

BY-LAWS OF NEWSTAR CHINESE SCHOOL

ARTICLE I - NAME

The name of this organization shall be NewStar Chinese School referred to herein as "NSCS". NSCS shall maintain its office at the following address:

P.O. Box 4123, Davis, CA 95617 - 4123.

NSCS may have such other offices, either within or without the State of California, as the Board of Directors may designate or as the activities of NSCS may require from time to time.

ARTICLE II - NATURE AND PURPOSES

NSCS shall be a non-profit, non-political, and non-religious organization with its purposes to provide a facility to teach Chinese language and culture to its students.

ARTICLE III- MEETINGS

Section 1. Members of NSCS elect the Board of Directors during the Annual General Membership Meeting (AGMM). AGMM shall be held at NSCS' office on Second Friday of May in each year. If AGMM shall not be held on the day designated herein for any reason, the Board of Directors shall call a special meeting as soon as thereafter as conveniently may be.

Section 2. Written notice stating the place, day and time of AGMM and specifying the nature of the meeting shall be delivered by person or by mail (including email) to the members' addresses appearing on the books of NSCS not less than ten (10) days nor more than sixty (60) days before the date of AGMM. Those matters which directors at date of mailing intend to present for action by the members shall be described in the Notice. At any meeting where directors are to be elected, the notice shall include the names of the nominees, if any, intended at the date of the notice to be presented by NSCS for election.

ARTICLE IV - MEMBERSHIP

Section 1. NSCS membership shall consist of regular members and honorary members. A regular member is each household of NSCS student or students whose dues, fees and assessment are paid. The teaching staffs who do not have children or whose children are not students of NSCS are regular members also. An honorary membership may be granted by the Board of Directors to any person, who is not a regular member, but has made significant contribution to this organization or whose membership shall benefit NSCS significantly. Board directors whose children have graduated from school shall still be regular members until they leave their positions in the Board of Directors.

Section 2. Membership shall be accepted without regard for age, color, creed, sex, or national origin.

Section 3. Membership in NSCS is automatic for all qualified individuals as defined in ARTICLE IV, section 1. However, one may refuse membership in NSCS by presenting a written notice to the Board of Directors. Such refusal will not affect the student's status or dues, fees, and assessments payable.

Section 4. All regular members are eligible to vote and be voted. A majority of regular members, represented in person or by proxy, shall constitute a quorum at AGMM, but in no event shall a quorum consist of less than one-third of the regular members on record. If a quorum is present, the affirmative vote of the majority of the regular members at AGMM shall be the act of the regular members. Each regular member shall be entitled to one vote upon each matter submitted to a vote at AGMM. At AGMM at which directors are to be elected, no regular members shall be entitled to cumulative votes.

Section 5. No NSCS member may represent, make commitments or otherwise act as an agent for NSCS without the express consent of the Board of Directors.

ARTICLE V - BOARD OF DIRECTORS AND OFFICERS

Section 1. The corporate power, the control of the business, and properties of NSCS shall be vested by the Board of Directors as described by these by-laws. The Board of Directors shall set goals, directions, and policies of NSCS; and ensure that the school is developing within the guidelines stated in Article II.

Section 2. The authorized number of Board directors shall be seven (7) directors until changed by an amendment to the Bylaws adopted by the vote or written consent of the majority of NSCS membership. Six (6) directors shall be elected during the AGMM and one (1) director shall be appointed from NSCS teachers by the affirmative vote of at least four (4) elected directors. All elected directors shall take office effective July 1 after the official election result is known at the AGMM.

Section 3. Each director position shall have a term of two (2) years with three (3) positions elected one year and three (3) the next. Each director can serve no more than three terms consecutively. Any director can be removed without cause by a simple majority vote by the Board of Directors or a simple majority vote by NSCS members during AGMM or special membership meeting.

Section 4. In the event of a vacancy is created on the Board of Directors, the vacancy shall be filled for the remainder of the un-expired term by a NSCS regular member selected by the affirmative vote of a majority of the remaining Board Directors. This vacancy shall be filled within sixty (60) days of notice of vacancy.

Section 5. Regular meetings of the Board of Directors shall be held immediately after AGMM. Special meetings of the Board of Directors for any purposes may be called at any time by the Chair of the Board, or two directors of the board.

Section 6. A majority of the authorized number of directors shall constitute a quorum for the transaction of Board business. If less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. A quorum shall not be less than four (4) of the seven (7) authorized directors except in the event that there is more than one vacancy on the Board of Directors, at which time three (3) directors may constitute a quorum.

Section 7. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all members of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 8. Within fifteen (15) days after the AGMM, the Board of Directors shall appoint among the directors its officers, i.e. Chair, Vice-Chair, Secretary, and Treasurer. Each of these officers shall have a term of two (2) years and may be removed by the Board of Directors whenever in its judgment the best interests of NSCS will be served thereby. Election or appointment of an officer shall not of itself create contract rights. An officer may also resign at any time upon written notice given to the Board of Directors. A resignation shall take effect on the day of receipt. Acceptance of a resignation shall not be necessary to make it effective. A vacancy in any office by any causes shall be filled by the Board of Directors for the un-expired portion of the term.

Section 9. The duties of the officers are defined as follows:

a. Chair-- The Chair shall preside at all meetings of the Board of Directors and general membership meetings as well as shall perform such other duties as may be from time to time assigned to him/her

by the Board of Directors.

b. Vice-chair-- The Vice-chair, in the absence of the Chair, shall perform all the duties of the Chair. The Vice-chair shall also perform such other duties as may be assigned by the Board of Directors from time to time. In the event the Chair resigns during his/her term, the Vice-chair shall act as Chair until the Board appoints a new Chair.

c. Secretary -- The Secretary shall prepare and maintain a book of minutes of all meetings and actions of the Board of Directors and NSCS members. Minutes shall be presented to the next board meeting for approval. Official minutes shall be available to NSCS members upon written request. Under the guidelines of the Chair, the secretary shall provide an Annual Report of the Board of Directors for discussion by the Board before presenting it to AGMM.

d. Treasurer -- The Treasurer shall receive and have custody of all funds of NSCS. He/she shall keep the books of account of NSCS in an industry standard and render the statements of the financial affairs of NSCS in accordance with ARTICLE IX of these by-laws and with the approval of the Board of Directors.

Section 10. With exception of the teacher director, board directors shall not receive fees or compensations for their volunteer services in NSCS. If a director accepts a paid position in NSCS, he/she shall resign from the Board of Directors immediately. Under special circumstances deemed necessary by the Board of Directors, a director can accept a paid position in NSCS for no more than three (3) months while maintaining his/her directorship.

ARTICLE VI - ADMINISTRATIVE AND TEACHING STAFF

Section 1. An effective and efficient administrative staff and a professional teaching staff shall be maintained by NSCS.

Section 2. The Chair of the Board of Directors shall be the Principal and the Vice-Chair of the Board of Directors shall be the Vice-Principal. Their terms are subject to the terms stipulated in Section 8, Article V of the Bylaws.

Section 3. The Principal is in charge of the school's administrative and teaching operations. The Principal may employ or terminate any teaching staff when he/she deems necessary and without cause. The Board of Directors should be notified of the termination by the Principal within ten (10) days before the change of the staff's employment status.

Section 4. The Vice-Principal assists the Principal in administrating NSCS affairs and, in the absence of the Principal, shall perform all the duties of the Principal.

Section 5. The Board of Directors shall set the compensation for the teaching staff. The teacher member of the Board of Directors shall not be present and vote when the Board of Directors considers or votes on matter pertaining to the teaching staff compensations.

ARTICLE VII - NON-PROFIT STATUS

All income of NSCS from whatever source shall be intended solely to finance the operation of NSCS. Upon dissolution of NSCS, any funds or property which may remain after all obligations are satisfied shall be assigned to NSCS' legal successor or a non -profit organization with the similar goal as NSCS for use to promote Chinese language and culture.

ARTICLE VIII-FINANCES

Section 1. The Principal and Treasurer shall present a balanced NSCS quarter budget at least one week before beginning of class quarter for the Board of Directors approval. They shall present a NSCS quarterly financial statement within six (6) weeks after the end of class quarter.

Section 2. The Principal shall conduct the NSCS' financial affairs within the limits of the approved quarterly budget.

Section 3. All expenditures shall be paid by NSCS check and signed by the Treasurer and Principal.

ARTICLE IX - RULES OF ORDER

The rules contained in Robert's Rules of Order shall govern the association in all cases to which they are applicable, and in which they are not inconsistent with these by-laws or special rules of order of the NSCS.

ARTICLE X —INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

Section 1. NSCS shall, to the maximum extent permitted by law, indemnify each of its directors, officers and employees against expenses, judgments, fines, settlement and other amount actually and reasonably incurred in connection with any proceeding arising by reason of the fact any such person is or was a director, officer or employee of NSCS.

Section 2. NSCS shall have the power to purchase and maintain liability insurance against any liability asserted against NSCS or NSCS' director, officer or employee.

ARTICLE XI —RECORDS

All books and records provided for shall be open to inspection of the directors and members of NSCS at any time during a mutually convenient time upon a demand on NSCS, for a purpose reasonably related to such person' s interest as either a director or a member of NSCS.

ARTICLE XIII - AMENDMENTS

The Bylaws and every part thereof may from time to time, and at any time, be amended, altered or repealed and new or additional Bylaws may be adopted by the affirmative vote of a majority of the members of NSCS.

ARTICLE XIV - DISSOLUTION

The NSCS shall be dissolved only by a two third majority vote at AGMM.

The undersigned, Secretary of NSCS, hereby certifies that the foregoing is a true and correct copy of the By-Laws of NSCS adopted as of _____, 2001 by:

_____ of the Board of Directors of NSCS

_____ of the members entitled to exercise a majority of the voting power of NSCS.

Dated: _____
Secretary