



ESCUELA AMERICANA BYLAWS

CHAPTER I: NATURE, DENOMINATION, DOMICILE AND TERM

Article 1.

The American School Association, herein referred to as the Association, is a non-political and non-profit institution in which there may be no discrimination based on nationality, race, gender, religion or economic condition

Article 2.

The domicile of the Association will be the city of San Salvador, Department of San Salvador; the Association may establish branches throughout the territory of El Salvador.

Article 3.

The Association is constituted for an indefinite term.

CHAPTER II GOALS AND OBJECTIVES

Article 4.

The purpose of the Association will be to promote the development of cultural activities and especially primary and secondary education based on the educational programs of the United States of America, insofar as they may be applied in the country.

Article 5.

To this end, the specific mission of the Association will be the administration and management of a coeducational and private School that will offer a bilingual and bicultural educational program with high expectations, for national as well as for international students, promoting qualities of excellence and leadership. To achieve this goal and objective, the Association may use all means that it deems necessary, as long as they do not contravene the law or the present bylaws.

CHAPTER III

PATRIMONY (ASSETS AND INCOME)

Article 6.

The patrimony (assets and income) of the Association will comprise: a) Tuition paid by members of the Association for the education of their children and students, b) the enrollment fee paid by each student when he begins his studies in the Association's school, c) donations, inheritances, legacies, contributions from natural or juridical persons, national or foreign, respectively; d) all furnishings, equipment and real estate acquired and income obtained from the same according to the law; and, e) any other lawful income.

Article 7.



The patrimony will be managed by the Board of Directors in accordance with directives of the General Assembly.

Article 8.

All financial surpluses of the Association shall be invested in the achievement of the goal and objectives specified in the bylaws. In no case may surpluses be distributed among the members.

CHAPTER IV: ON THE GOVERNMENT OF THE ASSOCIATION

Article 9.

The Association will be governed by: a) The General Assembly of Members, and b) the Board of Directors.

CHAPTER V: ON THE GENERAL ASSEMBLY

Article 10.

The duly convoked General Assembly of Members is the highest authority of the Association; it will consist of the totality of the members and will have the character of ordinary or extraordinary.

Article 11.

The Ordinary General Assembly of Members must meet at least twice a year, at the beginning and at the end of the school year in accordance with relevant law.

Article 12.

An Extraordinary General Assembly will meet when duly convoked by the Board of Directors or when requested, in writing and with an explanation of the reasons, by at least ten percent of the total membership.

Article 13.

The General Assembly of Members may not meet unless duly convoked by the Board of Directors, by means of a notice published in the Official Gazette and in two of the major newspapers, at least fifteen days prior to the appointed date. The notice must also specify the time and date of the second convocation, as set forth in article 15 below. A copy of this convocation must be sent to the Ministry of Education at least 15 days prior to the session, in accordance with the law.

Article 14.

The notice to call for an Extraordinary General Assembly will clearly state the purpose of the meeting and the points to be discussed. Any resolution of an Extraordinary General Assembly the purpose of which was not clearly included in the notice will be void.

Article 15.



The General Assembly of Members will be considered legally constituted with the attendance of at least 10 percent of the members. If the indicated quorum is not attained, after one hour, a second call may be issued, and the General Assembly will be considered legally constituted with the number of members currently in attendance. Decisions of the General Assembly will be taken by majority vote of those present, both during the first and second call.

Article 16.

The resolutions of the General Assembly of Members will be taken by public vote, except for the election of members of the Board of Directors, which will be carried out by written and secret ballot, or for other cases in which the General Assembly of Members determines that a secret ballot is merited.

Article 17.

The General Assembly will: a) Be informed of actions and measures taken by the Board of Directors, b) Elect the members of the Board of Directors; c) Be informed of the Association's economic and financial condition and approve or reject the Balance Sheet and Income Statement; d) Authorize bond issues; e) Decide the sale of real estate of the Association, when the price exceeds fifty thousand colones; f) Authorize taking up of mortgages as of obligations exceeding fifty thousand colones, and g) Be informed of matters not specifically foreseen in the bylaws.

Article 18.

To approve amendments or to revoke the bylaws, or to decide a merger of the Association with similar institutions, attendance of twenty percent of the members will be required at first call; and in the second call, one hour later, the number of members who are present in attendance will be sufficient. In both cases, resolutions will be taken by vote of seventy-five percent of those members present or represented. In this type of General Assembly, a member may also vote a written proxy from one other member.

Article 19.

Every decision taken by the General Assembly and duly issued in conformity with these bylaws, will be binding for all members, even those who opposed it. The supremacy of the majority vote is established as a fundamental principle.

CHAPTER VI: ON THE BOARD OF DIRECTORS

Article 20.

The management and direct supervision of the administration of the Association is entrusted to the Board of Directors, which will be made up of twelve directors elected by the General Assembly from among its members. In the same manner, the General Assembly will choose three substitute directors. At their first meeting, the directors will elect a President, a Vice President, a Treasurer, a Secretary, a Syndic and such other officials as necessary. The remaining directors are trustees.



Article 21.

The Board of Directors will serve terms of last three years, and in order for the board to be partially renewed, four Directors and one Substitute Director will be elected during the first Ordinary General Assembly held at the beginning of the school year. If for any reason the terms of Directors end before the General Assembly meets to hold new elections, the directors whose terms have expired will continue in their positions until the election of their replacements. Members of the Board of Directors may be re-elected.

Article 22.

The Board of Directors will hold ordinary and extraordinary meetings as often as necessary. The Board of Directors has the right to invite a representative named by the United States Embassy, as well as any other person they deemed necessary.

Article 23.

The quorum required for the Board of Directors to meet will be one half of its members and their decisions will be made by a majority of those attending. In case of a tie, the chairperson will have a double vote.

Article 24.

The Board of Directors will: a) Develop activities and policies necessary for the achievement of the Association's goals, b) See to the organization and effective functioning of the school and the Association and take all necessary measures to reach the objectives, c) Assure the efficient and effective management of the Association's assets, d) Present a financial report to each Ordinary General Assembly of Members, together with the corresponding financial statements, e) Foster the preparation of plans, programs, projects and budgets of the Association and report to the General Assembly, f) Nominate or remove the General Director and determine his or her remuneration, g) Assure compliance with the bylaws, internal regulations, decisions and resolutions of the General Assembly of Members and of the Board of Directors, h) Determine the matriculation fee and tuition to be paid by each student, i) Name from among the members of the Association such committees or commissions as may be require to carry out the purposes of the Association, j) Convoke ordinary and extraordinary meetings of the General Assembly of Members; and k) Decide all matters that are not within the competence of the General Assembly.

Article 25.

The President will: a) Chair meetings of the Board of Directors and both Ordinary and Extraordinary sessions of the General Assembly, b) Assure compliance with the decisions and resolutions of the Board of Directors and the General Assembly, and with the Bylaws and internal regulations of the Association, c) Represent the Association legally and extra judicially, with the authority to delegate general or special powers, with prior authorization of the Board of Directors; and, d) Present the Association's annual report, or any other report requested by the Association.



Article 26.

The Secretary will: a) Keep minutes of the sessions of the General Assembly and the Board of Directors, b) Keep files of the Association's documents and a register of its members; c) Issue any certificates that the Association may be asked to provide; and d) Be responsible for the Association's public communications.

Article 27.

The Treasurer will: a) Care for the funds of the Association and watch over its accounting; b) Chair the finance committee; c) Assure that debts owed to the Association are collected.

Article 28.

It is the duty of the Syndic to assure strict compliance with the law, the bylaws, the regulations and the decisions of the General Assembly and the Board of Directors.

Article 29.

In case of the absence, disability, impediment of the President, the Vice-President will assume his or her duties, or if the Vice President is unable to do so, a director designated by the Board of Directors. When positions are left vacant, due to any of the above causes, the substitutes will be called in the order in which they were named to fill the vacancies.

Article 30.

The Board of Directors will delegate to the General Director the implementation of its decisions. The General Director will be in charge of directing the technical instructional aspects of the school, and will be responsible to the Board of Directors for the discipline and efficiency of the work of the school.

CHAPTER VII: ON THE MEMBERS

Article 31.

The members will be the parents of students registered in the Association's school. When parents are absent or if they so dispose, the person who pays the costs of instruction of a student in the school may, in substitution for them, be considered a member and will enjoy the rights inherent to this condition. The status of member will be limited to the yearly period during which the corresponding student is enrolled at the school.

Article 32.

The rights of the members are: a) To enjoy the non-economic benefits derived from the Association; b) To have voice and vote in the decisions of the General Assembly; c) To run for the Board of Directors as long as they fulfill the requirements stated in the bylaws of the Association; and d) All other rights indicated in the bylaws and regulations of the Association.



Article 33.

The duties of the members are: a) To attend the ordinary and extraordinary sessions of the General Assembly of Members; b) To cooperate in the development of activities of the Association, especially those related to the education of their children or students; c) To pay punctually the enrollment and tuition fees, and any other sums owed; d) To comply with, and encourage compliance with these bylaws, the regulations, decisions and resolutions of the General Assembly; and e) the remaining duties indicated in the bylaws and regulations of the Association.

Article 34.

The status of member may be lost due to the following causes: a) Violation of the bylaws, regulations, decisions and resolutions of the General Assembly of Members; b) Other major violations committed which may merit such sanction, as determined by the Board of Directors; and c) Withdrawal of their children from the Association's school.

CHAPTER VIII: SANCTIONS AGAINST MEMBERS, DISCIPLINARY MEASURES, CAUSES AND PROCEDURES FOR THEIR APPLICATION

Article 35.

The Board of Directors may determine unanimously the expulsion of a member who, to their own prudent judgment, seriously damages the interests of the Association.

CHAPTER IX: ON DISSOLUTION

Article 36.

The Association may only be dissolved by provision of law, or through a resolution taken during an Extraordinary General Assembly, summoned specifically for this purpose, and with a number of votes representing at least 75% (seventy-five percent) of all its members.

Article 37.

In case of a decision to dissolve the Association, a Liquidation Board will be named, which will be composed of five members elected by the Extraordinary General Assembly that decided the dissolution. Assets that may remain after paying all commitments in full, will be donated to any charity or cultural institution designated by the General Assembly of Members.

CHAPTER X: GENERAL PROVISIONS

Article 38.

The Board of Directors must, within the next five days after its election, register at the Registry of Non-profit Associations and Foundations of the Ministry of Interior a certification of the Minutes of the election of the Board of Directors, and in any case, to present in said Registry; all documents that the law for Non-



profit Associations and Foundations requires, and must provide to the Registry any information it may request concerning the Association

Article 39.

Everything related to the internal order and management of the Association that is not addressed in these bylaws, will be established in its regulations, which must be prepared and approved by the Board of Directors.

Article 40.

The American School Association will be governed by the law of non-profit associations and foundations, by the present bylaws, the policies of the school and remaining applicable legal provisions.

CHAPTER XI: TRANSITORY PROVISION

Article 41.

The members of the Board of Directors of the Association, who are currently serving on the date of approval of this amendment to the bylaws, will continue in their positions until the General Assembly holds its next session. At this first election, the total number of Board Members will be elected, twelve proprietors and three substitutes, and those who receive the four highest totals of votes will serve terms of three years; those who attain the fifth, sixth, seventh and eighth places, two years; and those attaining the ninth, tenth, eleventh and twelfth places, one year, in order to complete the Board of Directors as indicated in Article 21 of these bylaws. In the same manner, three substitutes will be elected, who will be those that attain positions thirteen, fourteen and fifteen in the voting. To facilitate the subsequent partial renovation of the Board of Directors, each year four members and one substitute will be chosen, beginning with the substitute who is in the fifteenth place.

Article 42.

The Asociación Escuela Americana bylaws approved by the Executive Decision number 1593, issued by the Ministry of Interior on the 24th of July, 1964 and published at the Official Gazette No. 168, volume 204 on September 14, 1964 are hereby annulled.

Article 43.

These present bylaws will take effect as of the date of their publication in the Official Gazette.