

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

Application of The Japanese Educational Institute
of New York,

Petitioner.

For an order approving the sale of assets pursuant to
N-PCL §§ 510 and 511.

Index No. 06-103400

IAS Part 13
Hon. Sheila Abdus-Salaam

AFFIDAVIT

**AFFIDAVIT OF HIROYOSHI WATANABE REGARDING
PTA STANDING AND INTERVENTION**

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

HIROYOSHI WATANABE, being duly sworn, deposes and says:

1. I am a member of the Japanese School of New York PTA (the "PTA"). My sons are in fourth grade and sixth grade of the school respectively. I attended the Court hearing on March 29, 2006, along with several of my fellow parents/PTA members and some of our children.

2. The lawyer for the Japanese Educational Institute of New York ("JEI") told the judge that she should exclude the PTA from the hearing and disregard all of the evidence submitted by the PTA.

3. I think there are many reasons shown in the affidavits and documents that have been given to the Court as to why the PTA's voice must be heard and its evidence considered in this case. I will add to that proof some facts that I personally experienced.

4. According to JEI's lawyer, one reason why the Court should exclude the PTA from this case is that the JEI Trustees have already fully considered in good faith the PTA's facts, so the Court does not have to be bothered taking a second look.

5. My experiences indicate the opposite. Some JEI officials worked hard to prevent the large majority of the Trustees from having any exposure to a full, clear, and accurate explanation of either the PTA's criticisms of JEI's plan to sell the Greenwich Campus or the PTA's alternative plans for raising revenues without selling the property.

6. For background, I need to explain that I formerly worked in Japan for the Ministry of Economy, Trade and Industry ("Ministry"). Since July 2004 I have been working in New York City for a Japanese trade organization that is fully sponsored by the Ministry. It is likely that I will be rotated back to working directly for the Ministry in two or three years.

7. The trade organization that I work for does not appoint a JEI trustee. Thus, unlike many of the PTA fathers my employer is not one of the business corporations that appoints its executives to be JEI trustees ("JEI Companies"). However, my employer and the Ministry do have significant contacts and relationships with JEI Companies and with their top executives.

8. From approximately October 6 through October 19, 2005, several PTA parents made a concerted effort to reach individual JEI trustees by telephone and to request meetings with them to present the PTA's criticism of the selling plan and the PTA's alternative plan. I made many of these calls.

9. On October 28, 2005 my boss called me to his office. He asked me about the PTA's activity regarding the proposed sale.

10. My boss said that on October 25, 2005, JEI President Kazuhiko Sakamoto had mentioned my name to the President of my employer's New York office concerning the sale of

the Greenwich Campus. My understanding of this comment was that Mr. Sakamoto was conveying a message to me through the President of my organization and through my boss, that Mr. Sakamoto thought that a Ministry official should not be opposing JEI's decision to sell the Greenwich Campus. (Although I was not technically a Ministry official at that moment, that apparently was how Mr. Sakamoto referred to me.)

11. My boss said to me that in light of the message from Mr. Sakamoto he would like me to behave in the "proper manner" with respect to the JEI plan to sell the Greenwich Campus. This is the kind of request that is made with indirect language, especially in our Japanese culture. I believe I accurately interpreted the request to be that I should stop voicing objections to the JEI sale plan. I explained to my boss that my PTA activity was a private and personal issue, not an official or business issue related to my job.

12. As I explained above, my employer is not a JEI Company and the head of my office is not a JEI Trustee. This made it easier for me to conduct my PTA activity according to my true opinions, even after the conversation with my boss. Many of the PTA parents, however, work for giant Japanese companies that have top executives on the JEI Board. A phone call from Mr. Sakamoto, who is President of Marubeni Corporation in the US, would have a lot of influence in the Japanese business community in the New York region. My understanding is that the bosses of several PTA fathers had brought up the issue of the JEI sale plan and the PTA opposition in discussions with them. There was a significant decrease in attendance by the fathers at PTA meetings subsequently.

13. Getting back to the parents' phone calls to the individual trustees, there were a couple of reasons for this that are relevant to the claim of JEI's attorney that the PTA's points were already reviewed in good faith by the entire Board of Trustees.

14. We thought it was necessary to speak individually with the trustees because there were a number of indications that the trustees were not being given complete and accurate facts about the sale plan or about the PTA's criticisms and alternative plans.

15. By the end of September it was obvious that the substance of the PTA counterproposal had not been presented to the Trustees for consideration. There was some evidence of this in our phone calls to the Trustees. While almost all the Trustees refused even to speak with parents, a couple actually came to the phone to tell us that they would not meet with us, and in that exchange they said that they were not aware of any alternative plans from the PTA.

16. Also, it was becoming increasingly clear to us that many trustees were content to vote whichever way the JEI President told them to vote, without exercising independent judgment based on the facts. So we called in order to explain the PTA's counterproposal. In one case, a Trustee told us on the phone that he was very recently appointed to the Board and did not have sufficient knowledge of the sale issue to discuss this with parents. Later, he voted in favor of the sale without ever hearing the PTA's information.

17. The result of hundreds of calls to the offices of the trustees was that only two agreed to meet with parents, Deputy Consul General Sato and one sole business executive trustee. At the two meetings that followed, each of these trustees told us that they could not vote against the proposal to sell the school. With just a few exceptions, none of the other Trustees would even speak on the phone with parents – not even for the few minutes requested of them. Many of them told us (before the vote) that the JEI decision was final and could not be changed.

18. As the days passed, I and other parents started to be responded to in many instances with the same message from the trustees or their assistants. Mr. Sakamoto (or the JEI

Secretariat) had instructed the trustee not to meet with any of the parents individually, and they were following that instruction.

19. Based upon what I personally heard in the Trustees' refusals to speak with me and what I heard about the November 29, 2005 Board meeting, I believe that almost all of the JEI trustees didn't know the substance of the PTA's alternative financial solution (to share the campus through renting) before the vote at that meeting to sell the school.

Conclusion

20. The full Board of Trustees of JEI was not fully or adequately informed about the objections by the PTA to the sale of the Greenwich Campus, and the trustees did not deliberate upon these facts in an informed, impartial, or independent manner.

21. The parents voted to raise the money from within our ranks and take our objection to the Court because we felt that after all of our struggle we could finally receive a fair hearing that would consider that the charter of JEI is to operate in the very best interest of our children, which cannot possibly be done against such overwhelming opposition of the parents of the children.

22. This Court will be the first and only chance for a person in authority to look carefully and objectively at the evidence and argument.

23. JEI officials succeeded at getting the Trustees to close their eyes and ears to the facts. It would be a tragedy if JEI's lawyer now succeeded at having this Court likewise disregard the evidence and simply defer to the alleged power and authority of the JEI Board, regardless of how improper is its decision.

HIROYOSHI WATANABE

Sworn to before me this
6 day of April 2006

Notary Public