

WINCHESTER SCHOOL OF CHINESE CULTURE

BY-LAWS

ARTICLE I: GENERAL

1.1. Name

The name of the organization shall be the “Winchester School of Chinese Culture, Inc.” (the “School”).

1.2. Description

The School is an educational and community cultural organization, established as a nonprofit corporation (Winchester School of Chinese Culture, Inc.), and registered as a 501(c)(3) non-profit organization in the Commonwealth of Massachusetts. The School shall be a non-political, non-sectarian, and non-religious organization.

1.3. Location

The School’s principal office shall be at such location in Massachusetts as the Directors may from time to time determine. The Directors may change the location of the principal office effective upon filing a certificate or annual report with the Secretary of the Commonwealth. The School may also have offices at such other places as the Directors may select and the business of the School shall require.

ARTICLE II: PURPOSES

The mission of the School is to teach the language and traditional culture of China. The purposes of the School shall be as set forth in the Articles of Organization, and are exclusively charitable, religious, educational, and scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal tax law. In pursuing such purposes, the School shall not act so as to impair its eligibility for exemption under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal tax law.

ARTICLE III: NONDISCRIMINATORY AND ZERO TOLERANCE POLICY

3.1. Nondiscrimination

The School admits students of any race, color, nationality, and ethnic origin, to all rights, privileges, programs, and activities generally accorded or made available to students at the School, and shall not discriminate on these bases in administration of its educational policies, admissions policies, scholarship and loan programs, or athletic and other school-administered programs. The School is committed to maintaining an educational environment and workplace where bigotry and intolerance, including discrimination on the basis of race, color, national origin, sex, sexual orientation, religious beliefs, disability, and/or age have no place. Any form of intimidation, threat, coercion, or harassment that insults the dignity of others and/or interferes with their freedom to learn and/or work is unacceptable.

3.2. Zero Tolerance

It is the School's policy to have zero tolerance for any form of discrimination, including, but not limited to intimidation, threats, coercion, and harassment. Such conduct is contrary to the mission of the School as both an educational institution and an employer, and contravenes its commitment to equal opportunity in education and employment. Accordingly, the School will not tolerate discriminatory and/or harassing conduct by its students, teachers, administrators, officers, Directors, employees, and volunteers.

3.3. Procedure

Any student who believes he or she has been subjected to discrimination, intimidation, threat, coercion, and/or harassment by a student, teacher, administrator, officer, Director, employee, or volunteer should report the incident(s) immediately to an administrator or Director. Furthermore, retaliatory conduct toward persons who have filed such complaints or who have assisted in an investigation of alleged discrimination or harassment will not be tolerated.

ARTICLE IV: MEMBERS

The School shall have no members. No person now or hereafter designated by the School as a "member" for any purpose shall be or be deemed to be a member for purposes of the School's Articles of Organization, these By-laws, or for the purposes of Chapter 180 of the Massachusetts General Laws ("Massachusetts Law"), or any other law, rule, or regulation. Any action or vote required or permitted by Massachusetts Law or any other law, rule, or regulation, to be taken by members, shall be taken by action or vote of the same percentage of the School's Directors, except as otherwise provided in the School's Articles of Organization and/or these By-Laws.

ARTICLE V: ORGANIZATION

5.1. Board of Directors

The governance of the School comprises the Board of Directors (the "Board") and the administration. The Board is the highest policy and decision-making body of the School, and shall have all powers, rights, and obligations conferred upon a Board of Directors of a corporation organized under Massachusetts Law. The business and affairs of the School shall be managed by the Board, except as otherwise required by Massachusetts Law, these By-laws, or a resolution duly adopted by the Board.

5.2. Administration

The administration consists of the Principal and other administrators. The administration shall make day-to-day operational decisions in accordance with the School's policies as established by the Board, and make periodic reports thereto as requested.

ARTICLE VI: THE BOARD OF DIRECTORS

6.1. Number of Directors

The Board shall consist of no less than three (3), but no more than seven (7) Directors.

6.2. Qualifications

Directors shall have served the School in the administration, as a teacher, or in another official capacity, as determined by the Board, for at least two (2) school years prior to becoming a Director.

6.3. Principal as *Ex-Officio* Director

The Principal shall be a Director for as long as he or she holds the former position, and shall have the same powers and duties as all other Directors.

6.4. Vacancies and Elections

Elections may be called at a meeting of the Board for the purpose of filling a vacancy on the Board. The Board shall elect Directors to fill vacancies from among the nominees proposed by the Directors. The names of the nominees shall be listed in the notice for the meeting wherein Directors are to be elected. Directors shall be elected by a majority vote of the Directors then in office. Except as otherwise provided by law, by the Articles of Organization, or by these By-laws, the Directors shall have and may exercise all their powers notwithstanding the existence of one or more vacancies on the Board.

6.5. Terms

The term for a Director is two (2) school years, and Directors may be duly reelected without term limitation. Except as otherwise provided by law, the Articles of Organization, or these By-Laws, and subject to a Director's earlier death, resignation, removal, or disqualification, a Director shall hold office until the next annual meeting and until a successor is elected and qualified. At the time of his or her election, each director shall be assigned to either Class A or Class B, the terms of which shall expire in alternating years, and an effort shall be made to keep each class of directors of approximately equal size. Regardless, Directors of each class shall both have the same powers and duties given to all Directors by law, the Articles of Organization, and these By-Laws.

6.6. Compensation

Directors are volunteers. There shall be no cash or equivalent compensation for the services rendered as Directors. Reimbursement of necessary material expenses incurred by the Board while performing their duties, however, shall be considered, upon approval of the Treasurer. If the Treasurer is to be reimbursed, the Chairman shall approve reimbursement instead. If the

person to be reimbursed holds the offices of both Treasurer and Chairman, the Secretary shall approve reimbursement instead.

6.7. Removal

Except as otherwise provided by law, by the Articles of Organization, or these By-Laws, a Director may be removed, with or without cause, at a duly convened Board meeting, if there is both

- (a) a majority vote for removal by the Directors then in office; and
- (b) at least a three-quarters (3/4) vote for removal by the Directors present and voting at said meeting.

Removal of a Director shall be considered upon the recommendation of the Chairman or at least one-third (1/3) of the Directors then in office. Written notice of the intention to consider removal of such Director shall be included in the notice for the meeting wherein removal is to be considered. No Director shall be removed without having the opportunity to be heard at such meeting, but no formal hearing procedure need be followed.

6.8. Resignation

A Director may resign by delivering his or her written resignation to the Chairman (or Secretary, if the Chairman is resigning), to a Board meeting, or to the School's principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective, unless it so states.

ARTICLE VII: RESPONSIBILITIES OF THE BOARD OF DIRECTORS

7.1. By-Laws

The Board is responsible for changes to these By-Laws and holds the ultimate power to interpret these By-Laws.

7.2. Authority

The Board oversees the School's mission and policies, and directs the School's strategic vision. The Board shall set forth school-wide policies and regulations for the administration to implement.

7.3. Approval

The Board shall approve all policies and regulations, budgets, tuition adjustment requests, textbooks, and all other new initiatives and proposals.

7.4. Oversight

The Board shall oversee the administration's performance. The Board shall remain reasonably informed of the School's activities, and ensure that all policies and regulations are adhered to, properly executed, and periodically reviewed.

The Board shall have the power to select, appoint, and terminate administrators and teaching staff.

7.5. Compliance

The Board shall cultivate and assure a culture of compliance within the School. In addition to adopting a policy regarding conflicts of interest, as per § 20.2 of these By-Laws, the Board may utilize codes of ethics, whistleblower policies, fundraising policies, document retention policies, and/or other controls to foster such compliance throughout the School. The Board has a duty to monitor for any improper conduct by the administration, and shall periodically review compliance matters and policies of the School. Any suspicion of impropriety by officers, Directors, administration, teachers, or other employees or School-affiliated persons, should be reported to either the Principal or the full Board, as appropriate.

The Board shall also conduct ongoing review of all transactions that implicate a conflict-of-interest.

7.6. Administration Compensation

The basic compensation for the administration shall be decided and budgeted by the Board. The Principal shall determine the compensation of individual teachers in accordance with the Board-approved budget.

7.7. Right to Information

Directors may request to inspect, for reasonable purposes and at reasonable intervals, the School's books and records.

ARTICLE VIII: BOARD OF DIRECTORS' MEETINGS

8.1. Meetings

The Board shall hold an annual meeting prior to the beginning of the school year on a date and at a location determined by the Board. Each annual meeting shall be held for the purpose of electing Directors, officers, and for such other purposes as may properly be brought before the meeting under law, the Articles of Organization, or these By-laws. The Board shall also convene regular meetings quarterly on dates to be determined by the Board. Additional special meetings may be held if petitioned by at least one-third (1/3) of the Directors then in office, or called by the Chairman.

8.2. Notice

The Secretary shall provide each Director and any other relevant parties with notice of each meeting at least seven (7) days before the meeting date. Notice of a meeting shall include the date, time, location, and agenda thereof, minutes of the immediately preceding meeting, and any reports or proposed resolutions to be presented. Notice may be given by leaving such notice

with him or her personally, by messenger or delivery service or by mailing it, postage prepaid, and addressed to such Director at his or her address as it appears in the School's records, or by electronic communication through electronic mail or facsimile transmission to a number or electronic mail address furnished by the Director for this purpose.

Notice given by electronic transmission, if in comprehensible form, shall be effective when directed to the furnished number or electronic mail address respectively. Notice given non-electronically, if in comprehensible form, shall be effective at the earliest of the following:

- (a) When received.
- (b) Five (5) days after its deposit in the United States mail, if mailed postpaid and correctly addressed.
- (c) On the date shown on the return receipt, if sent by registered or certified mail, return receipt requested or if sent by messenger or delivery service, on the date shown on the return receipt signed by or on behalf of the addressee.

Notice of any change of the date of any Board meeting shall be given to all Directors at least seven (7) days before the new date fixed for such meeting. In the case of the Secretary's death, absence, incapacity, or refusal, the Director(s) calling the meeting shall provide notice.

8.3 Waiver of Notice

Notice of a meeting need not be given to any Director, if

- (a) a written waiver of notice, executed by him or her before or after the meeting, is filed with the records of the meeting; or
- (b) the Director attends the meeting without protesting the lack of notice to him or her either before or at the meeting's commencement.

8.4. Presiding

The Chairman sets the meeting agenda, chairs, and facilitates the meeting on all discussions and issues. In the absence of the Chairman, he or she shall designate another Director to chair the meeting in his or her place.

8.5. Procedure

Any Director may submit proposals and motions before or during meeting. The Chairman shall allocate time at the meeting to discuss those proposals and motions that are seconded by another Director. The Chairman may prioritize meeting agenda items at his or her discretion.

8.6. Quorum

Except as otherwise required by law, by the Articles of Organization, or by these By-laws, the quorum for conducting Board business shall be no less than two-thirds (2/3) of the entire Board. In the absence of a quorum, no formal action may be taken, except to adjourn the meeting to a subsequent date.

Directors may participate in a Board meeting by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

8.7. Voting

Each Director is entitled to one (1) vote. Except as otherwise required by law, by the Articles of Organization, or by these By-laws, when a quorum is present at any meeting, a majority vote shall decide any question. A majority vote is defined as more than one-half (1/2) of Directors present and voting. Voting by proxy shall not be permitted.

8.8. Unanimous Written Consent in Lieu of Meeting

Any action required or permitted to be taken at any Board meeting may be taken without a meeting if all Directors entitled to vote on the matter consent to the action in writing to the Secretary and the written consents are filed with the records of the meetings of Directors. Such consents shall be treated for all purposes as a vote at a meeting.

8.9. Electronic Mail

Any action which may be done, or is required to be done, in writing under Massachusetts Law and/or these By-Laws, including agreement to a unanimous written consent, shall be valid if sent and received by electronic mail.

ARTICLE IX: OFFICERS

9.1. Officers

The Board has a Chairman, a Principal, a Treasurer, and a Secretary, who constitute the School's officers and are elected by a majority vote of the Directors then in office. These officers shall have such duties, powers, and functions as hereinafter provided and/or as the Directors shall determine. No more than two of these offices may be held by a single person at any one time. An officer may, but need not be a Director. The Secretary shall be a resident of the Commonwealth of Massachusetts, unless the School has a resident agent duly appointed for the purpose of service of process.

The Board may also elect such other assistant officers as it may deem necessary, with such powers and duties as the Board assigns.

9.2. Terms

Except as otherwise provided by law, by the Articles of Organization, or by these By-laws, the term for officers shall be two (2) years, until the appropriate annual meeting and until such officer's successor is chosen and qualified, unless a shorter period shall have been specified by the terms of such officer's election or appointment, or in each case until such officer sooner dies, resigns, is removed, or becomes disqualified. Officers may serve for an unlimited number of terms.

9.3. Chairman

The Chairman shall preside at all meetings of the Board and serve as the sole official spokesperson for the Board. The Chairman shall also have such other powers and duties as may be from time to time assigned by the Board.

9.4. Principal

The Principal is the School's chief executive officer and the sole official spokesperson for the School. Subject to the direction of the Board, the Principal is responsible for the School's overall daily operation and management. The Principal is also responsible for developing long-term and strategic plans for review and approval by the Board.

The Principal shall see that Board orders and resolutions are implemented and shall make all decisions and perform all acts necessary to the School's operation between Board meetings. The Principal shall report to the Board, including regarding compliance matters, regularly as determined by the Board, keep the Board informed of major developments, and seek Board approval for any new initiatives, proposals, and any changes to the existing policies and practices. The Principal shall also have such other powers and duties as may be from time to time assigned by the Board.

9.5. Treasurer

The Treasurer shall be the chief financial officer and the chief accounting officer of the School. The Treasurer, subject to the direction of the Board, shall be in charge of general financial affairs, shall receive and have custody of all funds, securities, and valuable papers of the School, and shall maintain all funds in such banks or depositories as deemed proper by the Board. The School's funds may be retained in whole or in part in cash, or be invested and reinvested from time to time in such property, real, personal or otherwise, or stocks, bonds, or other securities, as the Board may deem desirable.

The Treasurer shall keep full and accurate financial records, including of all the School's receipts and disbursements, and be in charge of the School's books of account and accounting records, which shall be kept in accordance with generally accepted accounting principles (GAAP) or an equivalent industry standard. The Treasurer shall render financial statements of the School in accordance with Article XII of these By-Laws and as requested by the Board, but not less than once a year. The Treasurer shall also have such other powers and duties as may be from time to time assigned by the Board.

9.6. Secretary

The Secretary shall take note and maintain records of all Board proceedings in a book of minutes, which shall be available at all reasonable times to the inspection of any Director for any proper purpose. The minutes shall include the following:

- (a) The date, location, and type of meeting, and how notice was given.
- (b) A list of Directors present at the meeting, as well as indication of any late arrivals and/or early departures.

- (c) A chronological summary of matters discussed.
- (d) A description of all matters presented to the Board and the resulting action taken, if any.
- (e) Specific votes against Board action, whenever a Director specifically asks that his or her dissent be recorded.
- (f) An attached copy of any significant documents referenced within.

Minutes shall be presented by the Secretary at the next Board meeting for approval. A current copy of the book of minutes shall be kept at the School's principal office.

The book of minutes shall contain

- (i) records of all meetings of the Board and committees thereof;
- (ii) copies of the Articles of Organization and By-Laws; and
- (iii) the names and addresses of all Directors.

If the Secretary is absent from any Board meeting and has not delegated his or her duties for that meeting, the Board shall choose a temporary secretary to exercise the Secretary's duties at the meeting. The Secretary shall also see that all notices are duly given in accordance with these By-Laws and have such other powers and duties as may be from time to time assigned by the Board.

9.7. Removal

Any officer may be removed with or without cause by a majority vote of the Directors then in office. An officer shall be removed only after reasonable notice and an opportunity to be heard before the Board.

9.8. Resignation

Any officer may resign by delivering such officer's written resignation to the Chairman or Secretary, to a Board meeting, or to the School's principal office. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective, unless it so states.

9.9. Vacancies

If any officer position becomes vacant, the Board shall promptly elect a successor, who shall hold office for the remainder of the un-expired term, and until such officer's successor is elected and qualified, or in each case until such officer sooner dies, resigns, is removed, or becomes disqualified.

9.10. Compensation

The officers are volunteers. There shall be no cash or equivalent compensation for the services rendered as officers. Reimbursement of necessary material expenses incurred by the officers while performing their duties, however, shall be considered, upon approval of the Treasurer. If

the Treasurer is to be reimbursed, the Chairman shall approve reimbursement instead. If the person to be reimbursed holds the offices of both Treasurer and Chairman, the Secretary shall approve reimbursement instead.

ARTICLE X: COMMITTEES

10.1. Establishment

The Board, in its discretion, by resolution passed by a majority of Directors then in office, may establish one or more committees, consisting of one or more Directors. Regardless, if any person who is not a Director becomes a part of any committee of the Board, such non-Director shall have no right to vote on any question that would create a binding obligation to the School.

10.2. Delegation of Powers

The resolution establishing each committee shall state what powers the Board will delegate to the committee, to the extent permitted by law, the Articles of Organization, and these By-Laws. The Board may not, however, delegate its power to

- (a) change the School's principal office;
- (b) amend or repeal these By-Laws, or adopt additional by-laws;
- (c) elect officers and fill vacancies in such offices;
- (d) elect Directors and fill vacancies in the Board;
- (e) remove officers or Directors from office;
- (f) authorize a merger; or
- (g) authorize the School's dissolution.

Delegation of powers by the Board to a committee does not relieve the Board of its legal responsibilities.

10.3. Governing Provisions

The resolution establishing each committee shall also include governing provisions regarding how the committee shall conduct its business, notice, quorum, voting, the recording of minutes, and such other provisions as the Board deems fit, provided that no provisions shall conflict with the requirements of law, the Articles of Organization, or these By-Laws.

10.4. Oversight and Dissolution

The Board shall have the power, at any time, by a majority vote of the Directors then in office, to

- (a) modify a committee's powers and governing provisions;
- (b) change a committee's membership;

(c) fill committee vacancies; and

(d) dissolve a committee.

10.5. Advisory Groups

The Board may establish advisory groups, which may include non-Directors, for the purposes of giving advice, making recommendations to the Board, and/or having such other responsibilities and duties the Board delegates to them.

Advisory groups shall never have any power to bind the School.

ARTICLE XI: ADMINISTRATION AND TEACHING STAFF

11.1. Administration

The Principal shall appoint such other administrators the Principal deems necessary, subject to the Board's approval.

11.2. Teaching Staff

The teaching staff shall follow the Board-issued teachers' manual when implementing the prescribed curriculum.

11.3. Terms

The term for administrators is two (2) school years, and they may serve for an unlimited number of terms. The term for the teaching staff is one (1) school year, and they may serve for an unlimited number of terms.

ARTICLE XII: FINANCES

12.1. Funding

The main source of income of the School is tuition. Funding of the School can also come from reserved funds, donations, sales, and advertisements.

12.2. Budget

The School shall have an annual budget. The budget shall be annually prepared by the Principal and submitted and approved by the Board. The budget shall be itemized and submitted to the Board no later than one (1) month prior to the beginning of the fall term. The Board may modify the initial budget from time to time after its approval, as circumstances require.

The Principal shall operate the School in accordance with the Board's approved budget.

12.3. Non-Budgeted Discretionary Expenditures

All non-budgeted discretionary expenditures shall be pre-approved by the Treasurer.

12.4. Inspection

Current and prior financial reports shall be made available for inspection upon written request in accordance with applicable laws.

The Board shall ensure that the accounts of the Treasurer are examined by someone with accounting competence, by audit, review, compilation, or otherwise, periodically at the Board's discretion.

ARTICLE XIII: AUTHORITY

13.1. Checks and Notes

The Board shall determine who shall be authorized from time to time on the School's behalf to sign checks, draft or other orders for the payment of money, acceptances, notes, and other evidences of indebtedness.

13.2. Contracts

The Board shall determine which officers and/or others have general authority to enter into any contract, and execute and deliver any instrument, in the name of and on behalf of the School. The Board may also authorize additional officer(s) and/or agent(s) to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the School, in general or confined to specific instances. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the School by any contract or engagement, or to pledge its credit, or render it liable for any purpose or to any amount.

Regardless of the general authority to enter into contracts conferred to any individual by the Board, all contracts shall be authorized or ratified by the Board. No individual person may be given authority or apparent authority so broad that it enables said person to unilaterally

- (a) bind the School to extraordinary commitments;
- (b) significantly encumber the principal asset or function of the School;
- (c) enter into contracts involving large financial commitments, outside the ordinary course of business;
- (d) commit the School to a significant obligation outside the scope of its usual activity; or
- (e) divert the substantial earning capacity of the School to private benefit.

ARTICLE XIV: PERSONAL LIABILITY

It is intended that the Directors and officers of the School shall not be personally liable for any debt, liability, or obligation of the School, and that all persons, corporations, or other entities extending credit to, contracting with, or having any claim against the School, may look only to

the funds and property of the School for the payment of any such contract or claim, for the payment of any debt, damages, judgment, or decree, or of any money that may otherwise become due or payable to them from the School. Nothing contained in these By-Laws shall amend, alter, or impair any provision contained in the Articles of Organization relating to limitations of liability of Directors or officers of the School to the School.

ARTICLE XV: INDEMNIFICATION AND INSURANCE

15.1. Right to Indemnification

To the full extent legally permissible, provided that the status of the School as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal tax law, is not adversely affected thereby, any person (including such person's heirs and legal representatives) who shall be, or shall at any time have been a Director and/or officer of the School, shall be indemnified by the School, without limitation, against all liabilities, costs, and expenses reasonably incurred by, or imposed upon him or her, related to any threatened, pending, or completed claim, action, suit, or other proceeding, whether civil, criminal, administrative, or investigative, including the satisfaction of any judgment or decree entered or rendered therein, as a result of such person being or having been a representative of the School, or is or was otherwise serving as a representative of another organization at the request of the School. This right to indemnification notwithstanding, the School shall not indemnify any person for any matter that he or she has been adjudicated not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the School.

The Board may provide indemnification by the School in other instances and/or to other persons at its discretion.

15.2. Advancement of Expenses

The School shall advance expenses incurred by a current or former Director and/or officer who may be eligible for indemnification pursuant to this Article in defending such a matter, unless brought against the person by or in the right of the School, and may advance such expenses regardless, if it decides indemnification may be appropriate, in advance of the final disposition thereof, upon receipt of an undertaking by or on behalf of the recipient, to repay the amount so advanced if it shall ultimately be determined that such person is not entitled to indemnification by the School hereunder, which undertaking shall be accepted without reference to the financial ability of such person to make repayment.

15.3. Other Rights

The right to indemnification provided herein shall not be deemed exclusive or in limitation of any other rights of indemnification and/or statutory protections such person may be entitled to.

15.4. Insurance

The School shall have power to purchase and maintain insurance on behalf of any Director, officer, and/or other person, against any liability incurred or arising out of his or her relationship to the School, regardless of whether the School would have the power to indemnify the person against such liability.

ARTICLE XVI: TRANSACTION OF ALL OR SUBSTANTIALLY ALL ASSETS RESULTING IN MATERIAL CHANGE

If the sale, lease, exchange, or other disposition of all or substantially all of the School's property and assets will result in a material change in the nature of the School's activities, such action must be authorized by a vote of at least two-thirds (2/3) of the Directors then in office at a Board meeting duly called for this purpose. In addition, notice must be given to the Massachusetts Attorney General at least thirty (30) days prior to closing.

ARTICLE XVII: DISSOLUTION

In the event that the Board decides to dissolve the School by a majority vote of the Directors then in office, the Board shall pay or make provisions for the payment of all of the liabilities of the School. Consent for the petition for dissolution must be obtained from the Massachusetts Attorney General, whereupon the petition shall be submitted to the clerk of the Massachusetts Supreme Judicial Court for its approval.

The Board shall choose one or more exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal tax law, of similar public charitable purpose to the School, to which all of the net remaining assets of the School shall be transferred, with the Court's approval. If no such exempt organizations of similar purpose exist, the Board shall choose one or more exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future federal tax law, that agree to use the School's remaining assets in accordance with the School's purpose as set forth by the School's Articles of Organization and these By-Laws.

The Board shall select such exempt organization(s) by a majority vote of the Directors then in office.

ARTICLE XVIII: AMENDMENTS

The Articles of Organization and these By-Laws may be amended by the Board at any duly convened Board meeting by vote of at least two-thirds (2/3) of the Directors then in office. Notice of such a proposed action, including the substance of any such amendment, must be given at a Board meeting prior to the meeting in which such voting is to occur.

ARTICLE XIX: GOVERNING INSTRUMENTS

19.1. Provisions of Law

These By-Laws shall be subject to such provisions of the statutory and common law of the Commonwealth of Massachusetts as may be applicable to corporations organized under Chapter 180 of the General Laws of the Commonwealth of Massachusetts. References herein to provisions of law shall be deemed to be references to the aforesaid provisions of law. All references in these By-Laws to such provisions of law shall be construed to refer to such provisions as from time to time amended.

19.2. Articles of Organization

These By-laws shall be subject to the School's Articles of Organization. All references in these By-laws to the Articles of Organization shall be construed to mean the School's Articles of Organization as from time to time amended or restated. In the case of any conflict between the School's Articles of Organization and these By-Laws, the former shall control.

19.3. Controlling Language

These By-Laws have been prepared in English. In the event of any inconsistency between the School's By-Laws in English and

- (a) versions of these By-Laws in other languages and/or
- (b) any other School regulation, guideline, or document,

the By-Laws in English shall control.

19.4. Headings

In interpreting these By-Laws, the headings of articles shall not be controlling.

ARTICLE XX: MISCELLANEOUS

20.1. The School Year and Fiscal Year

Both the School year and the fiscal year shall begin on July 1 and end on June 30. The School year shall be divided into two (2) terms:

- (a) A fall term, beginning on July 1 and ending on December 31.
- (b) A spring term, beginning on January 1 and ending on June 30.

20.2. Conflicts of Interest

The Board shall adopt a policy on dealing with conflicts of interest.

20.3. Transaction with School

No contract or transaction between the School and one or more of its Directors or officers, or between the School and any other corporation, partnership, association, trust, or other organization in which one or more of its Directors or officers are Directors, officers, stockholders, trustees, or members, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction, or solely because his or her votes are counted for such purposes, if:

- (a) The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board or the committee, and the Board or committee, in good faith, authorizes the contract or transaction by the affirmative vote of

a majority of disinterested Directors, even though the disinterested Directors be less than a quorum; or

- (b) The contract or transaction is fair as to the School as of the time it is authorized, approved, or ratified by the Board, or a committee thereof.

20.4. Ratification

Any transaction questioned on any grounds may be ratified before or after judgment by the Board. Such ratification shall

- (a) render the questioned transaction to have the same force and effect as if the questioned transaction had been originally duly authorized;
- (b) be binding upon the School; and
- (c) constitute a bar to any claim or execution of any judgment in respect of such questioned transaction.

20.5. Reliance on Records

The Directors and officers of the School shall be entitled to perform their duties in good faith reliance on the information, opinions, reports, and records, which are presented by, prepared by, or prepared under the supervision of

- (a) one or more officers or employees of the School whom the Director or officer reasonably believes to be reliable and competent in the matters presented;
- (b) counsel, public accountants, or other persons, as to matters which the Director or officer reasonably believes to be within such person's professional or expert competence; or
- (c) in the case of a Director, a duly constituted committee of the Board upon which the Director in question does not serve, as to matters within its delegated authority, which committee the Director reasonably believes to merit confidence.

A Director or officer shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that causes such reliance to be unwarranted.

The fact that a Director or officer so performed his or her duties shall be a complete defense to any claim asserted against him or her under any provision of law or otherwise, except as expressly provided by statute, by reason of him or her being or having been a Director or officer of the School.

20.6. School Records

The original or attested copies of the Articles of Organization, these By-Laws, and records of all meetings maintained by the Secretary, shall be kept in Massachusetts at

- (a) the School's principal office;

(b) the office of the Secretary; or

(c) the office of the School's resident agent.

Such copies and records do not need to be kept in the same office.

These By-Laws were adopted at a meeting of the Board of Directors on November 5, 2014.

**WINCHESTER SCHOOL OF CHINESE
CULTURE, INC.**

By: Lian Yu, Chairman