

Dear Mr. Sakamoto:

Nov 17, 2005

Please excuse this English reply to your letter of 11/11/05. For greater clarity, I have inserted my replies into the translated English text of your letter, as shown below. I hope this communication is effective this way.

1st paragraph
Greetings.

2nd

On 10/21, we wrote that the communication should be made between the representatives of each side (meaning not between each Trustee and PTA task force).

It is the position of the PTA that communication should be open and not constricted by JEI edict, as I already replied to you on Oct 28.

3rd

I know still quite a few PTA members have not accepted the JEI proposal yet. But we held three meetings (March, May and September) where we explained our proposal in detail and we learned the opinions and requests of PTA members.

The three meetings took place after JEI had already embarked on a plan that had no input from the parents and had been kept secret from the parents. After the three meetings that included extensive explanations by JEI, the parents still voted in overwhelming opposition to your plan. That means the plan is bad. It does not mean that the more meetings you conduct, the more parents should accept your plan.

Having taken all the elements into account, on 9/23, we agreed that 1) JEI proposal (sales lease back transaction with WFHA) is the best solution and 2) JEI should further proceed the negotiation with the school.

The PTA Task Force has spoken with meeting attendees who verified that the Trustees did not take all of the elements into account at the 9/23 meeting, nor did you even present the PTA Rental Plan to the Trustees for consideration. After the meeting, telephone calls to Trustees verified that some Trustees were not even aware of the PTA Rental Plan at the time of the 9/23 vote. Therefore the statement that the JEI Plan is the best solution is not credible, since no other solutions have been honestly considered. JEI Board minutes confirm this.

As you know, we also have strong confirmation from a very objective JEI Trustee that the two primary reasons that JEI voted on 9/23 to

proceed further with the negotiations to sell the school have nothing whatsoever to do with what is best for the school.

4th

Also agreed were 1) JEI tries to address concerns and requests of PTA, including those not related to campus sharing plans, as long as they are feasible and 2) JEI take several steps to improve the communication with PTA. These agreements were covered by our letter to PTA dated 9/28.

The time to address the concerns of parents is now. To “try” after the school is sold is neither meaningful nor sincere.

The PTA would be happy to present their solutions to the JEI Board if JEI is willing to reconsider the school sale. Our solutions are valid and provide for the future. And the parents are willing to take responsibility for the success of their solutions and execute these solutions if that is the preference of JEI.

5th

On 11/2, all the sudden, ETF of PTA issued a letter that solicits the non-confidence vote. The letter addresses specific reasons for the solicitation on each of the three Trustees.

6th

I can't understand why the PTA took such an extreme action. The letter includes malicious distortion, speculation and groundless calumny against three individuals. The ETF distributed such a letter without giving us any opportunity to defend them. The content and procedure are not acceptable.

As JEI President, your decisions are formulated in complete secret and then imposed on parents. Your record of denying information to parents is very clear. One recent example: you fired a JEI manager and to justify his dismissal he was presented his telephone bill which showed that he had spoken with members of the PTA.

Until you make the parents part of your decision making process before taking such extreme action as selling the school, parents have no other recourse. All doors have been closed to them. You hold all the keys. I think you do understand.

7th

Let me comment on each case.

- 1) Sakamoto: The letter lists “three broken promises”. I believe that I have dealt with each occasion with utmost sincerity and consistency. The letter also mentioned about “two crucial lies”. There is no evidence supporting such arguments.

I will also comment on each case, as I do not want you to be falsely accused. Specifically, these are the three broken promises that you made to the parents:

1. In a letter of Feb 22, 2005 that you distributed to all parents, you promised to suspend the sale of the school until the arson case was clearly solved.
2. On several occasions, including a May 29, 2005 meeting with the PTA membership, you promised not to sell the school if the Principal opposed the sale.
3. During two meetings with the PTA members during September 2005 you promised to honestly consider a concrete PTA Plan that would not require the sale of the school, as an alternative to the JEI Plan, if such a plan addressed the deficit.

I have received verifications of these promises. If you have evidence to the contrary, please show me.

These are the two lies that you made:

1. You made misrepresentations in a Sept 9 letter that the principal supported the sale. The letter of Mr. Toki on Sept 13 confirmed this.
2. You told the Board on Sept 23 that most of the parents understood the reasons for the sale. We have verifications of this statement.

If you have evidence that contradicts these statements, please show me.

It is very unfortunate that the ETF of PTA made such a statement through quoting my comment with prejudice. This unnecessarily damages the relationship of trust between PTA members and myself.

I have verified these quotations. Please inform me of the prejudice.

Regarding any damage done, please note that a relationship of trust must be earned. The votes were 121 in favor of the removal petition, 19 against. I am sorry, but that is the reality of your situation; it was created by you and can only be corrected by you.

- 2) Sakurai: On 5/29, he made a speech where he advised the PTA members not to comment based on racial discrimination. However, he never made a statement such as “many PTA members are against the JEI plan due to the racial discrimination”, which appeared in Greenwich Times. He has never shared the content of his speech with WFHA nor Greenwich Times. All the JEI Trustees, including Mr. Sakurai, strongly believe that no racial discrimination, including those against Japanese and Jewish, should exist. And if such a thing does, it must be eliminated.

Beth Sandler’s letter states emphatically that no discrimination exists.

And the letter implies that his employer could benefit from the sale of the campus. Business relationship between Mr. Sakurai’s employer and the employer of the WFHA counter party has nothing to do with the issues about the GJS. He never gives a higher priority to his employer’s benefit at the expense of the interests of JEI.

Because of the business relationships between Mitsubishi and Sempra, Mr. Sakurai should not vote on any matter that may benefit a Sempra Officer. Accepted standards of board governance require this.

- 3) Murase: The letter insists that there is a conflict of interest. He has served the JEI as a legal advisor for many years with sincerity and devotion. Whenever he himself offered legal advice to JEI, he acted as a volunteer without any monetary compensation. Also, statement that “his employer monopolizes the business relating all the legal issues and lawsuits” is incorrect. JEI used several different legal professionals case-by-case basis, and those professionals include lawyers that belong to Mr. Murase’s employer. JEI has paid fair and appropriate legal fees to such lawyers, as we did to lawyers that do not belong to it. In any cases, JEI decides which legal professional to be utilized based on the best interests of the JEI. I disagree that such a conflict of interest exists here.

In accordance with accepted standards of board governance, Mr. Murase should not vote on any matter that may benefit his law firm. Since you acknowledge that Mr. Murase’s firm receives payments from JEI, you can see that there is an apparent conflict of interest. Standards of governance require that such apparent conflicts are to be avoided.

8th

Not only the honor of two individuals (Sakurai and Murase), but challenged were the honors of their employers by the letter’s description about the conflict of interest. It is very inappropriate for ETF of PTA to issue such a letter to the other PTA members with incorrect and biased speculations.

I see no speculation. The relationships between Sempra and Mitsubishi are a matter of record, as are the fees collected by the law firm of Mr. Murase.

9th

The action taken by ETF is nothing but a challenge to our effort to improve the mutual understandings, cooperation and communication. JEI viewed this seriously. It is very inappropriate that such a letter with full of groundless criticism was distributed from teachers to students, naked without envelope. The fact that the students might have read the letter indicates the lack of educational consideration and common sense. I think some of the PTA members felt the same way. If such an action took place with the involvement of the President of PTA, and even if he is not aware of that, I demand that he exercise his leadership not to repeat the personal attacks based on incorrect speculations.

I accept your view of the way in which this communication was managed. The communication should have been in a sealed envelope, addressed to parents. For this serious oversight I apologize and I will take corrective measures against such an occurrence in the future.

10th

As PTA members know, JEI has chosen the sales and lease back plan as the best solution to the financial problem and spent more than 2 years to implement it carefully. Needless to say, at pivotal points, I obtained approval from JEI Board and notified the GJS and PTA of the progress. I have never made decision without necessary consultations.

Obviously, the PTA members do not know this, as shown by the repeated votes taken of PTA members. There is simply too much evidence that insufficient consultations were taken with too few facts among too few people. Many alternative solutions were ignored and the future financial issues at GJS were too often exaggerated. There are simply too many documents and too many witnesses to this. There is no evidence that you notified the PTA at pivotal points in the process. To the contrary, there is evidence that you imposed a policy of secrecy.

11th

All the Trustees serve the Board as a volunteer in a private capacity. They work to contribute to the management of our schools and the education given to the next generation leaders of Japan. I declare that no one here took advantage of his or her status to benefit his employer or his business, and such a thing cannot happen in the future.

I do not think that this is the point that the PTA is making. The JEI board is dysfunctional for the reason stated clearly by the office of

one JEI Trustee that was called by a parent requesting a meeting with the Trustee:

“Please understand that the Trustees must obey the JEI direction. If individual Trustees spoke with parents, then this would result in independent opinions by the Trustees, which JEI does not want.”

12th

Lastly, this letter is issued under the name of the President of the JEI (Sakamoto). But the idea of issuing this letter to the president of PTA, and the content of the letter have been discussed and approved by the directors of the Board, including all the Vice Presidents. In other words, please accept this letter as a uniformed consent of all the Trustees of the JEI.

We accept. We ask you to accept the statement of one JEI Trustee who accepted a telephone call from a parent:

“Now that I have spoken with you, I understand that PTA members are not all crazy.”

I have spoken with Trustees as well on the phone and heard similar sentiments. If your sale plan was truly best, you would not have to cultivate an attitude within JEI that disparages the parents.

You should accept the votes of the PTA membership. Unlike JEI Trustees, the PTA parents are free to vote as individuals according to their best judgment, and the ballot results reflect this – parents always vote for both sides of a question. This does not happen at JEI. Also understand that the PTA did not prohibit direct communication between parents and Trustees.

The parents and the children are the beneficiaries of JEI. Mr. Sakamoto - You cannot fulfill the solemn responsibility with which you are entrusted by proceeding in opposition to your beneficiaries.

Stop the sale and ask the parents to join you in solving all JEI problems.

Sincerely,

Emil F Jachmann
parents
PTA President, Japanese School of New York

cc: all