

BY-LAWS OF YINGHUA ACADEMY

(as approved at the Yinghua Academy Board Meeting on June 25, 2007)

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BY-LAWS OF YINGHUA ACADEMY (the "Corporation")

ARTICLE I – PURPOSES

The purposes of the Corporation are as stated in its Articles of Incorporation. In the event that Minnesota law limits or enhances the powers of the Corporation Board set out herein, the law provisions shall prevail except to the extent that the Board of Directors (“the Board”) exercises any options it may have to accept the law provisions or choose other options.

ARTICLE II – OFFICES

The registered office of the Corporation in the State of Minnesota is as stated in the Articles of Incorporation. The Corporation may have such other offices within the State of Minnesota as the Board may determine or as the affairs of the Corporation may require. The registered office may be, but need not be, identical with the principal office in the State of Minnesota.

ARTICLE III – BOARD

Section 1. General Powers

The affairs of the Corporation shall be managed by its Board. Except as limited by the Articles of Incorporation, these Bylaws, Minn. Stat. 124D.01 et seq., Minn. Stat. Ch. 317A et seq. and by any other applicable law, the Board shall have the power and authority to do all acts and perform all functions that the Corporation may do or perform.

Section 2. Number, Tenure, and Qualifications

At all times the Board shall consist of not less than five (5) nor more than eleven (11) members, with the intention to have nine (9) Board Members at all times.

The Initial Board shall be as stated in the Articles of Incorporation. Each Initial Board Member shall serve until his/her seat is up for election. If one of the Initial Board Members resigns, the Initial Board shall determine whether to appoint a replacement or leave the board seat open until the appropriate election.

From and after the first day of the fourth year in which the Corporation operates the school and if the Corporation has not secured a waiver of the provisions of Minn. Stat. Section 124D.10 subd. 4(c) from its sponsor with approval of the State of Minnesota Department of Education (MDE), a majority of the Board shall consist of the teachers providing instruction under contract with the Corporation.

If the Corporation has secured a waiver of the provisions of Minn. Stat. 124D.10 subd. 4(c) from its sponsor, then no Board Members need be teachers under contract with the Corporation (although this does not prevent teachers under contract from serving as Board Members if so elected).

Section 3. Election of Board Members

The election of Board Members will begin at the annual meeting in June, 2007, at the end of the first year of operation of the school.

Beginning at the annual meeting in June 2007, one-third (1/3) of the nine (9) board seats shall be up for election at every annual meeting. The members of the Initial Board shall determine which board seats will be up for election at the annual meetings in June 2007, June 2008, and June 2009.

Each Board Member will be elected to a three-year (3) term and shall hold office for a three-year (3) term or until a successor has been duly elected and qualified, or until the Board Member dies, resigns, is removed or the term otherwise expires. The election of the Board shall be in compliance with Section 124D.10 subd. 4(c) of the Minnesota Statutes.

Newly-elected board members will replace their predecessors on July 1 each year.

Sixty (60) days prior to the Corporation's annual meeting, the Board will solicit nominations for the Board Member positions that will be filled at the next annual meeting. The Board will compile the list of nominees and notify the Corporation's Members of the nominees for each position fifteen (15) days prior to the annual meeting.

Section 4. Regular Meetings

Regular meetings of the Board shall be held at the call of the Board Chair, at the request of a majority of the Board by written notice received by e-mail, mail, in person or by facsimile at least five (5) days prior to the meeting, and at least four (4) times during the school year. The notice shall designate the time, place and date of such meeting.

Section 5. Special Meetings

Special meetings of the Board may be called at any time, for any purpose, by the Board Chair. The Board Chair shall call a special meeting of the Board upon the written request of one-third (1/3) of the Members of the Board. Notice of every special meeting of the Board shall be e-mailed or mailed to each director at least five (5) days before the day on which the meeting is to be held, or be delivered in person or by telephone, not later than twenty-four (24) hours before the meeting is to be held.

Section 6. Quorum and Adjourned Meeting

A meeting at which at least a majority of the Members of the Board are present shall constitute a quorum for the transaction of business at any meeting of the Board. If, however, such quorum shall not be present at any such meeting, the Board Member or Members present thereat shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present. Notwithstanding the foregoing, if a quorum is present when a duly-called meeting is convened, and later enough Board Members withdraw from the meeting so that less than a quorum remains, the Board Members remaining may continue to transact business until adjournment.

Section 7. Action Without a Meeting

Any action required or permitted to be taken at a meeting of the Board may be taken by written action signed by the number of Board Members who would be required to take the same action at a meeting of the Board at which all Board Members were present.

Section 8. Voting

Each Member of the Board shall have the power to exercise one (1) vote on all matters to be decided by resolution of the Board. The affirmative vote of a majority of a quorum of Board members shall constitute a duly authorized action of the Board.

Section 9. Resignation and Removal

Board Members may resign at any time, effective immediately or at a specified later date, by giving written notice to the Board Chair or the Secretary of the Corporation. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. A Board Member may be removed at any time by a majority vote of all remaining Members of the Board of the Corporation.

Section 10. Filling Vacancies

Unless otherwise provided by Minnesota Statutes, Section 317A.227, vacancies on the Board caused by death, disqualification, resignation, disability, removal or such other cause shall be filled by appointment of a new Board Member by the affirmative vote of a majority of the remaining Board Members, even if less than a quorum. A Board Member filling a vacancy shall hold office for the remaining term of the board seat filled.

Section 11. Compensation

Board Members shall not receive compensation for their services as a Board Member, but nothing in these Bylaws shall be construed to preclude any Board Member from serving the Corporation in any other capacity and receiving compensation therefore. In addition, the Members of the Board of this Corporation may be reimbursed for reasonable out-of-pocket expenses incurred by them in rendering services to this Corporation, as the Board from time to time determines such services to be directly in furtherance of the purposes and in the best interest of the Corporation.

Section 12. Meetings Without Notice

Subject to the provisions of Minn. Stat. §13D.01 et. seq., any Board Member may, in writing or orally, either before, at or after any meeting of the Board, waive notice thereof and, without notice, any Board Member by attendance at such meeting and participation therein shall be deemed to have waived notice of the action or actions taken at any meeting of the Board.

Section 13. Presence at Meetings via Conference Call

Members of the Board or of any committee, as applicable, may participate in a meeting of the Board or any committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can simultaneously hear each other, and such participation at a meeting shall constitute presence in person at the meeting.

Section 14. Committees of the Board

The Board may, by resolution passed by a majority of the Board, designate, define the authority of, set the number and determine the identity of, members of one or more committees. Committee members must be natural persons, but need not be Members of the Board. The Board may, by similar vote, designate one or more alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee. Provided, however, no committee of the Board shall have membership greater than 49% of the Members of the Board. All committees shall be chaired by a Member of the Board.

- 14.1 Authority of Committees. Any committee, to the extent provided in these Bylaws or in the resolutions creating such committee, may exercise all of the powers and authority granted by the Board to make recommendations to the Board as to the management and business affairs of the Corporation. However, no committee shall be granted any powers or authority exceeding that granted to the Board. Unless otherwise stated in the resolutions creating it, or in these Bylaws, committee actions shall be taken only upon the affirmative vote of a majority of the members of the committee. Failure of a committee to reach an agreement upon any issue before it shall require referral of such issue to the entire Board.
- 14.2 Procedures for Conducting Meetings. Subject to the provisions of Minn. Stat. 13D.01, the activities of all committees of this Corporation shall be conducted in such manner as will advance the best interest of the Corporation. Each committee shall fix its own rules of procedure and other regulations which shall be consistent with the Articles of Incorporation, these Bylaws and the policies of the Corporation. The Board Chair shall be an ex-officio member of all committees, unless he serves as a member of such committee. The meetings of all committees shall be open to attendance by all directors, which directors may participate in any such meeting but may not vote unless such director is a member of the committee.
- 14.3 Limitation on Authority of Committees. Each committee shall be under the direction and control of the Board and shall keep regular minutes of their proceedings, and all actions of each committee shall be reported to the Board and shall be subject to revision and alteration by the Board. Each committee shall meet as provided by its rules or by resolution of the Board. Notice of all meetings of any committee shall be given to all members of that committee as determined by the committee, or pursuant to Section 4 above.

ARTICLE IV -- OFFICERS AND EMPLOYEES

Section 1. Number and Election

The officers of the Corporation shall be elected every year at the first board meeting in January for one (1) year terms by the Board, and shall consist of a President (Board Chair and Chief Executive Officer), Treasurer (Chief Financial Officer), Secretary and such other officers as the Board shall determine from time to time.

Section 2. Vacancies

A vacancy in any office of this Corporation occurring by reason of death, disqualification, resignation or removal shall be filled for the unexpired portion of the term by appointment of a successor by the Board.

Section 3. President (Chief Executive Officer and Board Chair)

The President shall:

- 3.1. Act as the chairman of the Board and exercise the functions of the office of the president of the Corporation;
- 3.2. Preside at all meetings of the Board;
- 3.3. Perform such duties and exercise such powers as are necessary or incident to the supervision and management of the business and affairs of the Corporation;
- 3.4. Sign and deliver, in the name of the Corporation, all deeds, mortgages, bonds, contracts or other instruments requiring an officer's signature, unless otherwise directed by the Board;
- 3.5. Have the general powers and duties usually vested in the office of the president; and
- 3.6. Have such other powers and perform such other duties as are prescribed by Minnesota Statutes, Section 317A.305, subd. 2, and as the Board may from time to time prescribe.

Section 4. Treasurer (Chief Financial Officer)

The Treasurer shall:

- 4.1. Keep accurate accounts of all monies of the Corporation received or disbursed;
- 4.2. Deposit all monies, drafts and checks in the name of, and to the credit of, the Corporation in such banks and depositories as the Board shall from time to time designate;
- 4.3. Have the care and custody of the corporate funds and securities;
- 4.4. Have the power to endorse for deposit all notes, checks and drafts received by the Corporation;
- 4.5. Disburse the funds of the Corporation as ordered by the Board, making proper vouchers therefore;
- 4.6. Render to the Board Chair and the Board, whenever required, an account of all of his transactions as Chief Financial Officer and of the financial condition of the Corporation; and
- 4.7. Perform such other duties and have such other powers as may from time to time be prescribed by the Board or by the Board Chair.

Section 5. Secretary

The Secretary shall maintain the office of the Corporation and shall:

- 5.1. Attend all meetings of the members, the Board and all committees (when requested);
- 5.2. Record all proceedings of the minutes of the members, Board and committees in a book to be kept for that purpose;
- 5.3. Preserve all documents and records belonging to the Corporation;
- 5.4. Maintain a list of all members of the Corporation in good standing;
- 5.5. Give or cause to be given notice of all meetings of the members and all meetings of the Board and committees; and
- 5.6. Perform such other duties as may be prescribed by the Board or the Board Chair from time to time.

Section 6. Management and Administrative Employees

The Corporation may have such management and administrative employees as the Board deems necessary. Such employees shall be appointed in a manner, have the duties and responsibilities and hold their positions for the time prescribed by the Board.

Section 7. Compensation

The officers and employees of the Corporation may be paid such reasonable compensation, if any, for their services rendered to the Corporation in such capacity, and may be reimbursed for reasonable out-of-pocket expenses, as the Board from time to time determines to be directly in furtherance of the purposes and in the best interests of the Corporation.

Section 8. Bond

The Board of this Corporation shall from time to time determine which, if any, of the officers, agents or employees of this Corporation shall be bonded and the amount of each bond.

Section 9. Removal of Officer

Any officer may be removed at any time, with or without cause, by the vote of a majority of a quorum of the Board at any regular meeting or at a special meeting called for that purpose.

Section 10. Resignation

Any officer may resign at any time. Such resignation shall be made in writing to the President or the Secretary of the Corporation and shall take effect at the time specified therein or, if no time be specified, at the time of its receipt by the President or Secretary. The acceptance of a resignation shall not be necessary to make it effective.

ARTICLE V -- MEMBERS

Section 1. Membership

The Members of the Corporation shall be identified based on the membership criteria determined by the Board. Members shall not be required to pay a membership fee or annual dues. Members shall have voting rights. Membership in the Corporation is not transferable or assignable.

Section 2. Membership Criteria

Membership criteria shall be adopted by the Board. All membership approval, classification and reclassification shall be the responsibility of the Board of Directors.

Section 3. Meetings Generally

From and after the date at which the Corporation begins educating students, it shall be deemed to be a public entity and the conduct of meetings of the Board will at all times be subject to the provisions of the Minnesota "Open Meeting Law," Minn. Stat. §13D.01 et. seq. The provisions of the Open Meeting Law shall prevail in the event of technical conflict with the provisions of Minn. Stat. §317A.01 et. seq. as to conduct and calling of meetings.

Section 4. Annual Meeting

The Annual Meeting of the Members of the Corporation shall be held each year in the month of June at a date, time, and location determined by the Board. Notification shall be by e-mail or by newsletter or other postal service mailed first class at least fourteen (14) days prior to the meeting date. Such notice shall contain the date, time and location of the meeting.

Section 5. Special Meeting

A special meeting of the voting members may be called at any time by the Chair of the Board or by the requisite number of voting members as provided in Minnesota Statutes, Section 317A.433. Notification shall be by e-mail or by newsletter or other first class postal service mailed no fewer than seven (7) days prior to date of the meeting. Such notice shall contain the date, time, place and purpose of the meeting. Only subjects listed on the agenda for the special meeting shall be acted upon at the meeting.

Section 6. Quorum

For any annual or special meeting, a majority of the total number of voting members shall constitute a quorum.

Section 7. Voting

At each meeting of the membership, every voting member shall have one (1) vote. Members may vote in person or by proxy. The affirmative vote of a majority of a quorum of voting members shall constitute a duly authorized action of the membership.

ARTICLE VI -- DISTRIBUTION OF ASSETS

Section 1. Right to Cease Operations and Distribute Assets

By a two-thirds (2/3) vote of all directors, the Board of Directors may resolve that the Corporation cease operations and voluntarily dissolve. Such resolution shall set forth the proposed dissolution and direct designated officers of the Corporation to perform all acts necessary to effect a dissolution. Written notice as required by these Bylaws shall be given to all voting members stating that the purpose of the meeting shall be to vote upon the dissolution of the Corporation. A resolution to dissolve the Corporation shall be approved only upon the affirmative vote of a two-thirds (2/3) of a quorum of voting members of the Corporation taken at a meeting during which the resolution is brought before the voting members. If such cessation and distribution is called for, the Board shall set a date for commencement of the distribution.

Section 2. Cessation and Distribution

When cessation of operations and distribution of assets has been called for, the Board and the designated officers shall cause the Corporation to discontinue its regular business activities and operations as soon as practicable, and shall liquidate and distribute all the Corporation's assets to other entities in accordance with Minnesota Statutes, Section 317A.735 and in accordance with the Articles of Incorporation. Notice of intent to dissolve shall be filed with the Secretary of State pursuant to Minnesota Statutes, Section 317A.723.

ARTICLE VII -- INDEMNIFICATION

Section 1. Indemnification

Each director, officer and employee of the Corporation, past or present, and each person who serves or may have served at the request of the Corporation as a director, officer, partner, trustee, employee, representative or agent of another organization or employee benefit plan, and the respective heirs, administrators and executors of such persons, shall be indemnified by the Corporation in accordance with, and to the fullest extent permitted by, Minnesota Statutes, Section 317A.521. The Corporation shall not be obligated to indemnify any other person or entity, except to the extent such obligation shall be specifically approved by resolution of the Board. The Corporation shall have the power to advance such person's expenses incurred in defending any such proceeding to the maximum extent permitted by law. This Section is and shall be for the sole and exclusive benefit of the individuals designated herein and no individual, firm or entity shall have any rights under this Section by way of assignment, subrogation or otherwise, whether voluntarily, involuntarily or by operation of law.

Section 2. Insurance

The Corporation may, but shall not be required to, purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, against any liability asserted against and incurred by such person in his or her official capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against liability under Minnesota Statutes, Section 317A.521, the Articles of Incorporation or these Bylaws.

ARTICLE VIII -- AMENDMENTS

Subject to the right of the voting members to adopt, amend and repeal these Bylaws as set forth in Minnesota Statutes, Section 317A.181, Subd. 2(b), the power to adopt, amend or repeal the Bylaws is vested in the Board by a majority vote.

ARTICLE IX -- FINANCIAL MATTERS

Section 1. Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the Corporation to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and any such authority may be general or confined to specific instances. Unless so authorized by the Board or these Bylaws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit or to render it liable pecuniarily for any purpose or to any amount.

Section 2. Loans and Pledges

No loans shall be contracted nor pledges or guarantees given on behalf of the Corporation unless specifically authorized by the Board.

Section 3. Authorized Signatures

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation shall be signed by such person or persons and in such manner as shall from time to time be determined by the Board or these Bylaws.

Section 4. Deposits

All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board may designate and shall be disbursed under such general rules and regulations as the Board may from time to time determine.

Section 5. Corporate Seal

The Corporation shall not have a corporate seal.

Section 6. Documents Kept at Registered Office

The Board shall cause to be kept at the registered office of this Corporation originals or copies of any document required by law, including, but not limited to:

- 6.1. Records of all proceedings of the Board and all committees;
- 6.2. Records of all votes and actions of the members;
- 6.3. All financial statements of this Corporation; and
- 6.4. Articles of Incorporation and Bylaws of this Corporation and all amendments and restatements thereof.

Section 7. Accounting System and Audit

The Board shall cause to be established and maintained, in accordance with provisions of Minnesota law, in particular with the provisions of Minn. Stat. §124D.10 Subd.8(i) and, to the extent not in conflict with the law, with generally accepted accounting principles applied on a consistent basis, an appropriate accounting and financial reporting system for the Corporation. The Board is required by law to and shall cause the records and books of account of the Corporation to be audited at least once each fiscal year as of June 30 of any year (or such other date as the law may require) and at such other times as it may deem necessary or appropriate, and may retain such person or firm for such purposes as it may deem appropriate.

ARTICLE X -- MISCELLANEOUS

Section 1. Gender References

All references in these Bylaws to a party in the masculine shall include the feminine and neuter.

Section 2. Plurals

All references in the plural shall, where appropriate, include the singular and all references in the singular shall, where appropriate, be deemed to include the plural.

CERTIFICATE

The undersigned members of the Board of Directors of YINGHUA ACADEMY, a Minnesota nonprofit corporation, do hereby certify that the foregoing pages constituting the bylaws are the bylaws adopted for the Corporation.

Date: _____ Sandy Doubek

Date: _____ Cynthia A. Moeller

Date: _____ Doug Parish

Date: _____ Kristina Schatz

Date: _____ Michael VanKeulen

Date: _____ Margaret Wong

Date: _____ Larry Yan
