of directors. It shall act only in the intervals between meetings of the board of directors and shall be subject at all times to the control of the board of directors.

Section 3.15 Agenda All directors must be supplied with an agenda by the president at least 24 hours prior to any meeting.

Section 3.16 Proxy Voting There shall be no proxy voting for any decision made by the board. Only those directors actually in attendance at a board meeting may vote.

ARTICLE 4 OFFICERS

Section 4.1 Officers The officers of the corporation shall be a president, a vice-president, a secretary, and a treasurer. The corporation may also have such other officers as may be appointed in accordance with the provisions of Section 4.3 of this Article. One person may hold two or more offices, except those of president and secretary. To be an officer a person must be a director and a member in good standing.

Section 4.2 Election The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 4.3 or Section 4.5 of this Article, shall be chosen annually by the directors at the organizational meeting, and each shall hold office until removed or otherwise disqualified to serve, or their successor is elected and qualified.

Section 4.3 Subordinate Officers, etc. The board of directors may appoint such other officers as the business of the corporation may require; each of them shall hold office for such period, have such authority and perform such duties as are provided in the bylaws or as the board of directors may from time to time determine.

Section 4.4 Removal and Resignation

4.4.1 Any officer may be removed, either with or without cause, by a majority of the directors at the time in office, at any regular or special meeting of the board of directors, or by an officer upon whom such power of removal may have been conferred by the board of directors.

4.4.2 Any officer may resign at any time by giving written notice to the board of directors or to the president or to the secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.5 Vacancies A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in the bylaws for regular appointments to such office.

Section 4.6 President Subject to such supervisory powers, if any, as may be given by the board of directors to a chairman of the board, the president shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, have general supervision, direction, and control of the business and officers of the corporation. The president shall preside at all meetings of the members and at all meetings of the board of directors. The president shall be *ex officio* a member of all the standing committees, including the executive committee, if any, shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the board of directors or the bylaws.

Section 4.7 Vice-president In the absence or disability of the president, the vice-president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice-president shall have such other powers and perform such other duties as from time to time may be prescribed by the board of directors or the bylaws.

Section 4.8 Secretary

4.8.1 The secretary shall keep, or cause to be kept, a book of minutes at the principal office, or such other place as the board of directors may order, of all meetings of the board of directors and members with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at the meetings of the board of directors, the number of members present or represented at membership meetings and the proceedings thereof.

4.8.2 The secretary shall give, or cause to be given, notice of all the meetings of the members and of the board of directors required by the bylaws or law to be given, and the secretary shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or by the bylaws.

Section 4.9 Treasurer

4.9.1 The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and surplus. The books of account shall at all reasonable times be open to inspection by any member.

4.9.2 The treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with a bank as may be designated by the board of directors. The treasurer shall disburse the funds of the corporation as may be ordered by the board of directors, shall render to the directors, whenever they request it, an account of all transactions as treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or the bylaws.

ARTICLE 5 COMMITTEES OF THE MEMBERS The corporation shall have such standing committees or other committees with responsibilities, duration, and membership as the board of directors may determine, provided that at least one member of the board of directors shall serve on each committee. The committees shall keep regular minutes of their proceedings and report same to the board upon request.

ARTICLE 6 PARENT-TEACHER ASSOCIATION

Section 6.1 Membership There shall be a Parent-Teacher Association (“PTA”) which shall consist of the members in good standing of the corporation and the teachers employed by the corporation.

Section 6.2 Purpose The purpose of the PTA is to organize school programs, benefits, talent shows, and other fund-raising activities with the approval of the directors, or any other tasks which may be assigned by the directors.

Section 6.3 PTA Governing Board The everyday business of the PTA shall be conducted by the PTA Governing Board.

Section 6.4 Number and Qualification The authorized number of representatives of the PTA Governing Board shall be eleven. Members shall include one representative from each class and a representative from the teachers. To be eligible for election as a representative of the PTA, a person must be a member in good standing of the corporation.

Section 6.5 Election and Tenure of Office

6.5.1 PTA representatives shall be elected to a 1-year term.

6.5.2 Election shall be by ballot at the annual meeting of the members, and the term of office shall begin immediately after election and qualification.

6.5.3 The PTA Governing Board shall elect such officers as it requires. The president of the PTA shall serve as an ex officio member of the Board of Directors.

Section 6.6 Management The PTA shall operate through resolution, handbook, manual, or otherwise, under such provisions that it deems necessary.

Section 6.7 Vacancies

6.7.1 Vacancies in the PTA Governing Board may be filled by a majority of the remaining representatives, though less than a quorum, or by a sole remaining representative, and each representative so elected shall hold office for the remainder of that particular term and until that representative's successor is elected at an annual meeting of members or at a special meeting called for that purpose and qualified.

6.7.2 The members may at any time elect a representative to fill any vacancy not filled by the representatives and may elect additional representatives at the meeting at which an amendment of the bylaws is voted authorizing an increase in the number of representatives on the PTA Governing Board.

6.7.3 A vacancy shall be deemed to exist in case of the death, resignation or removal of any representative, or if the members shall increase the authorized number of representatives but shall fail at the meeting at which such increase is authorized, or at an adjournment thereof, to elect the representatives.

Section 6.8 Removal of Representatives Representatives may be removed from office by a majority vote of the members present and entitled to vote. A representative who misses three consecutive meetings without a valid excuse ceases to be a representative, thereby creating a vacancy.

Section 6.9 Organizational and Other Meetings The organizational meeting of the PTA Governing Board shall be held within two weeks of the annual meeting of the members without any other notice than this bylaw. The PTA Governing Board may provide for the holding of other meetings at the principal office of the corporation or any other site. Notice of the time and place of these meetings shall be delivered to the representatives by letter, fax, phone call, or email. Such notice must be received at least 24 hours before any meeting.

Section 6.10 Quorum A simple majority of the full number of representatives shall be necessary to constitute a quorum for the transaction of business. A quorum once present is not broken by the subsequent departure of any representative.

Section 6.11 Compensation of Representatives Representatives shall not receive any compensation for their services.

Section 6.12 Proxy Voting There shall be no proxy voting for any decision made by the PTA Governing Board. Only those representatives actually in attendance at a meeting may vote.

ARTICLE 7 CORPORATE RECORDS, ACCOUNTS, CONTRACTS AND REPORTS

Section 7.1 Records The corporation shall maintain adequate and correct accounts, books and records of its business and properties. All of such books, records and accounts shall be kept at its principal place of business as fixed by the board of directors from time to time.

Section 7.2Inspection of Books and Records All books and records of the corporation shall be open to inspection of the directors and the members upon reasonable notice given to the secretary or treasurer of the corporation.

Section 7.3Certification and Inspection The original or a copy of these bylaws, as amended or otherwise altered to date, certified by the secretary, shall be open to inspection by the directors and members of the corporation.

Section 7.4Checks, Drafts, Etc. All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of and payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as shall be determined from time to time by resolution of the board of directors.

Section 7.5Contracts, Etc. -- How Executed Except as hereinafter provided, or as required by law, all checks, leases, contracts, or other legal documents of any nature which require execution on behalf of the corporation shall be signed by such person or persons as shall be authorized by general or special resolution of the board of directors. In the absence of any such general or special resolution, such legal instruments writings or documents may be signed by the president or the vice-president and the secretary or the treasurer.

Section 7.6Annual Report The board of directors shall cause an annual report or statement to be sent to the members of this corporation not later than 120 days after the close of the fiscal or calendar year.

Section 7.7Audit The board of directors shall insure that the corporation is audited each year.

Section 7.8Financial Matters The corporation will operate on funds provided by tuition, fund-raising activities, fines, dues, donations and special grants. The board will determine the appropriate use of these funds. A committee may be formed to seek funding assistance, apply for grants, and estimate a yearly operating budget. Expenses must be approved by a majority of the board.

ARTICLE 8 AMENDMENT These bylaws may be amended, repealed, added to, or new bylaws may be adopted, by a majority vote of the members entitled to vote and present at a meeting called for the purpose.

ARTICLE 9 CORPORATE SEAL The corporate seal shall be circular in form, and shall have inscribed thereon the name of the corporation, the date of its incorporation, and the words "Republic of the Marshall Islands."

ARTICLE 10 INDEMNIFICATION The corporation shall indemnify all persons who have served or may serve at any time as officers or directors of the corporation from and against any and all loss and expense as a result of any claim, demand, action, proceeding, or judgment that may be asserted against any such persons, or in which any such persons

are made parties by reason of their being or having been officers or directors of the corporation. However, this right of indemnification shall not exist in relation to matters to which it is adjudged in any action, suit, or proceeding that any such persons are liable for negligence or misconduct in the performance of their duty and, in any case, the right to indemnification shall be subject to the approval of a majority of disinterested directors.