

BY-LAWS

OF

GERMAN INTERNATIONAL SCHOOL BOSTON, INC.

(Incorporated under the laws of the  
Commonwealth of Massachusetts)

ARTICLE I

NAME AND PRINCIPAL OFFICES OF CORPORATION

SECTION 1.1. The name of the Corporation is "German International School Boston, Inc." (Deutsche Internationale Schule Boston).

SECTION 1.2. The Board of Trustees may change the location of the principal office of the Corporation in the Commonwealth of Massachusetts effective upon the filing of a certificate or annual report with the Secretary of the Commonwealth.

ARTICLE II

GOAL AND PURPOSES OF CORPORATION

SECTION 2.1. The purposes of the Corporation shall be the conduct, operation and maintenance of a non-denominational school for the education and instruction of German speaking children in Grades One (1) up through Twelve (12), as well as kindergarten and pre-school (the "School"), in the history, literature, music, art, culture and fine arts of the German

speaking population of the world as well as to engage in such other educational and instructional activities, both in German and in English as may be deemed appropriate by the Board of Trustees from time to time to further the purposes aforesaid.

The Board of Trustees may, based on available funding, available students and other considerations conduct, operate and maintain the School with the number of grade levels it finds appropriate.

SECTION 2.2. It is the goal of the School to enable its students to obtain an education based on the prevailing educational standards in the Federal Republic of Germany by means of a German curriculum which, in general, will qualify such students for high school diplomas in Germany ("Abitur") and the United States and enable them to pursue advanced degrees both in Germany and the United States.

SECTION 2.3. In addition, it is the goal of the School to acquaint its students with the culture and language prevailing in the United States, in general, and in the Commonwealth of Massachusetts, in particular, as well as to foster and support extracurricular activities and mutual understanding.

SECTION 2.4.

(a) The School shall not discriminate on the basis of race, color, sex, religion, or national or ethnic origin in the administration of its educational policies, admission policies, scholarship and loan policies (if any), employment policies, and other Corporation-administered programs and activities.

(b) The School shall admit students of any race, color, sex, religion, or national or ethnic origin to all the rights, privileges, programs, and activities generally accorded or made available to students in the educational programs offered by the School.

(c) Within these general guidelines, the School shall be open to students to the extent that (i) they have the requisite command of the German language, (ii) the capacity of the School permits, and (iii) admission is not inconsistent with applicable national and state law.

#### SECTION 2.5.

(a) The educational structure of the School shall be established with reference to the goals and purposes herein set forth and shall, in the light of its purpose of providing a German curriculum, be defined in detail by the Board of Trustees in agreement with the Foreign Office of the Federal Republic of Germany and the appropriate educational authorities of the Federal Republic, as represented locally by the consular representation of the Federal Republic of Germany in Boston, as well as with the appropriate educational authorities of the Commonwealth of Massachusetts.

(b) Matters pertaining to the organizational structure of the School shall be defined in detail by the Board of Trustees in agreement with the Principal of the School, whose duties and jurisdiction in connection with educational and internal administrative questions shall be determined by the Guidelines for the Office of Principal ("Dienstordnung") issued by Bundesverwaltungsamt in Cologne (Köln), Germany.

Notwithstanding the above, the Board of Trustees had, in its reasonable discretion, the authority during the first two (2) years of the School, to establish the duties and jurisdiction of the Principal without reference to the Dienstordnung.

SECTION 2.6. The Corporation is not formed for pecuniary or financial gain and no part of the net earnings of the Corporation shall inure to the benefit of any individual, and no Trustee, officer, member or employee of the Corporation shall receive or be entitled to receive any pecuniary profit from the operations thereof, except reasonable compensation for services rendered to the extent approved in advance by the Board of Trustees.

### ARTICLE III

#### MEMBERSHIP

SECTION 3.1. Any natural person, age 18 or over, who in general has sufficient command of the German language and supports the goals of the Corporation, may become a member of the Corporation upon election by the Board of Trustees after written application submitted to the Board of Trustees. In such application, the applicant shall undertake to pay the annual dues established pursuant to these By-laws.

SECTION 3.2. A corporation, to the extent that it supports the goals of the Corporation, may also become a member of the Corporation upon election by the Board of Trustees after written application submitted to the Board of Trustees. In such application, the applicant shall undertake to pay the annual dues established pursuant to these By-laws. Any

corporate member shall be represented at the meeting of members by a German-speaking representative.

SECTION 3.3. Election of an individual or corporate applicant shall become effective upon favorable action by the Board of Trustees taken by vote of at least a two-thirds majority if a quorum is present. No grounds need be given in the event of the rejection of any applicant.

SECTION 3.4.

(a) Persons who have rendered notable services to the School, the German language or to cultural relations between the Federal Republic of Germany or other German speaking nation and the United States may be elected honorary members of the Corporation by vote of the meeting of members upon proposal by the Board of Trustees. Honorary members shall be exempt from the payment of any dues and shall be entitled to all the privileges of regular members.

(b) Distinguished persons and leaders in the German speaking community who have rendered notable services to the School, the German language or cultural relations between the Federal Republic of Germany or other German speaking nations and the United States may be elected to an Honorary Board of Trustees established by the Board of Trustees, and serve as special advisors to the Board of Trustees. Such persons shall serve in an honorary capacity for such period of time as the Trustees may specify (or until such person dies, ceases to exist, resigns or is removed by the Trustees or becomes disqualified) and, except as the Trustees shall otherwise designate, shall in such capacity have no right to notice of or

to vote at any meeting, shall not be considered for purposes of establishing a quorum, and shall have no other rights or responsibilities.

SECTION 3.5. In the discretion of the Board of Trustees, each member may, upon admission to membership in the Corporation, receive a membership card or certificate in such form as the Board of Trustees may prescribe. Should membership cards or certificates be issued, the fact that the Corporation is a non-for-profit corporation and that the membership card or certificate is non-transferable shall be noted conspicuously on the face or back of each such card or certificate.

SECTION 3.6. Unless otherwise terminated in accordance with the provisions of these By-laws, membership in the Corporation shall be for life. Membership shall terminate upon the death of the member, the withdrawal or expulsion of the member, and automatically as of the end of the School Year (as defined in Section 9.3) for which the member has failed to make a payment of applicable dues (if any) payable by such member despite a written request therefor. A member who has not paid applicable dues for the current School Year on or before the record date established for the annual meeting of members or any special meeting of members held during such School Year shall not be permitted to vote at any such meeting.

SECTION 3.7. Any member may withdraw by written notice to the Board of Trustees effective as of the end of any School Year.

SECTION 3.8. The rights and privileges of a member, and membership cards and certificates, shall not be assignable.

SECTION 3.9. A member may be expelled by resolution of the Board of Trustees if such member has damaged the reputation, standing or interests of the School by reason of the behavior of the member. Prior to the adoption of such an expulsion resolution, the member involved shall be furnished the opportunity to be heard in his or her defense. A resolution expelling a member shall require the vote of a two-thirds majority if a quorum is present. The member involved shall be notified of the resolution together with the reasons therefor.

SECTION 3.10. Any member who has been expelled shall have the right to appeal the resolution to the meeting of members. The vote of the meeting of members in this respect shall be final.

ARTICLE IV  
MEETINGS OF MEMBERS

SECTION 4.1. The annual meeting of members shall take place during October or November of each calendar year on such date as may be determined by the Board of Trustees. The Chairman shall call the meeting of members to be held on the date so determined.

SECTION 4.2. Special meetings of members may be called by the Board of Trustees when deemed advisable upon notice as set forth in Section 4.5. A special meeting of

members shall be called by the Chairman upon similar notice within three (3) weeks of receipt by him or her of the written request therefor by at least 20 percent of the members in good standing setting forth the reasons for the meeting.

SECTION 4.3. The Board of Trustees shall fix in advance a date, not exceeding forty five (45) days preceding the date of the annual meeting of members or twenty one (21) days preceding the date of any special meeting of members, as a record date for the determination of the members entitled to notice of, and to vote at, any such meeting or any adjournment thereof, and in such case only persons who are members of record on the date so fixed and who have paid the applicable dues on or before such date shall be entitled to notice of, and to vote at, such meeting and any adjournment thereof.

SECTION 4.4. The presence in person of at least 12-1/2 percent of the members of the Corporation in good standing and entitled to vote shall be required to constitute a quorum for the transaction of business if there are a total of one hundred (100) or more members of the Corporation in good standing and entitled to vote. If there are less than a total of one hundred (100) members in good standing and entitled to vote, the presence of at least 25 percent of the members of the Corporation in good standing and entitled to vote shall be required to constitute a quorum. In the absence of a quorum, the members present may adjourn the meeting to a date within fourteen (14) days of the meeting.

SECTION 4.5. Notice of any meeting of members shall be given in writing and shall be mailed, or sent by facsimile



or electronic means, except as herein or by statute otherwise provided, to the last recorded address of each member not less than thirty (30) days before the date appointed for the meeting, in the case of an annual meeting, and not less than fifteen (15) days before the date appointed for the meeting, in the case of a special meeting. All notices of meeting shall set forth the place, date, time and purpose of the meeting.

SECTION 4.6.

(a) The order of business at annual meetings of members shall be as follows: (1) calling of the roll; (2) proof of notice of meeting or waiver of notice; (3) reading and adoption of the minutes of previous meetings; (4) report of the Chairman relating to the activities of the Board of Trustees; (5) consideration of the report of the Principal; (6) consideration of the auditors' report as well as the report of the Treasurer, including a report on the current budget; (7) ratification of the acts of the Board of Trustees; (8) determination of annual dues for the School Year commencing after that in which the annual meeting is held; (9) action upon any proposal of the Board of Trustees; (10) action upon any proposal of a member entitled to vote at the annual meeting to the extent that such proposal was submitted to the Board of Trustees in writing, either by mail, facsimile or electronic means, at least 20 days prior to the annual meeting of members and was set forth in a supplemental Notice of Meeting; (11) consideration and vote upon any appeal against expulsion from membership; (12) election of Board of Trustees; and (13) ratification of the selection of auditors.

(b) Should any member entitled to vote at the annual meeting submit a proposal to the Board of Trustees in writing prior to the annual meeting as aforesaid, a supplemental Notice of Meeting shall be given by the Chairman in the manner set forth in Section 4.5 not less than ten (10) days before the date appointed for the meeting.

(c) The proceedings of the meeting of members shall be conducted in the German language or, to the extent deemed necessary or advisable by the Board of Trustees, in the English language, and, to the extent deemed necessary or advisable by the Board of Trustees, shall be recorded in both the German and the English languages.

SECTION 4.7. (a) Except as otherwise specifically provided herein, all matters that come before the meeting shall be decided by majority vote of the members present in person or by proxy, if a quorum is present. Every member of the Corporation in good standing shall have one (1) vote at a meeting of members, except that members who are teachers or employees of the School shall not be entitled to vote upon the election of Trustees or upon the ratification of the acts of the Board of Trustees.

(b) Members entitled to vote upon the election of Trustees shall have the right to vote in favor of only that number of candidates seeking election to the position of Trustee as the number of vacancies to be filled at the meeting, and a member may cast only one (1) vote in favor of a candidate. The votes cast for each candidate shall be totaled, and the candidates shall be ranked by the number of votes

received (from highest to lowest). The candidate with the highest number of votes received, the candidate with the next highest number of votes received, and so on shall be determined to have been elected until all vacancies have been filled. Should the terms being filled vary in length, the candidates elected to office shall have the right to decide among themselves which terms they shall serve, and, absent agreement, the elected candidate who received the least number of votes shall serve for the shortest term, the elected candidate who received the next smallest number of votes shall serve for the next shortest term, or the shortest term, as the case may be, and so on until all the terms have been filled.

(c) If the Board of Trustees submits to the meeting of members a proposal that was not set forth in the Notice of Meeting, such proposal may be acted upon only upon the affirmative vote of a majority of the members present.

SECTION 4.8. Every member entitled to vote at a meeting of members or to express consent or dissent by action in writing without a meeting may authorize another person or persons to act for him or her by proxy to the extent provided in this Section. Every proxy must be signed by the member or his or her attorney-in-fact. The validity of any proxy authorized hereunder shall be limited to one (1) annual or special meeting of members, and any adjournments thereof, and shall in any event expire sixty (60) days after the date notice of any such annual or special meeting of members has been given hereunder. Notwithstanding the foregoing, every proxy shall be revocable at any time at the pleasure of the member executing

it, except as otherwise provided therein and as permitted by law.

SECTION 4.9. The Clerk shall keep the minutes of every meeting of members. Such minutes shall be signed both by the Clerk and the Chairman. The Chairman shall cause a copy of the minutes to be sent to all members and to the Consulate General of the Federal Republic of Germany in Boston. Requests for amendments to the minutes shall be documented by the Chairman and shall be brought up at the next meeting of members.

#### ARTICLE V

#### TRUSTEES

SECTION 5.1. The management of the property, affairs, business and concerns of the Corporation shall be vested in the Board of Trustees. Members of the Board of Trustees shall be members of the Corporation. Teachers, employees, members of the Parents Council (Elternbeirat), and officers of the Parents Association of the School, and the immediate relatives of any of the foregoing, including spouses, shall not be eligible for election as Trustees.

SECTION 5.2. The number of Trustees constituting the entire Board of Trustees shall be seven (7). The number of Trustees on the Board of Trustees may be increased to nine (9) or twelve (12) by vote of the meeting of members upon proposal by the Board of Trustees, and there may be nine (9) Trustees during the transitional period described in Section 5.4. Should the number of Trustees be increased to nine (9) or

twelve (12), the first two (2) additional Trustees thereby required to be elected by the members shall serve for an initial term of two (2) years or three (3) years, respectively, and the remaining additional Trustees thereby required to be elected by the members shall serve for an initial term of one (1) year, two (2) years or three (3) years, respectively.

SECTION 5.3. The Principal of the School as well as the Consul General of the Federal Republic of Germany in Boston, or his or her delegate, shall be invited to attend all meetings of the Board of Trustees. The Board of Trustees may further invite such other guests, members or officials of the School as it may deem advisable to any or all of its meetings. Although any such invitees may participate in the deliberations of the meetings, they shall not have the right to vote.

SECTION 5.4. At the annual meeting of members held in 2009, three (3) Trustees to succeed the three (3) Trustees whose terms had expired were elected for a term of three (3) years; and each Trustee elected at such annual meeting to fill a vacancy in the Board of Trustees was elected to serve for the balance of the vacated three-year term expiring in 2010 or 2011. At the annual meetings of members held in each of 2010 and 2011, the positions of only two (2) Trustees whose terms expire in each such year shall be filled, and such two (2) elected Trustees shall be elected for a term of three (3) years. In all other cases, at each annual meeting of members, such number of Trustees equal to those whose terms have expired shall be elected for a term of three (3) years. Trustees whose terms have expired may be reelected to additional terms as herein contemplated.

SECTION 5.5. Any Trustee of the Corporation may resign at any time by giving written notice to the Board of Trustees or to the President or to the Clerk of the Corporation. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5.6. Any or all of the Trustees may be removed either for cause or without cause by vote of the meeting of members, subject only to the limitations contained in Chapter 180 of the Massachusetts General Laws, and may be removed for cause by vote of the Board of Trustees provided a quorum of not less than a majority is present at the meeting of the Board of Trustees at which such action is taken. In either case, notice of any proposed removal to be taken at a meeting of members or at a meeting of the Board of Trustees shall be included in the notice of the meeting.

SECTION 5.7. Whenever a vacancy occurs in the Board of Trustees by death, resignation or otherwise, such vacancy shall be filled by the remaining members of the Board of Trustees, even if less than a quorum exists; provided that the first vacancy occurring in the class of Trustees whose terms are to expire in 2010, and the first vacancy occurring in the class of Trustees whose terms are to expire in 2011, shall not be filled. The person so elected shall hold office until the next annual or special meeting of members and until his or her successor shall have been elected and shall have qualified, and, at such meeting, the members shall elect a Trustee to

serve for the balance of the unexpired term of the former Trustee.

SECTION 5.8. The officers of the Corporation shall be chosen from among the Board of Trustees.

SECTION 5.9. The presence of the majority of the members of the Board of Trustees then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Trustees. If a quorum is not present, a lesser number may adjourn the meeting to a later time or date.

SECTION 5.10. The vote of a majority of the Trustees present at the time of the vote, if a quorum is present at such time, shall be the act of the Board, except as may be otherwise specifically provided by the certificate of incorporation or by these By-laws.

SECTION 5.11. Meetings of the Board of Trustees shall be called by the Chairman of the Board of Trustees. Notice of any meeting shall be given in writing and shall be mailed or sent by facsimile or electronic means to the last recorded address of each member of the Board of Trustees no less than seven (7) days before the date appointed for the meeting. Upon the request of two (2) members of the Board of Trustees, the Principal or the Consul General of the Federal Republic of Germany in Boston, the Chairman shall, within seven (7) days of receipt of such request, call a meeting upon no less than four (4) days' notice.

SECTION 5.12.

(a) At appropriate meetings of the Board of Trustees, the Board shall consider and take action upon the following matters:

(1) selection, employment and dismissal of the Principal;

(2) employment and dismissal of teachers and employees of the school, as well as preliminary approval of the employment contracts with respect to teachers provided by the "Bundesverwaltungsamt - Zentralstelle fuer das Auslandsschulwesen" in Cologne (Köln), Germany in cooperation and consultation with the Principal according to the provisions of the Dienstordnung;

(3) the goals, purposes and structure of the School consistent with the provisions of Article II hereof;

(4) promulgation of the rules and regulations proposed by the Principal;

(5) consideration and adoption of the budget for the coming School Year, including establishment of tuition fees, in the light of the conditions surrounding the grant of subsidy by the Federal Republic of Germany;

(6) provision of the necessary means to operate the School, including regular surveillance of the current budget;

(7) approval of major capital improvements and expenses;

(8) action upon applications for waiver or reduction of tuition;

(9) action with respect to the election or expulsion of members;



(10) determination of the date of the annual meeting of members and the call of a special meeting of members, if deemed advisable, as well as the establishment of an agenda of such meetings;

(11) action relating to matters of School discipline to the extent required by the School regulations.

(b) The proceedings of the meetings of the Board of Trustees shall be conducted in the German language or, to the extent deemed necessary or advisable by the Board of Trustees, in the English language, and, to the extent deemed necessary or advisable by the Board of Trustees, shall be recorded in both the German and the English languages.

(c) Any resolutions affecting the scope and nature of the support of the German Government must be approved by the German Consulate General.

SECTION 5.13. The Board of Trustees may, by resolution adopted by a majority of the entire Board of Trustees, designate from among its members an Executive Committee consisting of three (3) or more Trustees, which Executive Committee shall have and exercise all the authority of the Board of Trustees in the intervals between meetings of the Board of Trustees, subject only to the limitations contained in Chapter 180 of the Massachusetts General Laws, as amended from time to time.

SECTION 5.14. The Board of Trustees in its discretion, by resolution passed by a majority of Trustees then in office, may designate other committees, which the Board of

Trustees may establish, consistent with the resolution(s) designating such committee. The Board of Trustees shall have the power at any time to discharge, change the membership or authority of, or fill vacancies in any such committee. Written minutes of all proceedings of any such committee shall be kept and made available upon request to each Trustee. Any committee may make recommendations to the Board of Trustees, however such recommendations shall not be binding.

The Board of Trustees may appoint a committee chairman or request that the committee elect its chairman. The committee chairman shall call the committee meetings, and notice of any meeting shall be given in writing and shall be mailed or sent by facsimile or by electronic means to each committee member no less than seven (7) days before the appointed date of the meeting.

SECTION 5.15. The members of the Board of Trustees, or of any committee designated by the Board, may participate in any meetings of the Board or of such committee by means of conference telephone, the internet or other communications equipment by means of which all persons participating in the meeting can communicate with each other and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

SECTION 5.16. Any action required or permitted to be taken at any meeting of the Trustees may be taken without a meeting if all the Trustees consent to the action in writing and the written consents are filed with the records of the

meetings of Trustees. Such consents shall be treated for all purposes as a vote at a meeting.

## ARTICLE VI

### OFFICERS

SECTION 6.1. The Board of Trustees shall elect a Chairman and President, a Clerk and a Treasurer of the Corporation and from time to time may elect or appoint one (1) or more vice presidents and such other officers as it may determine. The position of Chairman and President shall be held by the same individual. Any two (2) or more offices may be held by the same person, except that the offices of President and Clerk shall not be combined in one (1) person.

SECTION 6.2. Each officer shall hold office until the next annual meeting of members and until his or her successor has been elected and shall have qualified. Any officer may be removed by the Board with or without cause.

SECTION 6.3. The President shall be the chief executive officer of the Corporation and, subject to the direction of the Trustees, shall have general charge and supervision of the affairs of the Corporation, shall see that orders and resolutions of the Trustees are carried into effect and shall make all decisions and perform all acts necessary to the conduct of the Corporation between meetings of the Trustees except those acts specifically delegated to the Principal. The President shall preside, when present, at all meetings of the Trustees, except as the Trustees otherwise determine.

The vice president or vice presidents, if any, shall have such duties and powers as the Trustees shall determine. The vice president, or first vice president if there are more than one (1), shall have and may exercise all the powers and duties of the President during the absence of the President or in the event of the President's inability to act.

SECTION 6.4. The Treasurer shall be the chief financial officer and the chief accounting officer of the Corporation. The Treasurer, subject to the direction of the Trustees, shall be in charge of general financial affairs, funds, securities and valuable papers of the Corporation and shall keep full and accurate records thereof (or cause such to be kept), shall be in charge of the Corporation's books of account and accounting records and of the Corporation's accounting procedures. The Treasurer shall also have such other duties and powers as designated by the Trustees or the President.

SECTION 6.5. The Clerk shall record and maintain records of all proceedings of the Trustees in a book or series of books kept for that purpose or cause such to be kept. Said books need not be kept in the same office. Such book or books shall also contain (i) records of all meetings of the incorporators, (ii) copies of the Articles of Organization and By-Laws, and (iii) the name and address of each Trustee. If the Clerk is absent from any meeting of the Trustees, a temporary clerk chosen at the meeting shall exercise the duties of the Clerk at the meeting.

SECTION 6.6. Each officer shall, subject to these By-Laws and to any applicable provisions of law and the Articles of Organization, have, in addition to the duties specifically set forth in these By-Laws, such duties and powers as are customarily incident to such officer's office and such additional duties and powers as the Trustees may from time to time designate.

ARTICLE VII  
INDEMNIFICATION

SECTION 7.1. To the extent legally permissible under Chapter 180 of the Massachusetts General Laws and only to the extent that the status of the Corporation as an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is not adversely affected thereby, the Corporation shall, to the extent provided below, indemnify each of its incorporators, Trustees, Officers (as hereinafter defined) and Designated Persons (as hereinafter defined) and such person's heirs and legal representatives against all liabilities, costs and expenses reasonably incurred by, or imposed upon, him or her in connection with, arising out of or as a result of any claim, action, suit or other proceeding (whether brought by or in the right of the Corporation or any other Organization (as hereinafter defined), or otherwise), civil or criminal, or in connection with an appeal relating thereto, in which may be or become involved or with which he or she may be threatened, as a party, witness or otherwise, by reason of his or her being or having been such an incorporator, Trustee, Officer or Designated Person or by reason of any alleged act taken or omission made by him or her in any such

capacity, whether or not he or she shall be such incorporator, Trustee, Officer or Designated Person at the time any such liability, cost or expense is incurred by, or imposed upon, him or her, provided such person shall not be entitled to indemnification to the extent prohibited by applicable law in effect from time to time, or to the extent, in any criminal action or proceeding, he or she shall have been determined to have had no reasonable cause to believe that his or her conduct was lawful.

For purposes of this Article VII, an "Officer" shall be any person who shall be or at any time shall have been President, Treasurer, Clerk or assistant clerk of the Corporation, and an "Organization" shall be any other corporation or any trust, association, partnership, venture, firm or plan. For purposes of these By Laws, a "Designated Person" shall be any person whom the Trustees by their vote shall designate who (i) shall be, or at any time shall have been, any other officer, an employee or an agent of the Corporation, or (ii) at the request of the Corporation shall serve, or at any time shall have served, as an incorporator, director, Trustee, officer, employee, agent or member of any other Organization, or (iii) shall serve, or at any time shall have served, at the Corporation's request in any capacity with respect to any employee benefit plan.

Pursuant to the foregoing:

(i) Any such incorporator, Trustee, Officer or Designated Person who has been wholly successful, on the merits or otherwise, with respect to any claim, action, suit or other

proceeding of the character described herein shall be entitled to such indemnification as is hereinabove provided as of right;

(ii) No such incorporator, Trustee, Officer or Designated Person shall be entitled to indemnification as of right in connection with any claim, action, suit or other proceeding which shall have been compromised or settled, by consent decree or otherwise, unless such compromise or settlement shall first have been approved by a vote of the Board of Trustees, acting by a quorum consisting of Trustees who are not parties to (or who have been wholly successful with respect to) such claim, action, suit or other proceeding;

(iii) In all other instances, the Corporation may in its sole discretion make such indemnification if, but only if (A) the Board of Trustees, acting by a quorum consisting of Trustees who are not parties to (or who have been wholly successful with respect to) such claim, action, suit or proceeding, shall find that such incorporator, Trustee, Officer or Designated Person has met the standards of conduct required by law or otherwise set forth in this Article; or (B) independent legal counsel shall deliver to the Corporation their written advice that, in their opinion, such incorporator, Trustee, Officer or Designated Person has met such standards;

(iv) The termination of any claim, action, suit or proceeding, civil or criminal, by judgment, settlement (whether with or without court approval) or conviction or upon a plea of guilty or of nolo contendere or its equivalent, shall not create a presumption that such incorporator, Trustee, Officer or Designated Person did not meet the standards of conduct hereinabove set forth as entitling him or her to indemnification;

(v) The extent of the rights of indemnification as set forth above shall include, without limitation, all liabilities, costs and expenses of defending, compromising or settling any such claim, action, suit or other proceeding, and the satisfaction of any judgment or decree entered or rendered therein, including the payment of fines or penalties imposed in criminal actions or proceedings; and

(vi) Expenses reasonably incurred with respect to any such claim, action, suit or proceeding may be advanced by the Corporation prior to the final disposition thereof upon receipt of any undertaking by or on behalf of the recipient to repay such amount if he or she shall ultimately be adjudicated to be not entitled to indemnification hereunder, which undertaking shall be accepted without reference to the financial ability of such person to make repayment.

Each person who shall at any time serve as such incorporator, Trustee, Officer or Designated Person shall be deemed so to serve in reliance upon the provisions hereinabove set forth, which such provisions shall not be exclusive of any other rights of indemnification to which such person may be entitled pursuant to contract or to valid and applicable law, shall be separable and enforced to the extent permitted by applicable law, and shall inure to the benefit of the heirs and legal representatives of such person.

The Corporation shall have power to purchase and maintain insurance on behalf of any person who shall be, or who at any time shall have been, an incorporator, Trustee, Officer, other officer, employee or other agent of the Corporation, or who, at the request of the Corporation shall serve, or who at



any time shall have served, as an incorporator, director, Trustee, officer, employee, agent or member of any other Organization or in any capacity with respect to any employee benefit plan, against any liability incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

SECTION 7.2. It is intended that the incorporators, Trustees and officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation and that all persons, corporations or other entities extending credit to, contracting with or having any claim against the Corporation may look only to the funds and property of the Corporation for the payment of any such contract or claim, or 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 Corporation. Nothing contained in these By-Laws (including without limitation the provisions of Article VII) shall amend, alter or impair any provision contained in the Articles of Organization relating to limitations of liability of Trustees or officers of the Corporation to the Corporation.

SECTION 7.3. In performing his or her duties, a Trustee, officer or incorporator of the Corporation shall be entitled to rely on information, opinions, reports or records, including financial statements, books of account and other financial records, in each case presented by or prepared by or under the supervision of (a) one (1) or more officers or employees of the Corporation whom the Trustee, officer or

incorporator reasonably believes to be reliable and competent in the matters presented, (b) counsel, a public accountant or any other person as to matters which the Trustee, officer or incorporator reasonably believes to be within such person's professional or expert competence, or (c) in the case of a Trustee, a duly constituted committee of the Board of Trustees upon which he or she has not served, as to matters within its delegated authority, which committee the Trustee reasonably believes to merit confidence, but he or she shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause such reliance to be unwarranted. The fact that a Trustee, officer or incorporator 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 by statute, by reason of his or her being or having been a Trustee, officer or incorporator of the Corporation.

ARTICLE VIII  
AMENDMENTS

SECTION 8.1. The By-laws of the Corporation may be adopted, amended or repealed at any meeting of members called for such purpose by the affirmative vote of two thirds of the members entitled to vote.

SECTION 8.2. Any changes to the By-laws shall not be valid unless approved by the Foreign Office of the Republic of Germany.

ARTICLE IX  
MISCELLANEOUS PROVISIONS

SECTION 9.1. All contracts, checks, notes or other instruments evidencing binding obligations of the Corporation shall be signed by such officers or other agents of the Corporation as shall be thereunto duly authorized from time to time by the Board of Trustees.

SECTION 9.2. The rights and obligations of the Principal, including his or her participation in personnel decisions of the Board of Trustees, shall be governed by his or her employment agreement, the Dienstordnung, as well as by the regulations of the School and the rules of the School teachers' conference.

SECTION 9.3. The School year of the Corporation, which shall also be its fiscal year, shall be the twelve (12) month period commencing July 1 in any calendar year and ending June 30 in the following calendar year ("School Year").

SECTION 9.4. The Board of Trustees shall assure the appropriate participation of teachers, students and parents in the extra-curricular life of the School in accordance with the rules applicable to the School.

SECTION 9.5. The Board of Trustees shall annually select an auditor to audit the financial books and records of the Corporation as well as the balance sheet and profit and loss statement for the fiscal year. Such selection shall be submitted to the meeting of members for ratification. The

selection of an auditor shall be for one (1) year in each case, although the same auditor may be selected again for further fiscal years.

SECTION 9.6. Upon the adoption of any plan of dissolution and distribution of assets by the Board of Trustees, approval of any such plan by the members shall require the affirmative vote of three quarters of the members entitled to vote.

SECTION 9.7. In the event of the dissolution of the Corporation, its net assets and property shall be distributed pursuant to Chapter 180 of the Massachusetts General Laws, as amended from time to time. Upon any such dissolution, the Board of Trustees shall petition the Supreme Judicial Court situated in the County in which the principal place of business of the Corporation shall then be located requesting that the distribution of such net assets and properties be made to an organization or organizations (i) whose purposes are the same or similar to the purposes set forth in Section 2.1 of Article II hereof and (ii) which qualify under Section 501(c)(3) of the Internal Revenue Code, as amended, and requesting further that, such conditions being satisfied and to the extent feasible, the said Court designate as distributee of such net assets and property to a German language school operating in the Commonwealth of Massachusetts or in another state or territory of the United States.

SECTION 9.8. Notwithstanding any provisions herein contained, the Corporation shall not carry on any activities not permitted to be carried on (i) by a corporation exempt from

federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Code) or (ii) by a corporation contributions to which are deductible under Section 172(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Code).

SECTION 9.9. 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.

SECTION 9.10. These By-Laws shall be subject to the Articles of Organization of the Corporation. All references in these By-Laws to the Articles of Organization shall be construed to mean the Articles of Organization of the Corporation as from time to time amended or restated.

SECTION 9.11. The original, or attested copies, of the Articles of Organization, these By-Laws and records of all meetings of the incorporator and of the Trustees shall be kept in Massachusetts at the principal office of the Corporation or at the office of the Clerk or the resident agent of the Corporation. Such copies and records need not all be kept in the same office. They shall be available at all reasonable

times for inspection by each Trustee for any proper purposes, but not to secure information for the purpose of selling information contained therein or copies thereof or of using the same for purposes other than in the interest of the applicant, as a Trustee, as appropriate, relative to the affairs of the Corporation.