

ACT OF ENDOWMENT
OF
GAKKO HOJIN NAGOYA KOKUSAI GAKUEN
(Nagoya International School Juridical Person)

(Enforced from the date of approval by Aichi Prefecture, December 8, 2020)

Translation

SECTION 1 General Provisions

(Name)

Article 1 The name of this juridical person shall be "Gakko Hojin Nagoya Kokusai Gakuen" (Nagoya International School Juridical Person).

(Office)

Article 2 The office of this juridical person shall be located at 2686 Aza Minamihara, Ooaza Nakashidami, Moriyama-ku, Nagoya-shi, Aichi-ken.

SECTION 2 Objective and Operations

(Objective)

Article 3 The objective of this juridical person shall be to provide education in the English language, following International education methods and curriculum, in accordance with the Fundamentals of Education Act and the School Education Act.

(Schools to be Established)

Article 4 In order to accomplish the aforementioned objective, this juridical body will establish the following school:

Nagoya International School

SECTION 3 Officers and the Board of Directors

(Officers)

Article 5 This juridical body shall have the following officers:

- (1) Directors: not less than five (5) and not more than eleven (11)
- (2) Inspector Auditors: two (2)
2. A Chairperson of the Board of Directors shall be elected by and from among the Directors by a vote of more than one half of the total number of the Directors at a Board of Directors meeting. The dismissal of the Chairperson shall follow the same procedure.

(Election of Directors)

Article 6 The Board of Directors shall be comprised of the following persons:

- (1) Head of School of Nagoya International School,
- (2) One (1) person elected by the Board of Trustees from among the Trustees,

- (3) Not less than two (2) and not more than eight (8) persons of learning and experience elected by the Board of Directors,
 - (4) One member of the Parent Partners of Nagoya International School, who is not an employee of the school (including Head of School, teacher, or other employee; hereinafter the same), recommended by the Parent Partners and elected by the Board of Directors.
2. Directors coming under the aforementioned items (1), (2), and (4) shall lose their office on the Board in the event that they leave their positions as Head of School, Trustee, or Parent Partners member.

(Election and Duties of Inspector Auditors)

Article 7 The Inspector Auditors shall be persons who are not Directors, employees, or Trustees of this juridical person. Candidates elected at a Board of Directors meeting shall be presented to the Board of Trustees for their consent. With their consent, the Chairperson of the Board of Directors shall then appoint the candidate to the position of Inspector Auditor.

2. The person appointed to the Inspector Auditor position shall be a person who ensures the independence of Inspector Auditors and who is able to appropriately prevent conflicts of interest,
3. The Inspector Auditors shall perform the following duties:
 - (1) To audit the financial condition of this juridical body,
 - (2) To audit the business operations of this juridical body,
 - (3) To audit the Board of Directors in the execution of its duties
 - (4) To ensure, each fiscal year, for the creation of an official audit report covering the financial condition and condition of business operations of this juridical person, and status of the execution of the duties of the Board of Directors and to submit the same to the Board of Directors and the Board of Trustees within two (2) months of the close of the corresponding fiscal year,
 - (5) To report to the Governor of Aichi Prefecture or to report to the Board of Directors and the Board of Trustees if, as the result of inspection in accordance with the stipulations of aforementioned items 1, 2, and 3, serious facts of improper behavior, or of contravention of laws or this Act of Endowment, should be discovered with respect to the business operations or finances of this juridical body or the status of the execution of the duties of the Board of Directors,
 - (6) To request the Chairperson of the Board Directors to call a meeting of the Board of Directors and a meeting of Board of Trustees, if the aforementioned report is necessary to be made to them,
 - (7) To attend Board of Directors meetings and offer opinions concerning the financial condition or condition of business operations of this juridical person or the status of the execution of the duties of the Board of Directors.
4. When a meeting of the Board or Directors or Board of Trustees will not be called within five (5) days from the day of the request as in aforementioned item 6 with a notification of the call of the meeting to be held within two (2) weeks from the day of the request, the Inspector Auditor who made the request may call the meeting of the Board of Directors or meeting of Board of Trustees.

5. When a Director performs any act out of the scope of this juridical person's objectives, or any other acts that violate laws, regulations, or this Act of Endowment which will cause significant damage to this juridical person, the Inspectors Auditors may request the Director to stop the act.

(Restrictions on Relatives, etc.)

Article 8 The officers of this juridical person shall not include the spouse of any officer or more than one relative of within the third degree of kinship of any officer or any person who is in any other special relations with any officer.

2. The Inspector Auditors of this juridical person shall not include a Director (including his/her relatives or any person who is in any other special relations with him/her), a Trustee (including his/her relatives or any person who is in any other special relations with him/her) or an employee of this juridical person (including Head of School, teachers, and other staff and including an employee's relatives or any person who is in any other special relations with him/her).
3. The inspector auditor shall not be another Inspector Auditor's relative or in any special relationship with the other Inspector Auditor.

(Term of Office for Officers)

Article 9 The term of office for officers (excluding *the* Directors-coming under item 1, paragraph 1, article 6; the same shall apply hereinafter in this article) shall be three (3) years. However, the term of office for an officer filling a vacancy may be for the remainder of his/her predecessor's term.

2. Officers may be reelected.
3. An officer shall continue his/her duties (in case of the Chairperson, including the Chairperson's duties) even after the end of his/her term, until a successor has been elected.

(Filling Vacancies)

Article 10 When more than one-fifth (1/5) of the Director offices or one or more Inspector Auditor offices become vacant, the vacancies must be filled within one (1) month.

(Removal of an Officer from an Office or Vacating of an Office by an Officer)

Article 11 An officer may be removed from office in the event that any of the following items apply and the matter is decided by vote of more than three-fourths (3/4) of the total number of the Directors at a Board of Directors meeting where more than three-fourths (3/4) of the Directors are in attendance and by a resolution of the Board of Trustees:

- (1) If the officer has seriously violated the law or this Act of Endowment, (2) If the officer is unable to execute his/her duties for physical or mental health reasons,
 - (2) If the officer has seriously abused or neglected the duties of his/her position
 - (3) If the officer has engaged in serious misconduct unbecoming an officer.
2. An officer shall vacate an office for any of the following reasons:
 - (1) Completion of the term of office,
 - (2) Resignation,

- (3) Death,
- (4) Incidence of any reason stated in Item 1 or 2, Paragraph 8, Article 38 of Private Schools Act (criminal sentenced etc.)

(Compensation for Officers)

Article 12 Officers shall not be compensated for their positions.

2. Officers may be reimbursed any costs expended for the execution of his/her duties.

(Board of Directors)

Article 13 This juridical person shall have a Board of Directors composed of Directors.

2. The Board of Directors shall determine the business operations of the juridical person and supervise the execution of duties by the Directors.
3. The Chairperson shall convene the meetings of the Board of Directors.
4. The Chairperson must convene a meeting of the Board of Directors within seven (7) days after the receipt of a request for a meeting by one-third (1/3) or more of the total Directors, which sets forth the matters to be discussed at the meeting.
5. A written notice of a meeting of the Board of Directors must be sent to all the Directors and Inspector Auditors, stating the date, time, place, and agenda of the meeting.
6. The aforementioned notice must be sent out not less than seven (7) days before the date of the meeting. However, this does not apply in the event of an emergency.
7. A meeting of the Board of Directors shall be presided over by the Chairperson of the Board of Directors.
8. In the event that the Chairperson of the Board of Directors does not convene a meeting according to the paragraph 4 of this article, a meeting may be convened in the joint names of all Directors who sent the request to the Chairperson.
9. In the event a Board of Directors meeting is convened according to the paragraph 4 and paragraph 8 of this article, the presiding officer of the meeting shall be elected from among Directors present.
10. Unless otherwise provided for by law and by this Act of Endowment, the Board of Directors may not convene a meeting or bring matters to a vote without one-half (1/2) or more of the total number of Directors in attendance. However, this does not apply if the one-half (1/2) requirement cannot be met due to exclusions specified in paragraph 13 below.
11. In the aforementioned event, Directors who have submitted their intention in advance and in writing concerning particulars on the agendum shall be accounted present at the meeting.
12. Unless otherwise provided for by law and by this Act of Endowment, an action of a meeting of the Board of Directors shall be adopted by a majority vote of the Directors in attendance. In the event of a tie vote, the chairperson shall determine the result.
13. A Director who has a special interest in a particular matter of discussion cannot vote on the particular matter.

(Duties of Chairperson of the Board of Directors)

Article 14 The Chairperson of the Board of Directors shall represent this juridical person and oversee its business operations.

(Limitation of Representation by Directors)

Article 15 Directors other than the Chairperson of the Board of Directors shall not represent this juridical person in its business operations.

(Substitute for Chairperson's Duties, Etc.)

Article 16 In the event that the Chairperson of the Board of Directors is unable to attend a Board of Directors meeting or otherwise is unable to perform his/her duties, or the position of Chairperson becomes vacant, a Director following the rank order of executive positions determined annually in the first meeting of the year by the Board of Directors, shall serve as Acting Chairperson and perform the Chairperson's duties.

(Minutes of the Meeting)

Article 17 The Chairperson must have the minutes of each meeting of the Board of Directors prepared which includes the date, time, and place of the meeting, the motions passed, and other items discussed at the meeting.

2. The minutes must be signed and bear the “*inkan*” (name seal) of the chairperson and two (2) or more Directors elected from among the Directors in attendance at said meeting and must be kept in the office at all times.
3. Each Director’s vote on resolutions about conflict-of-interest transactions shall be recorded in the minutes.

SECTION 4 Trustees and the Board of Trustees

(The Board of Trustees)

Article 18 This juridical person shall have a Board of Trustees.

2. The Board of Trustees shall be comprised of not less than 11 persons and not more than 35 persons.
3. The Chairperson of the Board of Directors shall convene the meetings of the Board of Trustees.
4. The Chairperson of the Board of Directors must convene a meeting of the Board of Trustees within 20 days after receiving a written request submitted by one-third (1/3) or more of the total number of Trustees setting forth the matters to be discussed at the meeting.
5. A written notice stating the place, date, time, and agenda of the meeting must be sent to all the Trustees.
6. The aforementioned notice must be sent out not less than seven (7) days before the date of the meeting. However, this does not apply in the event of an emergency.
7. The Board of Trustees shall have a chairperson who shall be elected from among the Trustees.

8. The Board of Trustees may not convene a meeting or vote on a resolution without a majority of the total number of Trustees. However, this does not apply if the majority requirement cannot be met due to exclusions specified in paragraph 12 of this article.
9. In the aforementioned event, Trustees who have expressed their intentions in advance and in writing concerning the actions to be taken shall be accounted present at the meeting.
10. The Chairperson (of a Trustees meeting) may not vote for the resolution as a Trustee.
11. Resolutions made by the Board of Trustees shall be passed by majority vote of the Trustees in attendance unless otherwise provided for by law and this Act of Endowment. In the event of a tie vote, the chairperson shall determine the result.
12. A Trustee who has a special interest in a particular matter of discussion cannot vote on the particular matter.

(Minutes of the Meeting)

Article 19 The Chairperson must have the minutes of each meeting of the Board of Trustees prepared which includes the date, time, and place of the meeting, the motions passed, and other items discussed at the meeting.

2. The minutes must be signed and bear the “*inkan*” (name seal) of the Chairperson and two (2) or more Trustees elected from among the Trustees in attendance at said meeting and must be kept in the office at all times.

(Matters Requiring Trustees’ Opinion)

Article 20 The Chairperson of the Board of Directors must seek the opinion of the Board of Trustees prior to any decisions concerning the following items:

- (1) Budgets and Business Plans,
- (2) Loans (excluding those short term loans which are to be repaid within the same fiscal year), disposition of basic assets, and disposition of real estate investments and reserve funds,
- (3) Assumption of non-budgeted new liabilities or claims,
- (4) Amendments to the Act of Endowment,
- (5) Mergers,
- (6) Dissolution resulting from the inability to accomplish the objectives of this juridical person,
- (7) Matters concerning the collection of donations,
- (8) Other matters important to the performance of this juridical person's business operations for which in the opinion of the Board of Directors the opinion of the Board of Trustees needs to be sought.

(Reporting the Opinions of Board of Trustees, etc.)

Article 21 The Board of Trustees may express views to the officers, respond to their questions, and call for a report from the officers concerning business or financial condition of this juridical person or state of affairs related to the officers’ execution of their duties.

(Election of Trustees)

Article 22 The Trustees shall be those coming under the following items: (

- (1) One (1) person from among employees of this juridical person recommended by the Board of Directors and who has been elected by the Board of Trustees.
 - (2) One (1) person who has been elected by the Board of Directors from among graduates of the school established by this juridical person who are or older than 25.
 - (3) More than nine (including 9) but less than 33 (including 33) persons of learning and experience who have been elected by the Board of Directors
2. A Trustee coming under the aforementioned item (1) shall lose his/her position on the Board of Trustees when his/her employment at this juridical person concludes.

(Application of Directors Stipulation) *...(relatives restriction & compensation)*

Article 23 The stipulations stated in paragraph 1 of Article 8 (Restrictions on Relatives, etc.) and Article 12 (Compensation) concerning the Directors shall apply to the Trustees.

(Term of Office)

Article 24 The term of office of a Trustee shall be three (3) years. However, the term of office for a Trustee who is filling a vacancy may be for the remainder of the term of his/her predecessor.

2. Trustees may be reelected.

(Removal of a Trustee from an Office or Vacating of an Office by a Trustee)

Article 25 A Trustee may be removed from office in the event that any of the following items apply and the matter is decided by vote of more than two-thirds (2/3) of the total number of the Board of Trustees:

- (1) If the Trustee is unable to execute his/her duties for physical or mental health reasons,
 - (2) If the Trustee has engaged in serious misconduct unbecoming a Trustee.
2. A Trustee shall vacate an office for any of the following reasons:
- (1) Completion of the term of office,
 - (2) Resignation,
 - (3) Death

SECTION 5 Assets and Accounts

(Assets)

Article 26 The assets of this juridical person shall be as recorded in its inventory of assets.

(Classification of Assets)

Article 27 The assets of this juridical person shall be classified into capital assets and operating assets.

2. The capital assets shall include the facilities and equipment necessary to the school established by this juridical person and funds required for their acquisition, which shall be recorded as capital assets in the inventory of assets or will be entered as capital assets in the future.
3. The operating assets shall include the assets necessary to the operation of the school established by this juridical person which shall be recorded as operating assets in the inventory of assets or will be entered as operating assets in the future.
4. Contributions of which classification has been designated by the contributor shall be recorded in the inventory of assets as either capital assets or operating assets in accordance with the contributor's designation.

(Limits of Disposition of Capital Assets)

Article 28 The capital assets may not be disposed of. However, in the event that the disposition of such assets becomes unavoidable in order to accomplish the business of the juridical person, only a part of such assets may be disposed of, upon the resolution by the Board of Directors by vote of not less than two-thirds (2/3) of the total number of Directors at the meeting of the Board of Directors.

(Custody of Reserves)

Article 29 Reserves in the capital assets and operating assets shall be invested in the purchase of sound negotiable bonds or entrusted to a sound bank trust, or deposited into a time deposit at a sound bank or fixed rate postal savings account and be kept in the custody of the Chairperson of the Board of Directors.

(Payment of Expenses)

Article 30 The expenses required for the operation of the school established by this juridical person shall be defrayed by the income derived from the fixed assets of capital assets and operating assets and reserves in both capital and operating assets, income derived from the tuition fees, registration fees, applications fees, and other operating assets.

(Accounting)

Article 31 The accounting for this juridical person shall be conducted in accordance with accounting standards for school juridical persons.

(Budget and Business Plans)

Article 32 The budget and business plans of this juridical person must be prepared by the Chairperson of the Board of Directors and must be adopted by the resolution by the Board of Directors by not less than two-thirds (2/3) vote of the total number of Directors at a meeting of the Board of Directors, before the commencement of each fiscal year. The same shall apply whenever important changes are made to the budget or business plans.

(Assumption of Liabilities or Release of Legal Claim Not Provided for under an Existing Budget)

Article 33 The assumption of liabilities or release of legal claim not provided for under an existing budget must be adopted by a resolution by the Board of Directors by not less than two-thirds (2/3) of total number of the Directors at a meeting of the Board of Directors. The same shall apply to loans (excluding those short-term loans which are to be repaid within the same fiscal year).

(Settlement of Accounts and Report of Business Operations)

Article 34 The accounts of this juridical person shall be settled within two (2) months of the close of the fiscal year and the opinions of Inspector Auditors shall be sought.

2. Within two (2) months of the close of each fiscal year, the Chairperson of the Board of Directors must report the settlement of accounts and records of business operations to the Board of Trustees with the opinion of Inspector Auditors attached, and their opinion must be sought.

(Keeping and Inspection of the Inventory of Assets, Etc.)

Article 35 Within two (2) months of the close of each fiscal year, this juridical person must compile the following: inventory of assets, the balance sheet, the income and expenditure statement, the business operations report, and the list of officers, etc., (including the names and addresses of Directors, Inspector Auditors, and Trustees).

2. This juridical person must keep in its office those documents stipulated in aforementioned paragraph, the auditors' report, and the Act of Endowment and, unless a justifiable reason exists not to do so, shall make them available on demand to any current student, parent, guardian, or other legitimate stakeholder; and shall make the Act of Endowment available on demand to any member of the public.
3. The list of officers, etc., excluding addresses may be made available on demand to any member of the public.

(Registration of Changes in the Amount of Total Assets)

Article 36 Changes in the amount of total assets of this juridical person must be registered within three (3) months of the close of the fiscal year in which the change occurred with the authorities concerned.

(Fiscal Year)

Article 37 The fiscal year of this juridical person shall commence each year on April 1 and close on March 31 of the following year.

SECTION 6 Dissolution and Merger

(Dissolution)

Article 38 This juridical person shall be dissolved in the event of any of the following occurrences:

- (1) A resolution by the Board of Directors passed by not less than two-thirds (2/3) of the total number of Directors at the meeting of the Board of Directors and a resolution by the Board of Trustees,
 - (2) A resolution by the Board of Directors passed by not less than two-thirds (2/3) of the total number of Directors at the meeting of Board of Directors, in the event it becomes impossible for this juridical person to achieve its objective,
 - (3) Merger,
 - (4) Bankruptcy,
 - (5) A dissolution order from the Governor of Aichi Prefecture.
2. Dissolution based on the reason stated in aforementioned item 1 must be approved by the Governor of Aichi Prefecture, and dissolution based on the reason stated in aforementioned item 2 must be certified by the Governor of Aichi Prefecture.

(Disposition of Residual Assets)

Article 39 In the event that this juridical person dissolves (excluding dissolution resulting from merger or bankruptcy), the residual assets shall be consigned to a school juridical person or public interest incorporated association or public interest incorporated foundation engaged in educational business which has been selected by a resolution by the Board of Directors passed by not less than two-thirds (2/3) of the total number of Directors at the meeting of Board of Directors where the dissolution is resolved.

(Merger)

Article 40 In the event that this juridical person attempts a merger, a resolution by the Board of Directors must be passed by not less than two-thirds (2/3) of the total number of Directors at the meeting of Board of Directors, and approval must be received from the Governor of Aichi Prefecture.

SECTION 7 Amendments to the Act of Endowment

(Amendments to the Act of Endowment)

Article 41 In order to amend this Act of Endowment, a resolution by the Board of Directors must be passed by not less than two-thirds (2/3) of the total number of Directors at the meeting of Board of Directors, and approval must be received from the Governor of Aichi Prefecture.

2. Irrespectively of the stipulation of the foregoing paragraph, the submission items stipulated in the Private Schools Act must be submitted to the Governor of Aichi Prefecture on approval by not less than two-thirds (2/3) of the total number of Directors at the meeting of Board of Directors.

SECTION 8 Supplementary Provisions

(Keeping Documents and Account Books)

Article 42 This juridical person must always keep, in addition to the documents stated in paragraph 2 of Article 35, the following documents and account books in the office:

- (1) Resumes of all officers and Trustees,
- (2) Minutes of meetings of Board of Directors and meetings of Board of Trustees (3) Account books and documents of proof of income and expenditures, (4) Other necessary documents and account books.

(Method of Public Notice)

Article 43 Public notices of this juridical person shall be displayed on the notice board of Gakko Hojin Nagoya Kokusai Gakuen.

(Bylaws for the Enforcement)

Article 44 The Board of Directors shall adopt bylaws and make other decisions necessary to the enforcement of this Act of Endowment and the supervision and management of this juridical person and the school established by this juridical person.

Article 45 (Exemption from Liability) *Chairperson and Head of School*

When a damage is caused by the negligence of duties of the Chairperson or the Director stipulated under Article 6, Paragraph 1 (Head of School), the liability to this corporation can be exempted up to the amount obtained by deducting the minimum liability amount based on the provisions of the Act on General Incorporated Associations and General Incorporated Foundations, which is applied mutatis mutandis under the Private School Law, from the total amount the Chairperson or the Director stipulated under Article 6, Paragraph 1 (Head of School) is liable for compensation, by a resolution of the Board of Directors, when duties are performed in good faith and without no gross negligence, and in particular considering the causes and circumstances such as the status of execution of duties.

Article 46 (Contracts for Limitation of Liability) *Other Directors and Inspector Auditors*

Directors other than the Chairperson and the Director specified in Article 6, Paragraph 1 (Head of School) or Inspector-Auditors are able to sign a contract for limitation of liability which limits the liability to an amount larger between the predetermined amount of 0 yen or more and the minimum liability amount based on the provisions of the Act on General Incorporated Associations and General Incorporated Foundations, which are applied mutatis mutandis to the Private School Law (0 yen per no compensation), when duties are performed in good faith and without no gross negligence.

Additional Provisions

1. This Act of Endowment which has been approved by the Governor of Aichi Prefecture on December 18, 1996 shall be enforced from the date December 18, 1996.
2. This Act of Endowment shall be enforced from the date of approval by the Governor of Aichi Prefecture, November 7, 2005.
3. This Act of Endowment shall be enforced from the date of approval by the Governor of Aichi Prefecture, December 8, 2020.