

THIS OFFERING IS ONLY OPEN TO CALIFORNIA RESIDENTS

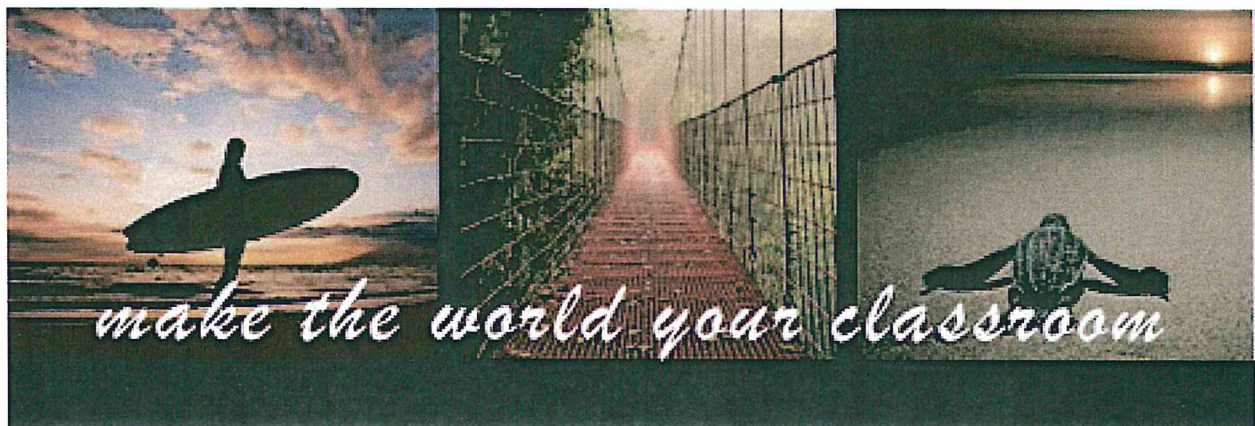
SE SCHOLASTIC EXPEDITIONS

SCHOLASTIC EXPEDITIONS INC

5610 Scotts Valley Dr. #313

Scotts Valley, CA 95066

<http://www.scholasticexpeditions.org/>



OFFERING MEMORANDUM

**Scholastic Expeditions Inc.
A California Benefit Corporation**

Notice: Investing in the non-voting preferred shares described herein may be considered speculative and involves risk, including the risk of a substantial loss of investment. Please see "Risk Factors" to read about the risks you should consider before investing.

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**SCHOLASTIC EXPEDITIONS INC.
OFFERING MEMORANDUM
California Qualification by Permit**

**\$450,000
Series A Preferred Stock**

1. Brief Description of Offering

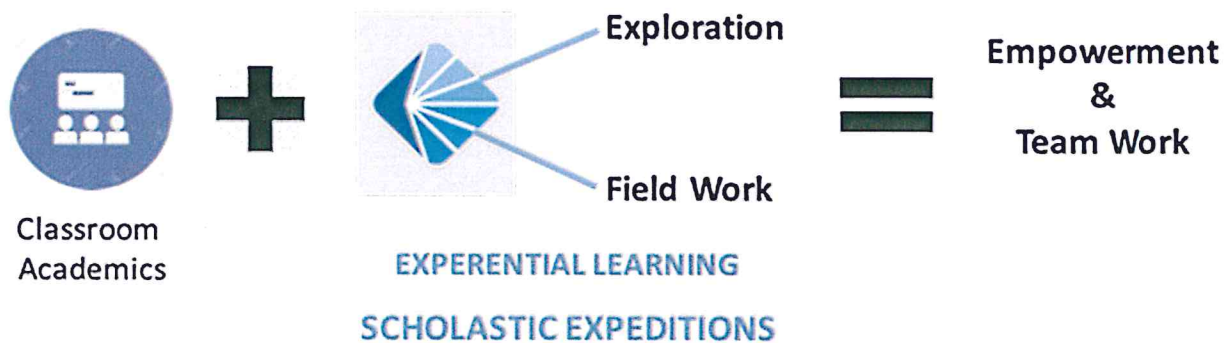
Scholastic Expeditions, a California Benefit Corporation, is offering up to \$450,000 in shares of non-voting preferred stock (Series A Preferred Stock or Preferred Shares) to finance expanded operations and new program development. The minimum individual investment is \$5,000. There is no maximum investment limit, except as described in the section on Suitability Requirements. The Preferred Stock holders will be entitled to receive dividends in one of two forms, at the option of the investor. Option 1 Cash Dividend: A cumulative dividend of 5 percent will be earned annually. The Company expects to begin paying out the cumulative dividends three years after the date of the investment and thereafter expects to pay dividends annually. Option 2 Travel Perk Award: participation in Scholastic Expeditions trips, excluding airfare, and as described in more detail below (see Description of the Preferred Stock). The offering will terminate one year from the effective date of the permit for this offering issued by the Department of Business Oversight, unless renewed.

2. Disclaimer

No assurance can be given that an investor will realize a substantial return on investment, or any return at all, or that an investor will not lose a substantial portion or all of the investment. For this reason, each prospective investor should carefully read this memorandum and all exhibits attached hereto and should consult with an attorney, accountant and/or business advisor prior to making any investment decision. Investing in the securities described herein may be considered speculative and involves risk. Please see "Risk Factors" in Section 14 of this offering memorandum.

3. About Scholastic Expeditions

Scholastic Expeditions (SE), an experiential learning company, was founded by Susan E. Schai in 2010 and is headquartered in Scotts Valley, CA. **SE offers STEM** (Science, Technology, Engineering and Math) **and other experiential programs that amplify classroom learning.** The effectiveness of field experience in STEM education is widely recognized by educators, teachers and parents to be highly valuable to students in their college preparation and admissions process as well as fueling passion for future careers. In addition, adults who are curious about our world and embrace continuous learning find educational travel enriching.



OUR MISSION

“To fuel expanding minds with a passion for culture, science, environmentalism, and global citizenship. Our aim is to foster a commitment to conservation and sustaining resources for future generations.”

OUR VALUES

Scholastic Expeditions will be managed consistent with our mission and values:

- **Educate** students utilizing an interdisciplinary, collaborative approach that emphasizes conservation, peace, and sustainable growth to address pressing global equity and economic issues.
- Explore the nexus of **culture and technology** to understand and address complex social and environmental problems.
- Support **eco-tourism** as an alternative to more destructive traditional tourism practices.
- Encourage **responsible choices** with an awareness of how they may impact local communities, countries, and the planet.
- Prepare students to think critically with a global perspective in an increasingly competitive and **multi-cultural** society.
- **Empower** this generation and the next with the leadership skills to advocate for the health of the planet.

HISTORY

Growing up in Indiana, founder Susan E. Schai, was naturally curious about the outside world, even though the small farming town in which she lived was neither global nor particularly multicultural. Becoming a foreign exchange student in her junior year of high school turned her interests into her passion – it was a defining experience in her life. This was the time when she came to understand the transformative power of experiential learning through travel. She also discovered a gift for languages and a love of culture that continues unabated to this day. Subsequent expeditions doing field research in Mexico during her college years and exploring over twenty other countries in the course of her travels have led seamlessly into Susan's career, seeding it with a rich history of hands-on world studies.



Susan decided to share her passion by providing an opportunity for students (of all ages) to benefit from educational and experiential travel. She was troubled by the few options available for American students, so she founded Scholastic Expeditions (SE), to offer more young people the opportunity she had to discover the natural world.

The primary objective of the SE educational experience is to provide real world application and reference points for concepts taught in the classroom. SE programs are interdisciplinary, featuring a strong STEM component within a socio-economic context. Students collect their own data as much as possible during each program, making them aware of their direct impact on the environment as well as the communities in which they work. Each program is taught within the contexts of both local and global ecosystems, connecting biological, environmental, and socio-economic factors in each locale with a larger scale global impact.

PROGRAM OFFERINGS

Scholastic Expeditions (SE) began to offer programs in 2011. Initially, middle and high school students were offered international science enrichment opportunities in Costa Rica. The location was chosen as a destination because of the enormous infrastructure available for ecological study, the relative safety of the country, and the interest parents and students have in studying that part of the world.

In 2012, SE entered into new partnerships with conservation biology projects in Costa Rica, which are currently featured in our offerings. These relationships include several conservation research ventures such as the Cetacean Research Project and numerous Sea Turtle projects. Students collect data and add their data to the ongoing project research, which is subsequently presented at the annual World Sea Turtle Conference. Emphasis is put on working and living within cooperative, fair trade communities such as Santa Maria de Dota.

Learning from the success of the Costa Rican partnerships, SE partnered with Director of the REEF at University of California, Santa Barbara and Laura Francis, Ph.D., Educational Outreach Coordinator with the National Oceanic and Atmospheric Administration (NOAA), to develop the Channel Islands Marine Program. Through this program, students who are unable to travel internationally can participate in local, hands-on scientific field experience.

This unique SE Channel Islands Marine program has met remarkable success, realizing nearly 90% school renewal rate. In the summer of 2017, Channel Islands had the most participants to date, with over 80 students. The summer of 2018 saw similar attendance and the expectation is that 2019 will add one adult program to the Channel Islands offerings.

Cuba was added as a new destination in 2016. This program expands the educational scope of SE's offerings. It has enabled SE to successfully enroll a fully booked

introductory program of 20 participants. Tapping into an unprecedented interest and excitement surrounding travel to Cuba, SE is poised to grow enrollment in this program substantially over the next few years by targeting both students and adult travelers.

Adult experiential programs are also on the rise with many adults combining their travel with intention. Programs like SE's help many adult travelers attain personal growth as well as an enriching cultural experience. Globalization pressures businesses to seek employees who have cross-cultural experience in other countries, and SE travel programs provide travelers with this type of opportunity.

Climate Change Challenge

The Climate Change Challenge (CCC) is ambitious in scope, and based on the academic expertise of some of the best climate scientists in the world. SE coordinates with expert scientists and educators in each location to create what we believe is the ideal field study.

The CCC program can be taken as a progressive program, much like a 2-part field course in college. In the first year, "Part 1: In the Tundra" will occur in Alaska; destinations such as Canada, Iceland, Greenland, Sweden, Norway, or Chile, may be added. For the second year, "Part 2: In the Tropics" offers a comparative course held at a warm climate location, chosen for its vulnerability to the effects of rising sea levels, ocean acidification and decreased biodiversity. In 2019, this program will be in the Yucatan peninsula of Mexico. Additional destinations may include Malaysia, Micronesia, Costa Rica, Ecuador, and Bali.

We believe CCC is a unique offering in the market of student educational travel. We expect this program to bring visibility and new partnerships, as well as increase our outreach and elicit a two-year, two-trip commitment from some of our customers. SE expects these longer term programs and associated relationships to result in a higher level of engagement and referrals.

Although SE will be partnering with science experts, universities, and Non-Governmental Organizations (NGOs), the focus of the program will be on helping students become **informed** individuals who know that they can **make a difference**. Too often people, young and old, feel overwhelmed by the size of the issue. This approach of augmented education through experiential travel can help provide **tools and inspiration** for change. Data compiled from some of these programs is used as part of a long-term study, and can be used for each student's own research projects.

Knowledge empowers. Educators know that when students see the impact of science on their lives and the world at large, they become inspired to **learn more and teach** others. Complex problems require a deep understanding to inform multi-faceted **solutions**. This program is designed with these values as guiding principles.

Innovation and Leadership Series

SE has developed and launched a very successful series of programs to Silicon Valley, one of the most important centers of innovation in the world. Due to the success of the Silicon Valley Innovation in Medicine program, we have added a sister program with similar components in Boston, with participation of professors, Doctors and industry professionals from the Boston region and in particular Harvard University, MIT and affiliated hospitals such as Massachusetts General and Brigham Young.

Domestic and international students from emerging economies such as China and India can experience the Silicon Valley program to be inspired and gain insights into this unique local culture of innovation. These programs show young students some of the many potential career opportunities that a STEM education can lead to. With the Innovation and Leadership Series, SE has positioned itself to meet the needs of parents (around the world) who have a commitment to give their children the best educational enrichment opportunities.

Standard components of the Innovation and Leadership programs include workshops led by professors at Stanford, MIT, and other prestigious universities, along with

lectures and question-and-answer sessions with industry leaders and influencers. The academic components are rounded out with fun activities and visits to iconic sites. SE programs always emphasize hands-on and project-based learning.

With the successful addition of SE's in-bound (to the United States) category of programs, the Innovation and Leadership series, SE has become more profitable. Providing both in-bound and out-bound programs allows SE to expand its customer base and mitigate risks against any setbacks in international travel.

A brief summary of key programs by SE is shown in Table 1 below.

Table 1. Summary of Current Programs by SE

Ecology and Conservation

<u>Program</u>	<u>Country</u>	<u># of Days</u>	<u>Key Focus</u>
Sea Turtles, Dolphins & Whales	Costa Rica	8 and 10 Days	Conservation Biology, Marine Biology, Cetacean Research
Caribbean Immersion	Costa Rica & Panama	10 Days	Marine Biology, Reef Systems, Biodiversity, Comparative Political Science
Endangered Species Expedition	Costa Rica	8 Days	Evolutionary Biology, Biodiversity, Animal Rehabilitation, Conservation Biology, Habitat Sustainability
Channel Islands Marine Program	Channel Islands, USA	5 Days	Marine Biology, Island Ecology, Environmental Policy

Climate Change

Climate Change in the Cold	Alaska	10 Days	Climate Change in action; Policy, Geology, Frozen Soils, Conservation Biology, Climatology
Climate Change in the Tropics	Mexico	10 Days	Climate Change in action; Policy; Biology, Zoology, Oceanography, Biochemistry, ocean acidification, Coral Reef systems, Geology

Innovation and Leadership

Innovation in Medicine	Bay Area and Boston	10 Days	Innovation, Entrepreneurship, Leadership, Team-Building, Creative Thinking
Innovation in Technology and Entrepreneurship	Bay Area/Silicon Valley	10 Days	Innovation, Entrepreneurship, Leadership, Team-Creative Thinking, STEM, Innovation, Leadership
Innovation in Media	Los Angeles: UCLA and USC	10 Days	Innovation, Entrepreneurship, Leadership, Team-Building, Creative Thinking

Peace, Policy, and Community

Cuba Experience	Cuba	10 Days	History, Spanish, Economics, Public Policy, Art.
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PROGRAMS UNDER DEVELOPMENT

SE will continue to design and develop new and exciting programs that take experiential education to the next level. Each program focuses on a specific theme rather than being defined by the destination or academic subject. Each theme addresses one of the Earth's most challenging and complex socio-environmental issues. SE aims to empower students to utilize the knowledge gained from these programs in their own communities and beyond. Under consideration, for example, is a program focusing on political science and peace studies to take place in Berlin. Others under consideration include a program exploring rural medicine and healthcare policy in India. We are also considering broadening our offerings to include longer gap year programs or internship opportunities for college-aged students. SE favors a conservative approach in developing new programs, preferring to assess market demand and evaluate all available factors including ROI before any commitment to a new program moves forward. SE is particularly proud of the historical track record in designing and delivering successful programs.

4. Target Market for our Services

THE GLOBAL MARKET

Travel as a sector has continued to outpace global growth rates as a whole. In 2015, Travel and Tourism saw the 6th consecutive year of positive growth to a total 3.1% GDP (http://www.wttc.org/-/media/files/reports/economic-impact-research/2016-documents/economic-impact-summary-2016_a4-web.pdf). Educational travel as a subset has grown at an even faster pace than the total travel market. Some estimates put the student/youth travel subsector on track to overtake business travel by 2018 (https://wysetc.files.wordpress.com/2013/12/wttr_report_2014_web.pdf).

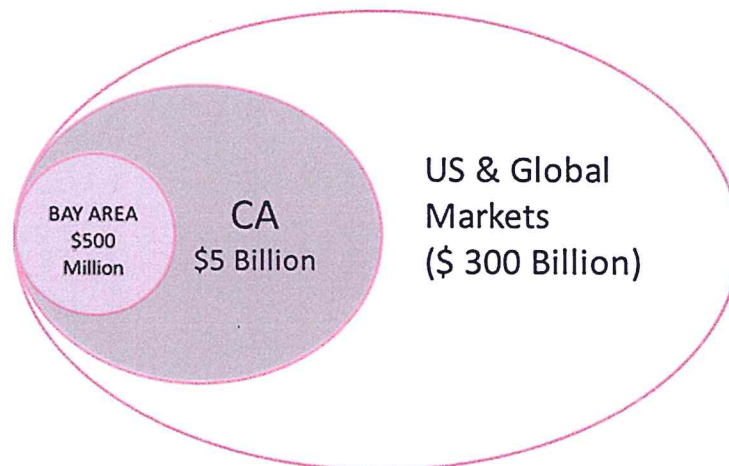
Market estimates suggest that the number of youth experiential trips globally will increase from 200 million trips annually to an estimated 300 million trips by the year

2020, which will increase the market size of youth travel to over \$320 billion (<https://www.wysetc.org/2013/12/13/itb-world-travel-trends-report-youth-travel>).

Driving forces influencing the growing education-oriented travel market include:

- Rapidly rising middle class (estimated from current 2 billion to 5 billion in 2030) and increased access to disposable income, therefore more purchasing power. See Figure 1.
- Expanded appetite for international experiences.
- Affordable transportation prices and fewer cultural and political barriers facilitate ease of travel to targeted destinations.

Figure 1. Addressable market by 2020



BAY AREA MARKET

SE's market focus has been California with concentration on the Bay Area. Referenced in the table below, key attributes of the Bay Area include:

- Annual median household income of \$94,000, the highest in the nation.
- Over 1,000,000 households with children under 18, including over 500,000 middle and high school students served by over 800 schools, representing a large target area opportunity.

- Over 50% of targeted households have a member with a bachelor's degree or higher.
- Hub of technological innovation (high level of awareness of the value of STEM education).
- Diverse ethnic population.

Table 3 below shows the financial potential of Bay Area children. Projecting access to just 10% of the households with children over the next five years provides us an addressable market opportunity of over \$500 million.

Table 3. Bay Area Children Under Age 18 in the Bottom- and Top-Earning Quintiles, by Presence of Parents in Family, 2013

Age Group	Related Children					Total
	Both Parents	Father Only	Mother Only	No Parent	Unrelated Children	
All Households						
Under 5	309,220	31,366	81,322	9,353	6,433	437,694
5-9	330,018	33,846	81,490	8,336	5,917	459,607
10-14	303,862	30,886	88,169	10,261	5,020	438,198
15-17	169,119	17,766	51,022	14,158	6,138	258,203
Total	1,112,219	113,864	302,003	42,108	23,508	1,593,702
Percent	69.8%	7.1%	18.9%	2.6%	1.5%	100.0%
Low Income Households (Bottom Quintile)						
Under 5	28,596	5,289	29,576	975	873	65,309
5-9	30,322	5,889	26,006	1,109	128	63,454
10-14	24,929	6,496	28,754	1,892	307	62,378
15-17	11,307	2,741	16,132	3,333	1,251	34,764
Total	95,154	20,415	100,468	7,309	2,559	225,905
Percent	42.1%	9.0%	44.5%	3.2%	1.1%	100.0%
High Income Households (Top Quintile)						
Under 5	107,410	2,321	6,560	1,933	826	119,050
5-9	116,355	4,309	7,065	1,905	328	129,962
10-14	108,315	3,384	6,633	1,429	923	120,684
15-17	60,408	2,350	3,260	2,369	1,439	69,826
Total	392,488	12,364	23,518	7,636	3,516	439,522
Percent	89.3%	2.8%	5.4%	1.7%	0.8%	100.0%
Data Source: United States Census Bureau, 2013 American Community Survey, 1-Year Estimates						
Data Link: www.census.gov						

Our primary focus will continue to be the Bay Area, California for the reasons stated above. We have had limited penetration of the Bay Area market due to lack of resources. Additional sales staff will maximize SE's reach and facilitate attention on incremental growth opportunities such as adult experiential travel. Increased sales will help establish a sustainable revenue stream, as well as the funding to support continued growth and brand leadership in the field.

5. Competition and Differentiation

The existing competition is primarily regional and highly fragmented. Two companies, however, have become significant players by growing both organically and through acquisitions. Education First (EF) is a privately held Swedish company with over \$1 billion in annual sales offering educational trips to most countries in the world. EF was founded in 1965 and focuses on combining language training and cultural exchange through educational travel experiences. U.S. operations are based in Cambridge, MA.

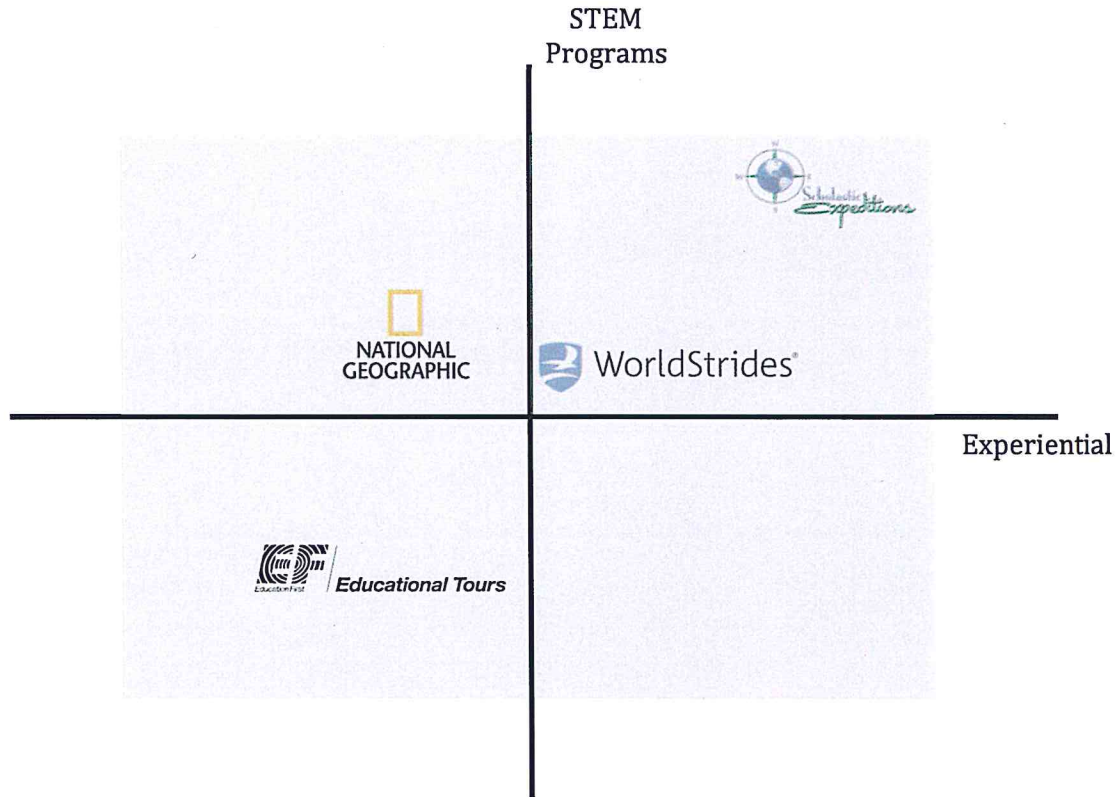
WorldStrides, also privately held, is operated out of Charlottesville, VA. It originated as a company specializing in 8th grade trips to Washington D.C., still a very large part of their business. Total annual revenue reported was approximately \$600 million. Their growth has been fueled by acquisitions, expanding offerings to include marching band trips and European destination tours.

Neither EF nor WorldStrides specializes in STEM educational experiences.

Other competition includes National Geographic, which offers educationally oriented travel to both children and adults providing cultural and sustainable tourism experiences. Ecology Project International (EPI) is a non-profit organization founded in the 1990's offering programs to empower youth to appreciate and understand the value of conservation.

Scholastic Expeditions is a highly focused experiential learning company, preferring to create and deliver opportunities for student of all ages to study thematic and big picture problems with an inter-disciplinary global approach. This underlying teaching philosophy is what SE offers that our competitors do not. Our programs were developed to teach, enrich, and deliver a superior educational experience. SE programs are always multifaceted. They aim to bring together inspirational exposure, scientific research, skill building etc. and most often taught within a multi-cultural/foreign context. This approach integrates with and builds upon students' work in the classroom, allowing them to expand their education and career preparedness. We believe this is why current Costa Rica and California Channel Islands Marine programs were immediately successful upon launch, and the Channel Islands Marine program is on track to be at maximum capacity in 2019. Scholastic Expeditions is uniquely positioned to benefit from both its geographic headquarters near Silicon Valley - and California in general - and from the growing trend of interest in environmental and science education.

Figure 2 shows an assessment of SE's competitive positioning as compared with key players in the experiential travel market. The X-axis shows the degree of compatibility of a curriculum to the destination. The Y-axis shows the focus on STEM programs within the context of an enriching cultural experience.



SE will use the proceeds from this offering to enhance and differentiate program offerings. In particular SE will continue to create new ways to extend classroom academics to tailored educational travel experiences.

In addition, SE will continue to nurture partnerships with companies in other geographies so that students from all parts of the world can have access to the best travel experiences and guides.

6. Marketing Strategy

Messaging

“For adults who are curious about our world and parents who want to amplify their child’s education and boost preparedness for college and careers, Scholastic Expeditions provides programs that empower,

support, and positively reinforce experiential learning in a radically fun way”.

Awareness and Branding

Funding will be used to enhance both inbound and outbound marketing programs. This is a critical part of building the prospect pipeline and enabling the sales team to engage with interested parents, schools, and traveling adults.

SE's website will be upgraded to a more dynamic storytelling platform with meaningful and current content. Blogs, visuals and user stories will increase Search Engine Optimization (SEO), making the SE brand easier to find online. Increased social media marketing will include sharing more student experiences, sending messages and connecting causes through Facebook, LinkedIn, and Nextdoor.

Visiting more schools, PTA meetings, neighborhood community centers and strategic conferences such as National Science Teachers Conference to present our programs will also be a core part of increasing brand awareness through outreach. Foundations focused on children, environment, and science in general are also targets for outreach.

Awareness campaigns and outreach will also be developed to engage Adult travelers interested in educational and “travel with purpose” programs.

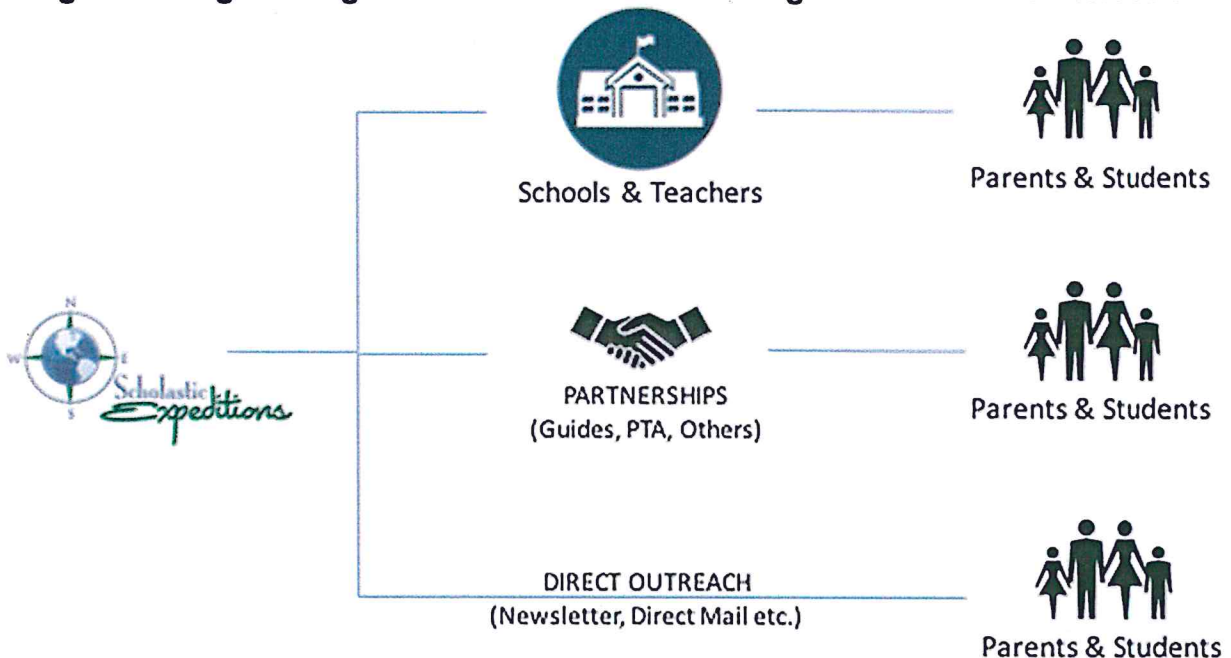
Marketing Channels

SE partners with teachers in middle school and high school to ensure that the curriculum for each program fits with students' existing coursework. These educators, from both private and public schools, are the primary channel used to reach parents and students. Getting an educator on board with the program adds credibility and allows each program to be customized to fit student needs. Teachers often accompany students on their trip, ensuring their method of classroom education is carried out in the field as well.

A key contributor to continued growth is adding new direct channels of client acquisition to supplement marketing the program via teachers. SE has collected over 2,500 highly qualified contacts from outreach events that can be leveraged for a direct marketing effort. More contacts are being added every day from organizations such as PTAs, education foundations, and local youth educational organizations in local communities.

SE will also continue to build on the early success of new partnerships with local Parks and Recreation departments in Santa Cruz, Los Gatos, and Scotts Valley by partnering with more cities in the Bay Area and Southern CA. These partnerships allow targeted marketing to young people already engaged in outdoor learning activities. See Figure 3.

Figure 3. Augmenting Traditional Channels Through Direct Parent Interaction



Customer Support

There are many important pieces of information about our programs, such as learning objectives, program length, student logistics, costs and safety, that are important to parents when they are deciding whether to include their child in a specific program. Engaging customers directly is critical to closing sales. Additionally this engagement

allows SE to gain insight into the overall customer decision-making process. Creating the right collateral and training the SE team to deliver direct support will continue to be crucial to the success of SE's programs.

By motivating our existing customers to become SE advocates and ambassadors, new customer acquisition costs are reduced and program costs are kept affordable.

College Credit

SE plans to offer customers the option to earn college credit from selected programs. Partnering with a respected educational institution to offer college credit creates value for our customers and stature to SE as an educational travel organization.

Only those programs structured as mini-courses, would offer college credit. Parents who want to invest to improve their child's chances for college admission will find these programs offer an excellent opportunity. Students may also be motivated to improve their case for college admission (critical in this highly competitive college market). This extra value is a competitive advantage.

1. Scholastic Expeditions is developing the necessary partnerships and tools to implement "Course for Credit" options, such as: Building a relationship with a well-respected local college/university
2. Hiring of Susan Edgar Lee, Director of Curriculum that can devise curriculum and course materials for accreditation. SE is currently also engaged with Berkley Lawrence Hall of Science to develop a credited program option.
3. Marketing the course for credit option to potential first-time and renewal customers.

Scholarships

Aligned with the SE mission and values is a desire to inspire students from all socio-economic circumstances. SE recognizes that the best way to reach an economically diverse set of students is by providing scholarships for students to participate in our

programs. Although investing time and revenue into scholarships can work against immediate profitability, SE believes that enabling more students to attend will, over time, generate greater sales by broadening our base of customers, establishing “good will” with school districts and educators, and providing additional marketing and referral opportunities. SE views offering scholarships as in-line with our mission and as a sound business tactic.

Scholastic Expeditions has recently partnered with a local non-profit Social Good to create the SE Scholarship Fund. This exciting development allows SE to apply for grants as well as solicit private donations as a 503c. SE donates all marketing expenses, administrative fees and salary of employee to head up the SE Scholarship Fund.

There are three relatively easy ways to collect funds for scholarship programs:

1. Taking donations through the SE website – especially when parents are registering and providing a down payment on a program. To encourage donations, SE will offer an incentive, such as a donation gift or discounts on a future travel opportunity, for any donation going into the scholarship fund.
2. Funneling some of the proceeds from existing SE fundraising activities into the SE Scholarship Fund.
3. Enabling the SE investors who chose the perk option to donate some, any or all travel perks earned to the scholarship fund.

7. Financials and Projections

SE grew, on average, 47% each year in the first four years of operation. See Figure 4. This growth was achieved using the founder’s personal investment in the company (no outside investment).

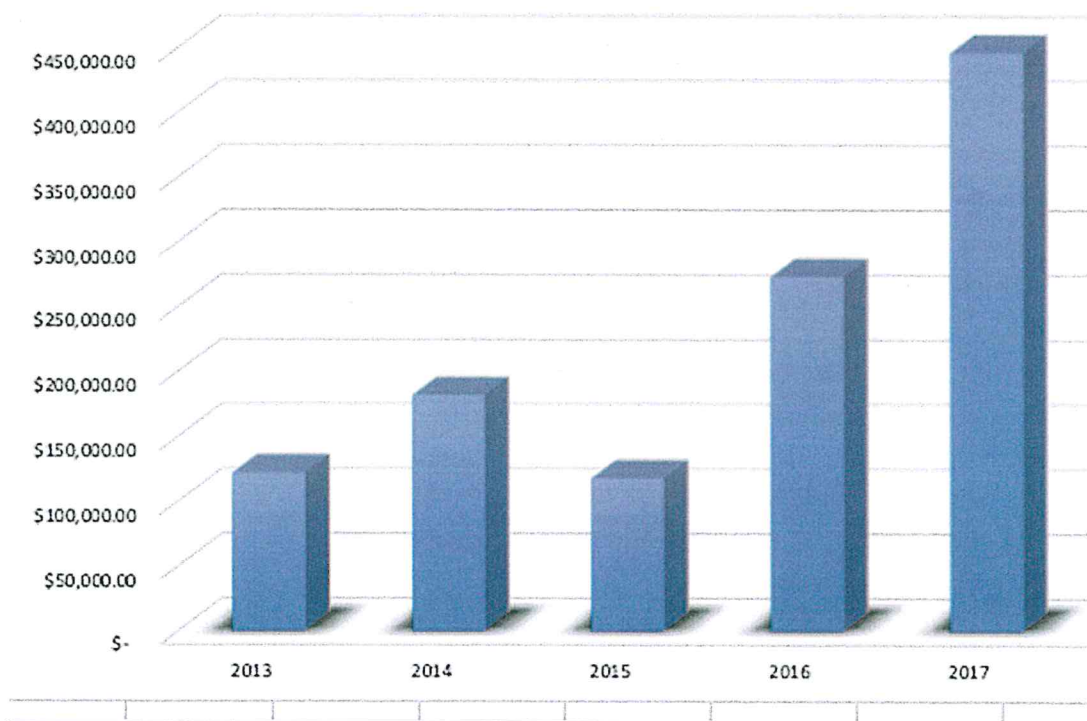
Although sales dropped for the first time in 2015, 2016 top line revenue rebounded nicely resulting in the largest sales year to date for the company. Revenue in 2017 has

already at mid-year, surpassed 2016-year end totals. Therefore 2017 numbers will be the best year for SE to date. 2018 was Financials are attached as Exhibit E.

More than 70% of our customers are repeat customers and as such they have been the foundation of SE's growth since inception. New programs attract new customers and retain existing customers through repeat bookings. The addition of the adult learning programs (ie Cuba program) and the highly successful "Inbound" programs (ie. Innovation in Action series) allow us to continue the projected growth path well into 2018 and beyond.

The primary reason for sales leveling off in 2015 was lack of new investment (short term cash flow) to cover existing demand and fund expansion.

Figure 4. Scholastic Expeditions Revenue



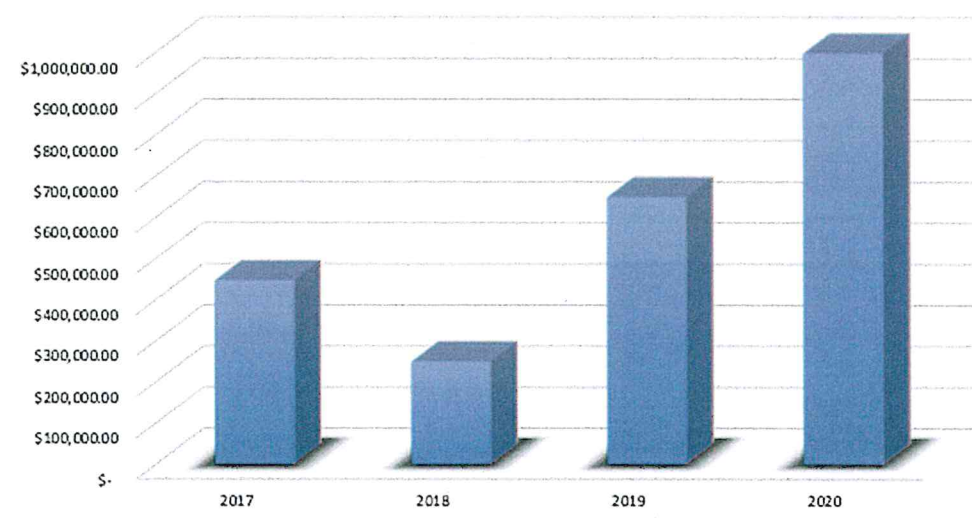
Projections

SE's financial projections for the next five years are shown in Figure 5. These projections are conservative and based on previous experience, market trends, increased marketing efforts and the addition of new programs which grow the revenue potential. There are many risk factors associated with this industry covered in a specific section titled RISK FACTORS.

Equity financing will allow SE to meet growing demand by hiring new employees in sales and customer support, broadening marketing scope, and providing new programs.

The dip in 2018 is primarily due to cancellations and visa rejections associated with the current political environments. Several Cuba trips were cancelled due to perceived restrictions placed on travel to Cuba. Innovation trips from India to the Bay Area and Boston were also severely affected due to visa rejections. SE strategically responded to 2018 realities by re-focusing on outbound programs, and revenue for 2019 is on track to be the highest revenue year to date.

Table 4. Scholastic Expeditions' Growth Potential



8. Uses of Raised Capital

SE plans to use the proceeds from this offering to increase our marketing activities, meet current demand, and create innovative new offerings for future customers. If SE raises the maximum offering amount of \$450,000, the planned use of proceeds is shown in Table 5.

Table 5. Uses of Capital

Use of Proceeds - 24 Months	
Salary	\$ 150,000
New Program / Curriculum Development	\$ 75,000
Marketing	\$ 50,000
Global Partner Development	\$ 50,000
Resource Training & Development	\$ 50,000
Operations	\$ 75,000
Total	\$ 450,000

Business Development and Sales resources are a major salary expense composing the bulk of the Equity Capital Raise. A mix of full-time and part-time personnel will be hired to develop the pipeline. A forecast of number of hires to support sales growth over the next four years is shown in Table 6 (PT=part-time hire).

Table 6. Summary of Estimated Resource Hiring

	2018	2019	2020	2021
Management	1	1	2	2
Customer Engagement & Marketing Ops	1	1	1	1
Marketing & Sales	2 (PT)	1 + 5 (PT)	2 + 5 (PT)	3 + 8 (PT)
Curriculum & Program Development	0	1 (PT)	1	1
Logistics & Customer Service	0	0	1 (PT)	1
Accounts	1 (PT)	1 (PT)	1	1
TOTAL	4	6.5	10.5	13

Marketing costs include website upgrades and providing new related content. Marketing automation and operational efficiencies are part of the plan.

Program development costs will include new growth markets in the United States including programs for students from India and China.

Summary

Additional funding will position SE to take advantage of an early lead in the untapped market of STEM and experiential travel.

SE plans to use funding to:

- Increase capacity for existing programs to enroll additional students, to launch new domestic and international offerings, and to include adult programs.
- Attract international students from emerging markets such as India.
- Build more partnerships with schools, universities, and NGOs.
- Automate the operational, marketing, and sales capabilities of SE.

9. Scholastic Expeditions' Management Team

Susan E. Schai – Founder and Chief Executive Officer

Susan has worn many hats within the organization, as she is interested in all aspects of educational travel. Prior to founding SE, she had a decade in technology sales followed by educational sales. She is exceptionally proud of what Scholastic Expeditions has become. To her, there is nothing better than hearing from a teacher that yet another student has decided to continue studying the sciences or has been inspired to activism as a result of their experience in an SE program. She is also invigorated by the desire of many adults to participate in similar SE educational experiences in the US and abroad.

Ramesh Subramaniam – Investor, Board Member and Strategic Advisor

Ramesh is a senior leader with experience managing early stage startups and large divisions of technology giants. His background includes leadership positions at the Intel Corporation and Denali Software/Cadence Design Systems, driving over \$1 billion in

revenues, leading global teams of 800+ people, and P&Ls exceeding \$150 million. He has served in senior leadership roles, as Chief Operating Officer of XL Energy and Chief Executive Officer of Jump Labs. He has been an early stage investor and served as an advisor and board member of several companies. He cofounded BackstagePass, India's first college to offer undergraduate programs in Game Programming, Game Design and Game Art. He currently serves on the board of Snap Homework, an education technology company, and as a board advisor to GeoSpago, a location analytics company. He holds an MBA, an MS, and an ME degree.

Ignacio “Nacho” Escorriola: Director of Programs Costa Rica, Panama, Nicaragua

Nacho develops and delivers all Scholastic Expeditions programs in Costa Rica, Nicaragua and Panama. Nacho is a Costa Rican who has been interested and involved in the natural sciences since he was a child. Even though he grew up in San Jose, the capital city located in the Central Valley, his access to two oceans provided the perfect inspiration to become the marine biologist he is today. Nacho comes to Scholastic Expeditions with a vast and varied background in outdoor science education. He has worked for over 20 years as an Environmental Consultant and Environmental Educator. He has performed numerous services in tourism and with rural communities doing Community Development Projects. Nacho has led and continues to lead students on programs throughout his country's many ecosystems. He loves his job as it unites his dual passions for teaching ecology and for his beloved country, Costa Rica

Nacho attended the University of Florida on a Fulbright Scholarship and obtained a Master of Science degree in Interdisciplinary Ecology.

Rebekah Helzel-Investor and Strategic Advisor

Rebekah Helzel is a consultant on finance and strategy to environmentally and socially responsible start-ups and small businesses in the Bay Area. Her experience includes over 20 years in investment banking followed by several years of starting and growing her own non-profit and for-profit enterprises. In 2010, she earned an MBA in sustainable business practices. She is a Chartered Financial Analyst (CFA) and member of the CFA

Institute. Rebekah has served on many cultural and service organization boards both in the Bay Area and in Sun Valley, Idaho. She currently serves on the Board of Directors of Presidio Graduate School and the Lawrence Hall of Science. Rebekah has judged for the Global Social Venture Competition, Haas Business School's C2M Competition and the Clean Tech Open.

10. Plan of Offering Activities

The maximum aggregate amount of this offering is \$450,000, and there is no minimum offering amount. This offering will terminate one year from the effective date of the permit for this offering issued by the Department of Business Oversight, unless this offering is extended or renewed in accordance with applicable law.

All offering activities will be conducted by officers or employees of SE, all of whom perform general duties for SE (not limited to the offering of securities). Specifically, offering activities will be conducted by Susan Schai and Ramesh Subramaniam. Some administrative tasks related to the offering may be conducted by other SE personnel under the supervision of such officers. No person will receive any commission or other compensation for conducting offering activities. SE will not use any broker-dealers, underwriters or other selling agents in connection with this offering.

SE will advertise the offering on its website and through social media platforms (including Facebook and Twitter); in its newsletters and email communications; in newsletters and email communications of other organizations and businesses; in newspaper and magazine ads and/or articles; on radio and television interviews; in online promotional videos; and at events, conferences and presentations. All advertising materials will direct prospective investors to the Company's website to access a copy of this offering memorandum.

The Company will offer and sell the securities described herein only to California residents.

11. Capitalization Summary

Table 7 below shows SE's key shareholders. Susan E. Schai, as founder, plans to hold 62% of the company's stock post the DPO; investor and board member Ramesh Subramaniam will hold 9% post the DPO. DPO investors will have access to 24% of the company with 5% reserved for stock options for future management personnel.

Table 7. Scholastic Expeditions Shareholders

SCHOLASTIC EXPEDITIONS Capitalization Summary				
Name	Outstanding Common Stock	Stock Options	Preferred Stock	Total Shares
Authorized Shares	1,000,000			
Authorized Common Shares	760,000			
Unissued Preferred Shares for Investment in this offering	225,000			
Treasury Preferred Shares	15,000			
Susan Schai	620,000			620,000
Ramesh Subramaniam	90,000			90,000
Employee Stock Option Pool		50,000		50,000
Preferred Shareholders			240,000	240,000
Total	710,000	50,000	240,000	1,000,000

12. Description of the Preferred Stock: Rights, Preferences, Privileges, and Restrictions

The following is a high-level summary of the rights, preferences, privileges and restrictions of the Preferred Stock. This summary is qualified in its entirety by the provisions of the Company's amended articles of incorporation, attached as Exhibit A, the Company's bylaws, attached as Exhibit B, and the form of subscription agreement for the Preferred Stock (the "Subscription Agreement"), a copy of which is attached as

Exhibit C, which collectively set forth such rights, preferences, privileges, and restrictions in detail. Each prospective investor should carefully review these Exhibits before making an investment decision.

SE is offering up to 225,000 shares of non-voting, non-convertible Series A Preferred Shares of stock (Preferred Shares) at a price of \$2.00 dollars per share (the Purchase Price). The minimum investment per investor is 2,500 shares (\$5,000.00).

There will be no variation in the kind, amount, or price of securities to be offered. The purchase price may only be paid in cash.

Dividends: Cash or Travel

The holders of the Preferred Shares (“Preferred Holders”) will be entitled to receive dividends in the form of cash or travel, or may donate the dividends to SE’s scholarship fund at the Preferred Holder’s option.

If the Preferred Holder elects to earn dividends in cash:

- a. Dividends will be paid when, as, and if declared by SE’s Board of Directors, out of any funds and assets of the company legally available therefor. Dividends will be cumulative and will accrue at the annual rate of five percent (5%) (“Dividend Rate”), prior and in preference to the payment of any dividend on SE’s common stock. Such dividends will accrue on each share of Preferred Stock from the date on which such share of Preferred Stock is issued by the Corporation, and will accrue from day to day until paid. No accumulation of dividends on the Preferred Stock will bear any interest. To the extent that dividends are not paid in cash, they will continue to accrue, but no payments upon accrued and undeclared dividends will be due to holders of Preferred Stock, subject to liquidation and redemption rights addressed below. The Board may determine whether and when to declare dividends in

its sole discretion, subject to any requirements of the California Corporations Code. The Company expects to begin declaring dividends in 2020.

If a Preferred Holder elects to earn dividends in the form of travel, the Preferred Holder must invest at least \$5,000:

b. Trips will be awarded to the Preferred Holder according to the chart below:

<u>Total Purchase Price of all Preferred Shares Held:</u>	<u>Corresponding Travel</u>
\$5,000-\$7,499	1 trip every 6 years
\$7,500-\$9,999	1 trip every 4 years
\$10,000-\$14,999	1 trip every 3 years
\$15,000-\$19,999	1 trip every 2 years
\$20,000+	2 trips every 2 years

Travel dividends will be awarded and can be redeemed for travel only at the end of each period listed in the chart above. Travel dividends do not include airfare. Travel dividends can be used for travel by the Preferred Holder or anyone designated by the Preferred Holder (e.g. child, grandchild), subject to SE's requirements for each trip, such as minimum number of participants, age range, physical fitness requirements, etc. The Preferred Holder may donate the travel dividend to SE's scholarship fund, which is used to benefit economically disadvantaged students. Currently the programs available for travel dividend trips include all programs in Costa Rica, Costa Rica and Panama, Costa Rica and Nicaragua, the Santa Barbara Channel Islands Marine Program, and Cuba. SE plans to add new destinations and programs that will also be available for Preferred Holders using travel dividends.

Changing from cash to travel: A Preferred Holder may switch from cash dividends to travel dividends at any time by giving written notice of the new choice to SE. Cash dividends that have accrued up to the date SE receives notice of such change will

remain on SE's books, and will be paid when dividends are declared. As of the date SE receives notice of such change, cash dividends will no longer accrue, and the time period for earning travel according to the chart above will begin.

Changing from travel to cash: SE will not convert partially-earned travel dividends to cash, except in the event that SE redeems the shares, as explained below. A travel dividend is earned only at the end of the relevant time period; therefore a Preferred Holder must hold the Preferred Shares for the entire time period in order to earn travel dividends that can be redeemed for one or more trips. A Preferred Holder may switch from travel to cash dividends at any time by giving written notice of the change to SE, and cash dividends will begin to accrue as of the date SE receives such notice. A Preferred Holder who switches from travel to cash will forfeit any partially-earned or earned but un-used trips; SE intends for the Preferred Holders who choose travel to hold the Preferred Shares until a trip is earned before changing their election to cash dividends.

Redemption by Holder

As of 5 years after issuance and subject to the limitation below, Preferred Holders have the right to request SE to redeem (buy back) their Preferred Shares by submitting a written request for redemption to SE at least 30 days before the date of redemption. If such request is granted, and if shares are redeemed from 5 years to 7 years after issuance, SE will pay the holder 100% of the "Redemption Price," where the Redemption Price is the amount originally paid for the Preferred Shares, adjusted for any stock splits, recapitalizations, or the like, plus all accrued but unpaid dividends. If such request is granted, and if shares are redeemed more than 7 years after issuance, SE will pay 120% of the Redemption Price for the Preferred Shares. If SE's Board of Directors determines that a requested redemption may impair SE's ability to operate effectively, or if there are no funds legally available to pay for the redemption, the Board of Directors may limit, postpone, or refuse the redemption.

Redemption by Scholastic Expeditions

SE reserves the right to redeem (buy back) any or all Preferred Shares of any Preferred Holder at any time, in the sole discretion of the Board of Directors. If SE elects to redeem Preferred Shares, holders of the redeemed shares are entitled to receive an amount equal to 120% of the Redemption Price. SE will send written notice of its intention to redeem Preferred Shares to the holders of the shares to be redeemed at least thirty (30) days before the effective date of the redemption.

SE will endeavor not to redeem the Preferred Shares of Preferred Holders who have elected travel dividends until the end of the relevant time period for earning a trip or trips. However, SE reserves the right to redeem these Preferred Shares, and if it does so, the Redemption Price will include the amounts of all dividends that would have accrued if cash dividends had originally been elected.

If SE sells all or substantially all of its assets within six months after a redemption by the company, the Preferred Holder will be entitled to participate in profits from the sale, as follows:

- a. First, to all Preferred Holders, an amount equal to the Redemption Price (minus any amounts already paid to Preferred Holders whose shares were redeemed by SE in the preceding 6 months). If profits from the sale are not sufficient to pay the Redemption Price to all Preferred Holders, then SE will distribute profits pro rata according to number of shares held;
- b. Second, to all shareholders (including Preferred Holders whose shares were redeemed by the Company in the preceding 6 months), pro rata according to number of shares owned.

Liquidation Rights

If SE is otherwise liquidated or dissolved, the funds and assets legally available to be distributed to SE's shareholders ("Liquidation Funds") shall be distributed as follows:

- a. First, to Preferred Holders, amounts equal to the Redemption Price; provided that if there are not sufficient Liquidation Funds to pay the amount due to all Preferred Holders under this provision, the funds will be distributed on a pro rata basis according to the number of Preferred Shares owned;
- b. Second, if Liquidation Funds remain after the liquidating distribution to the Preferred Holders described in paragraph (a), to the common shareholders pro rata according to number of shares owned.

Voting Rights

Preferred Holders shall have no voting rights, except as required by law.

Conversion Rights

The Preferred Shares are nonconvertible.

Right of First Refusal

SE will have a right of first refusal ("ROFR") to purchase any of the Preferred Shares that any investor proposes to sell, transfer, gift, pledge, assign, distribute, encumber or otherwise dispose of to a third party, as set out in the Subscription Agreement.

Restrictions on Transfer

Save for the Right of First Refusal described above, the Company places no other restrictions on transfer. Investor understands that shares of the Preferred Stock are "restricted securities" in that the Company's sale of the Preferred Stock has not been

registered under the Securities Act. The resulting restrictions on transfer are as stated in the Subscription Agreement.

Under California Securities Law

Until the applicable restrictions are removed by order of the Department of Business Oversight, any sale or transfer of the securities described herein will be subject to the restrictions set forth in Section 260.141.11 of the California Code of Regulations, a copy of which is attached as Exhibit D hereto.

13. Investor Suitability Requirements

Financial Requirements:

For any investor participating in this offering, at least one of the following must be true as of the time of investment:

such investor has a minimum net worth (exclusive of homes, home furnishings, and automobiles) of at least \$75,000, had minimum gross income of \$50,000 during the last tax year, will have (based on a good faith estimate) minimum gross income of \$50,000 during the current tax year, and the investment does not exceed 10% of such investor's net worth (exclusive of homes, home furnishings, and automobiles);

OR

such investor has a minimum net worth (exclusive of homes, home furnishings and automobiles) of \$150,000, and the investment does not exceed 10% of such investor's net worth (exclusive of homes, home furnishings and automobiles).

The satisfaction of these requirements by a prospective investor does not necessarily mean that an investment in the securities described herein is suitable for such prospective investor. All prospective investors should consult their personal legal and

financial advisors to determine whether an investment in the securities described herein is suitable for them.

Other Requirements:

All investors participating in this offering must be California residents. For individuals, that means that the investor's primary residence must be in California. For entities, that means that the investor's principal office must be located in California.

SE, in its sole discretion, may decide not to accept investments from more than (a) 1,999 total investors or (b) 499 investors who are not "accredited investors," as that term is defined in Rule 501 under the Securities Act.

The minimum investment amount per investor is \$5,000.

Investor Representations:

Pursuant to the Subscription Agreement, each investor in this offering will be required to make certain representations and warranties to the company regarding, among other things, satisfaction of the suitability requirements described herein and to indemnify and hold harmless the Company and certain persons affiliated with the company for any losses arising from any breach of those representations or warranties.

SE may reject any subscription, in whole or in part, for any reason (or no reason), including if the Company has reason to believe that the prospective investor (a) fails to satisfy the suitability requirements described herein, (b) is investing with a view to distribute the securities or (c) is involved with a competitor of the Company or otherwise has interests adverse to the Company.

14. Risk Factors

No Guarantee of Return - No assurance can be given that an investor will realize a substantial return on investment, or any return at all, or that an investor will not lose a substantial portion or all of the investment. For this reason, each prospective investor should carefully read this memorandum and all exhibits attached hereto and should consult with an attorney, accountant and/or business advisor prior to making any investment decision.

Each investor is aware that an investment in the company is speculative and involves a high degree of risk, including the possible loss of the entire investment, and such investor has carefully read and considered the following risk factors and all matters specified in these subscription documents in determining whether or not to invest in the Company as specified herein. Each investor understand that the following factors are not an all-inclusive list of possible risk inherent in the offering.

Risk Related to an Investment in the Adult/Youth Educational Travel Industry

Competition could increase. Scholastic Expeditions (SE) is in a market of high demand and growth with the industry forecasted to double from \$185 billion to \$320 billion by 2022. Competition is expected to join the market. Our early start, in 2010, and the focus on high quality experience in the experiential travel market will help mitigate this risk. However, market and economic conditions do change, and increasing competition could have a material adverse effect on business, operating results, and financial conditions.

The company's operating costs may rise. SE maintains a prudent budget, considering a wide range of operating costs based on current, as well as expected conditions; however, unforeseen conditions may cause operating costs to rise substantially. For example, a larger than expected rise in payments to foreign guides or other local operating costs, due to large changes in currency values and local inflation rates, may cause certain trips to become uneconomical. This could cause SE to alter or cancel trip

offerings, which could reduce overall profitability. Steps such as offering substitute locations locally, and in more cost effective locations, would help SE minimize the effects on the bottom line.

The cost of airfare could increase. An increase in the cost of air travel due to fuel prices or tax increases, or any unforeseen changes in the airline industry, would be felt directly by customers resulting in a decrease in overall demand for trips. SE would look to offer more local and US based trips which would be more affordable to customers.

Severe weather, earthquakes, or other natural disasters could impact our destinations. If severe weather or a natural disaster makes one or more of our destinations unavailable, SE may not be able to provide travel as planned and may not be able to substitute another location quickly enough to prevent a loss of revenue.

Civil unrest or armed conflict could impact our destinations. If one or more of our destinations becomes unsafe or unavailable because of civil unrest or military or paramilitary conflict, SE would not provide travel as planned, and if another location could not be substituted in time, a loss of revenue would result.

Health risks could impact available destinations. If a pandemic disease were to become a threat or a perceived threat in one or more of our destinations, decreased demand would result in lower revenues.

Earthquakes or other natural disasters could impact our operations. The headquarters of SE is located in a region that experiences earthquakes. If a major earthquake interrupted communication systems, SE would not be able to accept customer bookings during any time when no telephone or internet service was available. Marketing efforts would also be adversely affected.

A lapse in safety could be costly. If a customer were to suffer a severe injury or death on a trip, future bookings may decrease. SE carries liability insurance, provides basic

travel insurance for its customers, and requires proof from all relevant vendors of appropriate E&O insurance. SE requires the approval upon registration of SE Terms and Conditions for every traveler or their legal guardian.

Risk Related to an Investment in Business Generally

Revisions to Use of Proceeds. It is possible that the use of the proceeds will be revised by management. Management will have significant flexibility in applying the net proceeds of this offering within the scope of SE's business. The failure of management to apply such funds effectively could have a material adverse effect on SE's business, prospects, financial condition, and results of operations.

Dependence on the services of key personnel. Our operations currently depend on key personnel, in particular Susan E. Schai, who has directed the Company's operations since its founding. Ms. Schai has gained significant expertise in how to make this business successful. If Ms. Schai's service were to become unavailable for any reason, including her incapacity, SE would not be able to operate as effectively as usual during a search for a replacement, and while that replacement learned to work effectively. Additionally, Ms. Schai is an owner of the business, and her passion and commitment of energy may not be possible to replace.

Certain Factors May Affect Future Success. Any continued future success that the Company might enjoy will depend upon many factors including factors beyond our control and/or which cannot be predicted at this time. These factors may include but are not limited to: changes in general economic conditions; increases in operating costs; our ability to expand our customer base; our ability to increase our expedition locations and offerings; and reduced margins caused by competitive pressures. These conditions may have a material adverse effect upon our business, operating results, and financial condition.

Control of the Company. Control of the company and all of its operations rests solely with its managers. Investors must rely on the expertise, skills, and judgment of the management team.

Tax Risk. No representation or warranty of any kind is made by the company, the officers, directors, or counsel to the company with respect to any tax consequences of any investment in SE. Each prospective investor should seek their own tax advice concerning the tax consequences of an investment in the company.

15. Other Important Notices

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION WITH RESPECT TO THE COMPANY OR THIS OFFERING THAT IS INCONSISTENT WITH, OR MATERIALLY IN ADDITION TO, THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM. UNLESS OTHERWISE AGREED BY THE COMPANY IN WRITING, ONLY INFORMATION OR REPRESENTATIONS CONTAINED IN THIS OFFERING MEMORANDUM MAY BE RELIED UPON BY INVESTORS AS HAVING BEEN AUTHORIZED BY THE COMPANY. THE INFORMATION IN THIS OFFERING MEMORANDUM SUPERSEDES AND REPLACES IN ITS ENTIRETY ANY INFORMATION PREVIOUSLY DISTRIBUTED TO, PROVIDED TO OR VIEWED BY ANY PROSPECTIVE INVESTOR WITH RESPECT TO THIS OFFERING.

THIS OFFERING IS MADE SUBJECT TO WITHDRAWAL, CANCELLATION OR MODIFICATION BY THE COMPANY WITHOUT NOTICE. OFFERS TO PURCHASE THE SECURITIES DESCRIBED HEREIN MAY BE REJECTED IN WHOLE OR IN PART BY THE COMPANY AND NEED NOT BE ACCEPTED IN THE ORDER RECEIVED. THE COMPANY RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE AMOUNT OF THE SECURITIES SUCH INVESTOR DESIRES TO PURCHASE. THE COMPANY SHALL HAVE NO LIABILITY WHATSOEVER TO ANY OFFEREE OR INVESTOR IN THE EVENT THAT ANY OF THE FOREGOING SHALL OCCUR.

THE STATEMENTS IN THIS OFFERING MEMORANDUM ARE MADE AS OF THE EFFECTIVE DATE OF THE PERMIT FOR THIS OFFERING ISSUED BY THE DEPARTMENT OF BUSINESS OVERSIGHT, UNLESS OTHERWISE SPECIFIED.

PROJECTIONS CONCERNING THE BUSINESS OR FINANCIAL AFFAIRS OF THE COMPANY THAT ARE PROVIDED TO PROSPECTIVE INVESTORS, INCLUDING THOSE SET FORTH IN THIS OFFERING MEMORANDUM AND ITS EXHIBITS, ARE FOR ILLUSTRATIVE PURPOSES ONLY. THESE PROJECTIONS ARE BASED UPON ASSUMPTIONS THAT THE COMPANY'S MANAGEMENT BELIEVES TO BE REASONABLE. HOWEVER, THERE CAN BE NO ASSURANCE THAT ACTUAL EVENTS WILL CORRESPOND TO SUCH ASSUMPTIONS, AND THE PROJECTIONS SHOULD BE VIEWED MERELY AS FINANCIAL POSSIBILITIES BASED ON THE ASSUMPTIONS STATED OR IMPLIED AND NOT AS A PREDICTION OR GUARANTEE OF FUTURE PERFORMANCE. THE ASSUMPTIONS UPON WHICH THESE PROJECTIONS ARE BASED SHOULD BE CAREFULLY CONSIDERED BY EACH PROSPECTIVE INVESTOR. PROJECTIONS OR CONCLUSIONS REGARDING THE FINANCIAL CONDITION OF THE COMPANY, INCLUDING PROJECTIONS REGARDING THE PROFITABILITY OF THE COMPANY, MAY BE SUBSTANTIALLY ADVERSELY AFFECTED BY VARIANCES FROM THE ASSUMPTIONS MADE BY THE COMPANY.

THIS OFFERING MEMORANDUM CONTAINS FORWARD LOOKING STATEMENTS. FROM TIME TO TIME, ADDITIONAL WRITTEN FORWARD LOOKING STATEMENTS MAY BE MADE BY THE COMPANY. SUCH FORWARD LOOKING STATEMENTS ARE WITHIN THE MEANING OF THAT TERM IN SECTION 27A OF THE SECURITIES ACT AND MAY INCLUDE PROJECTIONS OF REVENUES, INCOME OR LOSS, CAPITAL EXPENDITURES, BUSINESS RELATIONSHIPS, FINANCINGS, PROPOSED FINANCINGS OR INVESTMENTS BY THIRD PARTIES, PRODUCT DEVELOPMENT, PLANS FOR FUTURE OPERATIONS, PLANS RELATING TO PRODUCTS OF THE COMPANY, AS WELL AS ASSUMPTIONS RELATING TO THE FOREGOING. SUCH STATEMENTS ARE BASED UPON MANAGEMENT'S CURRENT EXPECTATIONS, BELIEFS AND ASSUMPTIONS ABOUT FUTURE EVENTS, ARE NOT STATEMENTS OF HISTORICAL FACT AND INVOLVE A NUMBER OF RISKS AND UNCERTAINTIES.

THE TERMS "BELIEVE," "EXPECT," "INTEND," "ANTICIPATE," "ESTIMATE," "PROJECT" AND SIMILAR EXPRESSIONS IDENTIFY FORWARD-LOOKING STATEMENTS, BUT THESE TERMS ARE NOT THE EXCLUSIVE MEANS OF IDENTIFYING SUCH STATEMENTS. FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE THE STATEMENT WAS MADE AND ARE INHERENTLY SUBJECT TO RISKS AND UNCERTAINTIES, SOME OF WHICH CANNOT BE PREDICTED OR QUANTIFIED. FUTURE EVENTS AND ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN, CONTEMPLATED BY OR UNDERLYING THE FORWARD-LOOKING STATEMENTS. STATEMENTS IN THIS OFFERING MEMORANDUM, INCLUDING THOSE CONTAINED IN THE SECTION ENTITLED "RISK FACTORS," DESCRIBE FACTORS, AMONG OTHERS, THAT COULD CONTRIBUTE TO OR CAUSE SUCH DIFFERENCES.

Prospective investors are hereby advised to review "A Consumer's Guide to Small Business Investments," published by North American Securities Administrators Association, Inc., a copy of which is attached hereto as Exhibit F.

[Exhibits begin on following page]

Exhibits

Exhibit A
Articles of Incorporation of the Company

3255901



State of California
Secretary of State

I, DEBRA BOWEN, Secretary of State of the State of California,
hereby certify:

That the attached transcript of 2 page(s) is a full, true and
correct copy of the original record in the custody of this office.



IN WITNESS WHEREOF, I execute this
certificate and affix the Great Seal of the State
of California this day of

APR 20 2010

DEBRA BOWEN
Secretary of State

3255901

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

MAR 29 2010

ARTICLES OF INCORPORATION
OF
SCHOLASTIC EXPEDITIONS, INC.

I. NAME

The name of this corporation is Scholastic Expeditions Inc.

II. PURPOSE

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III. AGENT FOR SERVICE OF PROCESS

The name and address in this state of the corporation's initial agent for service of process is:

Small Business Consulting, Inc.

IV. STOCK

This corporation is authorized to issue only one class of shares of stock which shall be designated common stock. The total number of shares it is authorized to issue is 10,000 shares.

V. LIABILITY OF THE DIRECTORS

The liability of the director(s) of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

VI. INDEMNIFICATION

(A) The Corporation is authorized to indemnify the directors and officers of the corporation to the fullest extent permissible under California law.

(B) The Corporation is authorized to indemnify the Agents (as defined in Section 317 of the California Corporations Code) of the corporation to the fullest extent permissible under California law.

(C) Any repeal or amendment of this Article VI shall not adversely affect any right of protection afforded any agent of the Corporation in effect at the time of repeal or amendment.

DECLARATION

The undersigned, declare that they are the persons who executed the foregoing Articles of Incorporation, which execution is their act and deed.

Dated: March 26, 2010

Susan E. Schai

Susan Schai, Incorporator



BYLAWS OF SCHOLASTIC EXPEDITIONS, INC.

ARTICLE I. Principal Office

1.1 Office

The address of the principal office of the Corporation shall be 5610 Scotts Valley Drive, Suite C, in the city of Scotts Valley and state of California. The Corporation may have other offices, either within or without of the State of Incorporation as the Board of Directors may designate or as the business of Corporation may require.

ARTICLE II. Meetings of Shareholders.

2.1 Place of Meetings.

The meetings of the shareholders shall be held at such place, either within or without of the state of California, as may be fixed by the Board of Directors.

2.2 Annual Meetings.

The annual meeting of the shareholders, for the election of Directors and transaction of any other business that may come before the meeting, shall be held in each year at the corporate offices or at any other place within or without of the state of California as may be determined by the Directors and as may be designated in the notice of that meeting. If that date is a legal holiday, the annual meeting shall be held on the next succeeding day that is not a legal holiday.

2.3 Special Meetings.

A special meeting, other than those regulated by statute, of the shareholders for any purpose or purposes may be called at any time by the President, by a majority of the Board of Directors, by designated officers of the Corporation, or by shareholders together holding at least 20% of the number of shares of the Corporation at the time outstanding and entitled to vote with respect to the business to be transacted at such meeting. At a special meeting no other business shall be transacted and no corporate action shall be taken other than that stated in the Notice of the meeting.

2.4 Notice of Meetings.

Written or printed notice stating the place, day and hour of every meeting of the shareholders and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than five nor more than sixty days before the date of the meeting to each shareholder of record entitled to vote at such meeting, at his/her address which appears in the share transfer books of the Corporation. If mailed, notice shall be deemed to be delivered when deposited in the United States mail. Such further notice shall be given as may be required by law, but meetings may be held without notice if all the shareholders entitled to vote at the meeting are present in person or by proxy or if notice is waived in writing by those not present, either before or after the meeting.

2.5 Quorum.

Any number of shareholders together holding at least a simple majority of the outstanding shares of capital stock entitled to vote with respect to the business to be transacted, who shall be present in person or represented by proxy at any meeting duly called, shall constitute a quorum for the transaction of business. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned by a majority of

the shareholders present or represented by proxy without notice other than by announcement at the meeting.

2.6 Voting.

At any meeting of the shareholders, each shareholder of a class entitled to vote on any matter coming before the meeting shall, have one vote, in person or by proxy, for each share of capital stock of such class standing in his/her name on the books of the Corporation on the date, at least thirty days prior to such meeting, fixed by the Board of Directors as the record date for the purpose of determining shareholders entitled to vote. Every proxy shall be in writing, dated and signed by the shareholder entitled to vote or his/her duly authorized attorney-in-fact.

2.7 Order of Business.

The order of business at all meetings of shareholders shall be as follows, unless otherwise adopted by the Board:

1. Roll call
2. Proof of notice of meeting or waiver of notice
3. Reading of minutes and acceptance of preceding meeting
4. Reports of officers
5. Reports of committees
6. Election of directors, if required
7. Unfinished business
8. New business

2.8 Informal Action by Shareholders.

Unless otherwise provided by law, any action required to be taken at a meeting of shareholders, or other action which may be taken at a meeting of the shareholders, may be taken without a meeting if the shareholders give unanimous written consent setting forth the action to be taken and signed by all shareholders entitled to vote on the action.

ARTICLE III. Directors.

3.1 General Powers.

The property, business and affairs of the Corporation shall be managed and controlled under the direction of the Board of Directors, and, except as otherwise expressly provided by law, the Articles of Incorporation or these Bylaws, all of the powers of the Corporation shall be vested in such Board. Such management and general control will be by majority vote of the Board of Directors, with each Director having equal vote.

3.2 Number of Directors.

The number of Directors constituting the Board of Directors shall be two.

3.3 Election and Removal of Directors.

(A) Directors shall be elected at each annual meeting of shareholders to succeed those Directors whose terms have expired and to fill any existing vacancies.

(B) Directors shall hold their offices a term of one year and until their successors are elected. Any Director may be removed from office at a meeting called expressly for that purpose by the vote of shareholders holding not less than a majority of the shares entitled to vote at an election of Directors.

(C) Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the remaining Directors, though less than a quorum of the Board, and the term of office of any Director so elected shall expire at the next shareholders' meeting at which Directors are elected.

3.4 Quorum.

A majority of the number of Directors proscribed in these Bylaws shall constitute a quorum for the transaction of business. The act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a majority is present at a meeting, the majority of those present may adjourn the meeting without further notice.

3.5 Regular Meetings of Directors.

An annual meeting of the Board of Directors shall be held without notice other than this bylaw immediately after, and at the same place as, the annual meeting of shareholders.

3.6 Special Meetings of Directors.

Special meetings of Directors may be called at the request of the President, other duly authorized officer or any two Directors. The person or persons authorized to call special meetings of Directors may designate the place and time for holding any special meeting of Directors.

3.7 Notice.

Notice of any special meeting shall be given at least 10 days previously thereto by written notice delivered personally or mailed to each director at his/her business address. If mailed, notice is deemed to be delivered when deposited in the United States mail. The attendance of a Director at a meeting shall be deemed to be a waiver of notice of such meeting unless the Director attends the meeting for the express purpose of objecting to the transaction of business at the meeting because the meeting is not properly called or convened. Meetings may be held at any time without notice if all of the Directors are present, or if those not present waive notice in writing either before or after the meeting.

3.8 Compensation.

By resolution of the Board, Directors may be allowed a fee and expenses for attendance at all meetings, but nothing herein shall preclude Directors from serving the Corporation in other capacities and receiving compensation for such other services.

3.9 Manner of Acting.

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

3.10 Executive and Other Committees.

The Board of Directors may designate committees made up of Directors from time to time as the Directors see fit. The purpose for which the committees are formed are to be designated by the Board. The committees may be dissolved by affirmative vote of the Board of Directors.

3.11 Informal Action by Directors.

Unless otherwise provided by law, any action required to be taken at a meeting of Directors, or other action which may be taken at a meeting of the Directors, may be taken without a meeting if the directors give unanimous written consent setting forth the action to be taken and signed by all Directors entitled to vote on the action.

3.12 Indemnification.

The Corporation shall indemnify each of its directors, officers and employees whether or not then in services as such, against all reasonable expenses actually and necessarily incurred by him or her in connection with the defense of any litigation to which the individual may have been made a party because he or she is or was a director, officer or employee of the Corporation. The individual shall have no right to reimbursement, however, in relation to matters as to which he or she has been adjudged liable to the Corporation for negligence or misconduct in the performance of his/her or her duties, or was derelict in the performance of his/her or her duty as director, officer or employee.

The right to indemnity for expenses shall also apply to expenses of suits which are settled if the court having jurisdiction of the matter shall approve of the settlement.

ARTICLE IV. Officers.

4.1 Election of Officers; Terms.

The officers of the Corporation shall consist of a President, a Secretary and a Treasurer. Other officers, including a Chairman of the Board, Chief Executive Officer, Chief Operating Officer, one or more Vice-Presidents, and assistant and subordinate officers, may from time to time be elected by the Board of Directors. All officers shall hold office until the next annual meeting of the Board of Directors and until their successors are elected. Any multiple officers may be combined in the same person as the Board of Directors may determine.

4.2 Removal of Officers; Vacancies.

Any officer of the Corporation may be removed summarily with or without cause, at any time, by the Board of Directors. Vacancies may be filled by the Board of Directors.

4.3 Duties.

The officers of the Corporation shall have such duties as generally pertain to their respective offices as well as such powers and duties as are prescribed by law or are hereinafter provided or as shall be conferred by the Board of Directors.

4.4 Duties of the President.

Unless otherwise defined by the Board, the President shall be the Chief Executive Officer of the Corporation and shall be primarily responsible for the implementation of policies of the Board of Directors and shall have authority over the general management and direction of the business and operations of the Corporation and its divisions, if any, subject only to the ultimate authority of the Board of Directors. In the absence of the Chairman and the Vice-Chairman of the Board, or if there are no such officers, the President shall preside at all corporate meetings. The President may sign and execute, in the name of the Corporation, share certificates, deeds, mortgages, bonds, contracts or other instruments except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. In addition, the President shall perform all duties incident to the Office of the President and such other duties as may be assigned by the Board of Directors.

4.5 Duties of the Vice-Presidents.

Each Vice-President, if any, shall have such powers and duties as may be assigned to him or her by the President or the Board of Directors. Any Vice-President may sign and execute, in the name of the Corporation, deeds, mortgages, bonds, contracts or other instruments authorized by the Board of Directors, except where the signing and execution thereof shall be expressly delegated by the Board of Directors or the President to some other officer or agent of the Corporation or shall be required by law or otherwise to be signed or executed.

4.6 Duties of the Treasurer.

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation, and shall deposit all monies and securities of the Corporation in such banks and depositories as shall be designated by the Board of Directors. The Treasurer shall be responsible for maintaining adequate financial accounts and records in accordance with generally accepted accounting practices; for the preparation of appropriate operating budgets and financial statements; for the preparation and filing of all tax returns required by law; and for the performance of all duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the Board of Directors, the Finance Committee or the President. The Treasurer may sign and execute in the name of the Corporation share certificates, deeds, mortgages, bonds, contracts or other instruments, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law or otherwise to be signed or executed.

4.7 Duties of the Secretary.

The Secretary shall act as secretary of all meetings of the Board of Directors and shareholders of the Corporation and, when requested, shall also act as secretary of the meetings of the committees of the Board of Directors. The Secretary shall keep and preserve the minutes of all such meetings in permanent books; see that all notices required to be given by the Corporation are duly given and served; have custody of the seal of the Corporation and shall affix the seal or cause it to be affixed to all share certificates of the Corporation and to all documents the execution of which on behalf of the Corporation under its corporate seal is duly authorized in accordance with law or the provisions of these Bylaws. The Secretary shall have custody of all deeds, leases, contracts and other important corporate documents; have charge of the books, records and papers of the Corporation relating to its organization and management as a Corporation; see that all reports, statements and other documents required by law (except tax returns) are properly filed; and in general perform all the duties incident to the office of Secretary and such other duties as may be assigned by the Board of Directors or the President. The Secretary may designate such subordinate officers or administrative personnel, as desirable, including Assistant Secretary, with the consent of the Board of Directors to carry out the duties of the office.

4.8 Compensation.

The Board of Directors shall have authority to fix the compensation of all officers of the Corporation.

ARTICLE V. Capital Stock.

5.1 Certificates.

Certificates shall represent the interest of each stockholder of the Corporation. They shall be numbered and entered in the books of the Corporation as they are issued. They shall exhibit the holder's name and the number of shares and shall be signed by the president or a vice-president and the treasurer or the secretary.

5.2 Lost, Destroyed and Mutilated Certificates.

Holders of the shares of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificate thereof, and the Board of Directors may in its discretion cause new certificates for the same number of shares to be issued to such shareholder upon the surrender of the mutilated certificate or upon satisfactory proof of such loss or destruction.

5.3 Transfer of Shares.

The shares of the Corporation shall be transferable or assignable only on the books of the Corporation by the holder in person or by attorney on surrender of the certificate for such shares duly endorsed and, if sought to be transferred by attorney, accompanied by a written power of attorney to have the same transferred on the books of the Corporation. The Corporation will recognize, however, the exclusive right of the person registered on its books as the owner of shares to receive dividends and to vote as such owner.

5.4 Fixing Record Date.

For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive a dividend payment, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders. Such date may not be more than sixty days prior to the date on which the particular action, requiring the determination of shareholders, is to be taken. If no record date is designated for the determination of shareholders entitled to notice of a meeting shareholders or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notices of the meeting are mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

ARTICLE VI. Miscellaneous Provisions.

6.1 Seal.

~~At this time the Corporation shall elect not to use a seal.~~

6.2 Fiscal Year.

The fiscal year of the Corporation shall end on December 31st and shall consist of such accounting periods as may be fixed by the Board of Directors.

6.3 Checks, Notes and Drafts.

Checks, notes, drafts and other orders for the payment of money shall be signed by persons authorized by the Board of Directors. When the Board of Directors so authorizes, however, the signature of any such person may be a facsimile.

6.4 Amendment of Bylaws.

Unless proscribed by the Articles of Incorporation, these Bylaws may be amended or changed at any meeting of the Board of Directors by affirmative vote of a majority of the number of Directors fixed by these Bylaws. The shareholders entitled to vote in respect of the election of Directors, however, shall have the power to rescind, amend, alter or repeal any Bylaws and to enact Bylaws which, if expressly so provided, may not be amended, altered or repealed by the Board of Directors.

6.5 Dividends.

The directors may declare, and the Corporation pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law.



State of California Secretary of State

S

Statement of Information

(Domestic Stock and Agricultural Cooperative Corporations)

**FEES (Filing and Disclosure): \$25.00. If amendment, see instructions.
IMPORTANT - READ INSTRUCTIONS BEFORE COMPLETING THIS FORM**

1. CORPORATE NAME

SCHOLASTIC EXPEDITIONS, INC. 3255901
217 N. NAVARRA
SCOTTS VALLEY, CA 95066

This Space For Filing Use Only

Due Date:

No Change Statement (Not applicable if agent address of record is a P.O. Box address. See instructions.)

2. If there has been no change in any of the information contained in the last Statement of Information filed with the California Secretary of State, check the box and proceed to Item 16.
If there have been any changes to the information contained in the last Statement of Information filed with the California Secretary of State, or no statement has been previously filed, this form must be completed in its entirety.

Complete Addresses for the Following (Do not abbreviate the name of the city. Items 3 and 4 cannot be P.O. Boxes.)

3. STREET ADDRESS OF PRINCIPAL EXECUTIVE OFFICE	CITY	STATE	ZIP CODE
217 N. NAVARRA	SCOTTS VALLEY	CA	95066
4. STREET ADDRESS OF PRINCIPAL BUSINESS OFFICE IN CALIFORNIA, IF ANY	CITY	STATE	ZIP CODE
217 N. NAVARRA	SCOTTS VALLEY	CA	95066
MAILING ADDRESS OF CORPORATION, IF DIFFERENT THAN ITEM 3	CITY	STATE	ZIP CODE

Names and Complete Addresses of the Following Officers (The corporation must list these three officers. A comparable title for the specific officer may be added; however, the preprinted titles on this form must not be altered.)

6. CHIEF EXECUTIVE OFFICER/ SUSAN SCHAI	ADDRESS	CITY	STATE	ZIP CODE
	217 N. NAVARRA	SCOTTS VALLEY	CA	95066
7. SECRETARY SUSAN SCHAI	ADDRESS	CITY	STATE	ZIP CODE
	217 N. NAVARRA	SCOTTS VALLEY	CA	95066
8. CHIEF FINANCIAL OFFICER/ SUSAN SCHAI	ADDRESS	CITY	STATE	ZIP CODE
	217 N. NAVARRA	SCOTTS VALLEY	CA	95066

Names and Complete Addresses of All Directors, Including Directors Who are Also Officers (The corporation must have at least one director. Attach additional pages, if necessary.)

9. NAME SUSAN SCHAI	ADDRESS	CITY	STATE	ZIP CODE
	217 N. NAVARRA	SCOTTS VALLEY	CA	95066
10. NAME	ADDRESS	CITY	STATE	ZIP CODE
11. NAME	ADDRESS	CITY	STATE	ZIP CODE

12. NUMBER OF VACANCIES ON THE BOARD OF DIRECTORS, IF ANY:

Agent for Service of Process (If the agent is an individual, the agent must reside in California and Item 14 must be completed with a California street address (a P.O. Box address is not acceptable). If the agent is another corporation, the agent must have on file with the California Secretary of State a certificate pursuant to California Corporations Code section 1505 and Item 14 must be left blank.)

**13. NAME OF AGENT FOR SERVICE OF PROCESS
SMALL BUSINESS CONSULTING, INC.**

14. STREET ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CALIFORNIA, IF AN INDIVIDUAL CITY STATE ZIP CODE
CA

Type of Business

**15. DESCRIBE THE TYPE OF BUSINESS OF THE CORPORATION
ORGANIZING TRIPS FOR STUDENTS**

16. BY SUBMITTING THIS STATEMENT OF INFORMATION TO THE CALIFORNIA SECRETARY OF STATE, THE CORPORATION CERTIFIES THE INFORMATION CONTAINED HEREIN, INCLUDING ANY ATTACHMENTS, IS TRUE AND CORRECT.

DATE TYPE/PRINT NAME OF PERSON COMPLETING FORM TITLE SIGNATURE
TERRY GUY PRESIDENT/SBC

AMENDED AND RESTATED ARTICLES OF INCORPORATION

OF

SCHOLASTIC EXPEDITIONS INC.

I. NAME

The name of this corporation is Scholastic Expeditions Inc.

II. PURPOSE

This corporation is a benefit corporation. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporations Code.

III. AGENT FOR SERVICE OF PROCESS

The name and address in this state of the corporation's agent for service of process is:

**Susan E. Schai
165 Bobs Ln
Scotts Valley, CA 95066**

IV. STOCK

This corporation is authorized to issue only one class of shares of stock which shall be designated as common stock. The total number of shares it is authorized to issue is 1,000,000 shares.

Upon amendment of this Article IV to read as herein above set forth, each outstanding share of stock is divided into 100 shares of stock.

V. LIABILITY OF THE DIRECTORS

The liability of the director(s) of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

VI. INDEMNIFICATION

- (A) The corporation is authorized to indemnify the directors and officers of the corporation to the fullest extent permissible under California law.
- (B) The corporation is authorized to indemnify the Agents (as defined in Section 317 of the California Corporations Code) of the corporation to the fullest extent permissible under California law.
- (C) Any repeal or amendment of this Article VI shall not adversely affect any right of protection afforded any agent of the corporation in effect at the time of the repeal or amendment.

DECLARATION

The undersigned declare that they are the persons who executed the foregoing Amended Articles of Incorporation, which execution is their act and deed.

Dated: September 14, 2016


Susan E. Schai, President
Scholastic Expeditions Inc.

A0789550

3255901
CERTIFICATE OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
SCHOLASTIC EXPEDITIONS INC.

A California Corporation

FILED *guy*
Secretary of State
State of California

OCT 07 2016 *HW*

IPC

The undersigned certify that:

1. They are the duly elected and acting President and Secretary, respectively, of Scholastic Expeditions Inc., a California corporation.

2. Article II of the Articles of Incorporation of this corporation is amended to read as follows:

"This corporation is a benefit corporation. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporations Code."

Article IV of the Articles of Incorporation of this corporation is amended to read as follows:

"This corporation is authorized to issue only one class of shares of stock which shall be designated as common stock. The total number of shares it is authorized to issue is 1,000,000 shares.

"Upon amendment of this Article IV to read as herein above set forth, each outstanding share of stock is divided into 100 shares of stock."

3. The foregoing amendments to the Articles of Incorporation of this corporation have been approved by the board of directors.

4. The foregoing amendments to the Articles of Incorporation of this corporation has been approved by the required vote of shareholders in accordance with Section 902 of the California Corporations Code. The total number of outstanding shares of this corporation is 7,100. The number of shares voting in favor of the amendment was 7,100, which equalled or exceeded the vote required, such required vote being a majority of the outstanding shares.

A0789550

The undersigned declares under penalty of perjury under the laws of the State of California that the matters set forth in the foregoing certificate are true and correct of her own knowledge.

Executed on September 14, 2016

Susan E. Schai
Susan E. Schai, Secretary

Susan E. Schai
Susan E. Schai, President

A0799382

3255901

FILED JEM
Secretary of State
State of California

1pc JUN 12 2017 em

CERTIFICATE OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION OF
SCHOLASTIC EXPEDITIONS INC.

A California Corporation

The undersigned certify that:

1. They are the duly elected and acting President and Secretary, respectively, of Scholastic Expeditions Inc., a California corporation.
2. Article IV of the Articles of Incorporation of this corporation is amended to read as follows:

"This corporation is authorized to issue two classes of shares of stock, one of which shall be designated 'Common Stock' and the other of which shall be designated 'Preferred Stock.' The total number of shares that the Corporation is authorized to issue is 1,000,000 shares, of which 760,000 shares are Common Stock and 240,000 shares are Preferred Stock, all of which shares of Preferred Stock shall be designated 'Series A Preferred Stock.'

"The board of directors of the corporation is expressly authorized to fix the powers, preferences, rights, qualifications, limitations, and restrictions with respect to any wholly unissued series of Preferred Stock, including the Series A Preferred Stock."

3. The foregoing amendment to the Articles of Incorporation of this corporation have been approved by the board of directors.
4. The foregoing amendment to the Articles of Incorporation of this corporation has been approved by the required vote of shareholders in accordance with Section 902 of the California Corporations Code. The total number of outstanding shares of this corporation is 710,000. The number of shares voting in favor of the amendment was 710,000, which equalled or exceeded the vote required, such required vote being a majority of the outstanding shares.

The undersigned declares under penalty of perjury under the laws of the State of California that the matters set forth in the foregoing certificate are true and correct and of her own knowledge.

Executed on 6/5/2017 [date of signature]

Susan E. Schai
Susan E. Schai, Secretary

Susan E. Schai
Susan E. Schai, President

Exhibit B
Bylaws of the Company

BYLAWS OF SCHOLASTIC EXPEDITIONS, INC.

ARTICLE I. Principal Office

1.1 Office

The address of the principal office of the Corporation shall be 5610 Scotts Valley Drive, Suite C, in the city of Scotts Valley and state of California. The Corporation may have other offices, either within or without of the State of Incorporation as the Board of Directors may designate or as the business of Corporation may require.

ARTICLE II. Meetings of Shareholders.

2.1 Place of Meetings.

The meetings of the shareholders shall be held at such place, either within or without of the state of California, as may be fixed by the Board of Directors.

2.2 Annual Meetings.

The annual meeting of the shareholders, for the election of Directors and transaction of any other business that may come before the meeting, shall be held in each year at the corporate offices or at any other place within or without of the state of California as may be determined by the Directors and as may be designated in the notice of that meeting. If that date is a legal holiday, the annual meeting shall be held on the next succeeding day that is not a legal holiday.

2.3 Special Meetings.

A special meeting, other than those regulated by statute, of the shareholders for any purpose or purposes may be called at any time by the President, by a majority of the Board of Directors, by designated officers of the Corporation, or by shareholders together holding at least 20% of the number of shares of the Corporation at the time outstanding and entitled to vote with respect to the business to be transacted at such meeting. At a special meeting no other business shall be transacted and no corporate action shall be taken other than that stated in the Notice of the meeting.

2.4 Notice of Meetings.

Written or printed notice stating the place, day and hour of every meeting of the shareholders and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than five nor more than sixty days before the date of the meeting to each shareholder of record entitled to vote at such meeting, at his/her address which appears in the share transfer books of the Corporation. If mailed, notice shall be deemed to be delivered when deposited in the United States mail. Such further notice shall be given as may be required by law, but meetings may be held without notice if all the shareholders entitled to vote at the meeting are present in person or by proxy or if notice is waived in writing by those not present, either before or after the meeting.

2.5 Quorum.

Any number of shareholders together holding at least a simple majority of the outstanding shares of capital stock entitled to vote with respect to the business to be transacted, who shall be present in person or represented by proxy at any meeting duly called, shall constitute a quorum for the transaction of business. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned by a majority of

the shareholders present or represented by proxy without notice other than by announcement at the meeting.

2.6 Voting.

At any meeting of the shareholders, each shareholder of a class entitled to vote on any matter coming before the meeting shall, have one vote, in person or by proxy, for each share of capital stock of such class standing in his/her name on the books of the Corporation on the date, at least thirty days prior to such meeting, fixed by the Board of Directors as the record date for the purpose of determining shareholders entitled to vote. Every proxy shall be in writing, dated and signed by the shareholder entitled to vote or his/her duly authorized attorney-in-fact.

2.7 Order of Business.

The order of business at all meetings of shareholders shall be as follows, unless otherwise adopted by the Board:

1. Roll call
2. Proof of notice of meeting or waiver of notice
3. Reading of minutes and acceptance of preceding meeting
4. Reports of officers
5. Reports of committees
6. Election of directors, if required
7. Unfinished business
8. New business

2.8 Informal Action by Shareholders.

Unless otherwise provided by law, any action required to be taken at a meeting of shareholders, or other action which may be taken at a meeting of the shareholders, may be taken without a meeting if the shareholders give unanimous written consent setting forth the action to be taken and signed by all shareholders entitled to vote on the action.

ARTICLE III. Directors.

3.1 General Powers.

The property, business and affairs of the Corporation shall be managed and controlled under the direction of the Board of Directors, and, except as otherwise expressly provided by law, the Articles of Incorporation or these Bylaws, all of the powers of the Corporation shall be vested in such Board. Such management and general control will be by majority vote of the Board of Directors, with each Director having equal vote.

3.2 Number of Directors.

The number of Directors constituting the Board of Directors shall be two.

3.3 Election and Removal of Directors.

(A) Directors shall be elected at each annual meeting of shareholders to succeed those Directors whose terms have expired and to fill any existing vacancies.

(B) Directors shall hold their offices a term of one year and until their successors are elected. Any Director may be removed from office at a meeting called expressly for that purpose by the vote of shareholders holding not less than a majority of the shares entitled to vote at an election of Directors.

(C) Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the remaining Directors, though less than a quorum of the Board, and the term of office of any Director so elected shall expire at the next shareholders' meeting at which Directors are elected.

3.4 Quorum.

A majority of the number of Directors proscribed in these Bylaws shall constitute a quorum for the transaction of business. The act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a majority is present at a meeting, the majority of those present may adjourn the meeting without further notice.

3.5 Regular Meetings of Directors.

An annual meeting of the Board of Directors shall be held without notice other than this bylaw immediately after, and at the same place as, the annual meeting of shareholders.

3.6 Special Meetings of Directors.

Special meetings of Directors may be called at the request of the President, other duly authorized officer or any two Directors. The person or persons authorized to call special meetings of Directors may designate the place and time for holding any special meeting of Directors.

3.7 Notice.

Notice of any special meeting shall be given at least 10 days previously thereto by written notice delivered personally or mailed to each director at his/her business address. If mailed, notice is deemed to be delivered when deposited in the United States mail. The attendance of a Director at a meeting shall be deemed to be a waiver of notice of such meeting unless the Director attends the meeting for the express purpose of objecting to the transaction of business at the meeting because the meeting is not properly called or convened. Meetings may be held at any time without notice if all of the Directors are present, or if those not present waive notice in writing either before or after the meeting.

3.8 Compensation.

By resolution of the Board, Directors may be allowed a fee and expenses for attendance at all meetings, but nothing herein shall preclude Directors from serving the Corporation in other capacities and receiving compensation for such other services.

3.9 Manner of Acting.

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

3.10 Executive and Other Committees.

The Board of Directors may designate committees made up of Directors from time to time as the Directors see fit. The purpose for which the committees are formed are to be designated by the Board. The committees may be dissolved by affirmative vote of the Board of Directors.

3.11 Informal Action by Directors.

Unless otherwise provided by law, any action required to be taken at a meeting of Directors, or other action which may be taken at a meeting of the Directors, may be taken without a meeting if the directors give unanimous written consent setting forth the action to be taken and signed by all Directors entitled to vote on the action.

3.12 Indemnification.

The Corporation shall indemnify each of its directors, officers and employees whether or not then in services as such, against all reasonable expenses actually and necessarily incurred by him or her in connection with the defense of any litigation to which the individual may have been made a party because he or she is or was a director, officer or employee of the Corporation. The individual shall have no right to reimbursement, however, in relation to matters as to which he or she has been adjudged liable to the Corporation for negligence or misconduct in the performance of his/her or her duties, or was derelict in the performance of his/her or her duty as director, officer or employee.

The right to indemnity for expenses shall also apply to expenses of suits which are settled if the court having jurisdiction of the matter shall approve of the settlement.

ARTICLE IV. Officers.

4.1 Election of Officers; Terms.

The officers of the Corporation shall consist of a President, a Secretary and a Treasurer. Other officers, including a Chairman of the Board, Chief Executive Officer, Chief Operating Officer, one or more Vice-Presidents, and assistant and subordinate officers, may from time to time be elected by the Board of Directors. All officers shall hold office until the next annual meeting of the Board of Directors and until their successors are elected. Any multiple officers may be combined in the same person as the Board of Directors may determine.

4.2 Removal of Officers; Vacancies.

Any officer of the Corporation may be removed summarily with or without cause, at any time, by the Board of Directors. Vacancies may be filled by the Board of Directors.

4.3 Duties.

The officers of the Corporation shall have such duties as generally pertain to their respective offices as well as such powers and duties as are prescribed by law or are hereinafter provided or as shall be conferred by the Board of Directors.

4.4 Duties of the President.

Unless otherwise defined by the Board, the President shall be the Chief Executive Officer of the Corporation and shall be primarily responsible for the implementation of policies of the Board of Directors and shall have authority over the general management and direction of the business and operations of the Corporation and its divisions, if any, subject only to the ultimate authority of the Board of Directors. In the absence of the Chairman and the Vice-Chairman of the Board, or if there are no such officers, the President shall preside at all corporate meetings. The President may sign and execute, in the name of the Corporation, share certificates, deeds, mortgages, bonds, contracts or other instruments except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. In addition, the President shall perform all duties incident to the Office of the President and such other duties as may be assigned by the Board of Directors.

Exhibit C

Subscription Agreement

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this “**Agreement**”) is made and entered into by and between Scholastic Expeditions Inc., a California Benefit Corporation (the “**Company**”), and the undersigned investor (“**Investor**”) as of the date set forth on the Company’s signature page hereto.

1. Subscription. Investor hereby subscribes for and agrees to purchase the number of shares of the Company’s Series A Preferred Stock (“**Shares**”) set forth on the signature page hereto, at a purchase price of \$2.00 per Share (the “**Purchase Price**”), subject to the terms and conditions of this Agreement. The minimum subscription amount is 2,500 Shares (for a minimum aggregate Purchase Price of \$5,000) (the “**Minimum Subscription**”).

2. Payment. Together with Investor’s execution and delivery to the Company of this Agreement, Investor shall pay the aggregate Purchase Price by check or other form of payment accepted by the Company. Payment by check shall be made payable to Scholastic Expeditions Inc. and mailed to the Company’s address set forth on the signature page hereto.

3. Dividends. Investor elects to receive dividends in the form of (choose one):

travel

cash

Investor elects to donate the dividends to the Company’s scholarship fund.

This election will remain in effect until Investor notifies Company of a change in election.

(a) If Investor elects to earn dividends in cash:

Dividends will be paid when, as, and if declared by the Company’s Board of Directors, out of any funds and assets of the Company legally available therefor. Dividends will be cumulative and will accrue at the annual rate of five percent (5%) (“**Dividend Rate**”), prior and in preference to the payment of any dividend on the Company’s common stock. Such dividends will accrue on each Share from the date on which such Share is issued by the Corporation, and will accrue annually until paid. No accumulation of dividends on the Shares will bear any interest. To the extent that dividends are not paid in cash, they will continue to accrue, but no payments upon accrued and undeclared dividends will be due to holders of Shares, subject to liquidation and redemption rights addressed below. The Board may determine whether and when to declare dividends in its sole discretion, subject to any requirements of the California Corporations Code. The Company expects to begin declaring dividends in 2020.

(b) If Investor elects to earn dividends in the form of travel:

Trips will be awarded to the holder of Shares according to the chart below:

<u>Total Purchase Price of all Shares Held:</u>	<u>Corresponding Travel</u>
\$5,000-\$7,499	1 trip every 6 years
\$7,500-\$9,999	1 trip every 4 years
\$10,000-\$14,999	1 trip every 3 years
\$15,000-\$19,999	1 trip every 2 years
\$20,000+	2 trips every 2 years

Travel dividends will be awarded and can be redeemed for travel only at the end of each period listed in the chart above. Travel dividends do not include airfare. Travel dividends can be used for travel by Investor or anyone designated by Investor (e.g. child, grandchild), subject to the Company's requirements for each trip, such as minimum number of participants, age range, physical fitness requirements, etc. Investor may donate the travel dividend to the Company's scholarship fund, which is used to benefit economically disadvantaged students.

(c) Changing from cash to travel: Investor may switch from cash dividends to travel dividends at any time by giving written notice of the new choice to the Company. Cash dividends that have accrued up to the date the Company receives notice of such change will remain on the Company's books, and will be paid when dividends are declared. As of the date the Company receives notice of such change, cash dividends will no longer accrue, and the time period for earning travel according to the chart above will begin.

(d) Changing from travel to cash: The Company will not convert partially-earned travel dividends to cash, except in the event that the Company redeems the shares, as explained below. A travel dividend is earned only at the end of the relevant time period; therefore a holder must hold the Shares for the entire time period in order to earn travel dividends that can be redeemed for one or more trips. Investor may switch from travel to cash dividends at any time by giving written notice of the change to the Company, and cash dividends will begin to accrue as of the date the Company receives such notice. A holder of Shares who switches from travel to cash will forfeit any partially-earned or earned but un-used trips; the Company intends for the holders of Shares who choose travel to hold the Shares until a trip is earned before changing their election to cash dividends.

4. Acceptance/Rejection of Subscriptions. Notwithstanding Investor's execution and delivery to the Company of this Agreement or any payment made by Investor to the Company in connection herewith, the Company may choose for any reason not to sell any Shares to Investor or to sell to Investor a number of Shares that is less than the number of Shares proposed to be purchased by Investor (but not less than the Minimum Subscription). If the Company agrees to sell Shares to Investor (whether the full number of Shares proposed to be purchased by Investor or a lesser number), then this Agreement shall constitute an irrevocable commitment by Investor to purchase the applicable number of Shares; the Company shall countersign and return to

Investor a copy of this Agreement and, subject to receiving payment of the Purchase Price, the Company shall deliver to Investor a transaction statement giving notice of issuance of uncertificated Shares. If the Company chooses not to sell any Shares to Investor, the Company shall return to Investor any payment made by Investor to the Company in connection herewith, and thereupon this Agreement shall be of no further force or effect. If the Company chooses to sell to Investor a number of Shares that is less than the number of Shares proposed to be purchased by Investor, the Company shall promptly return to Investor any portion of any payment made by Investor to the Company in connection herewith that exceeds the aggregate Purchase Price for the number of Shares being sold to Investor hereunder.

5. Representations, Warranties, and Covenants of the Investor. Investor represents and warrants to the Company, and covenants, as follows:

(a) Offering Memorandum. Investor has received a copy of and has carefully read the disclosure document relating to the offering of the Shares, including the Company's articles of incorporation and bylaws and all other exhibits thereto (the "**Offering Memorandum**"), and Investor fully understands (i) the rights, preferences, privileges and restrictions of the Shares, as described in the Offering Memorandum, including the Company's articles of incorporation and bylaws, and this Agreement, and (ii) the risks associated with investing in the Shares. Without limiting the foregoing, Investor understands that the offer and sale of the Shares is made pursuant to, and subject to the terms and conditions of (including transfer restrictions imposed under), a permit granted by the California Department of Business Oversight.

(b) Suitability Requirements; California Residency. Investor satisfies the suitability requirements set forth in Section 12 of the Offering Memorandum; and (i) if Investor is an individual, his or her principal residence is in the state of California, and (ii) if Investor is an entity, its principal office is within the state of California.

(c) Able to Assess Risks. Investor has the requisite knowledge to assess the relative merits and risks of the investment contemplated hereby or has relied upon the advice of Investor's professional advisor(s) with regard to the investment contemplated hereby. Investor acknowledges that the Company has made available to Investor the opportunity to ask questions of and receive answers from the Company's officers and directors concerning the terms and conditions of this Agreement, the business and financial condition of the Company and the rights, preferences, privileges, and restrictions of the Shares, and Investor has received to its satisfaction such information regarding such matters as Investor has requested.

(d) Investor Advised to Seek Representation. Investor understands that nothing in this Agreement or any other materials made available to Investor by or on behalf of the Company in connection with the offer and sale of the Shares constitutes legal, tax, or investment advice. The Company has advised Investor to consult with such legal, tax, and investment advisors as Investor, in its sole discretion, deems necessary or appropriate in connection with an investment in the Shares.

(e) No Finder's Fee. Investor is not and will not be (and, if applicable, none of Investor's officers, directors, employees, or agents is or will be) obligated for any finder's or broker's fee or commission in connection with the transactions contemplated hereby.

(f) Complete Information. All information provided by Investor to the Company in connection with the purchase of Shares is true, correct, and complete as of the date hereof, and if there should be any change in such information, Investor will promptly provide the Company with appropriate updated information.

(g) Authority; Binding Agreement. Investor has full right, power, authority, and capacity to enter into this Agreement and to consummate the transactions contemplated hereby and has taken any necessary actions to authorize its execution, delivery, and performance of this Agreement. This Agreement, when countersigned by the Company, constitutes a valid and binding obligation of Investor, enforceable against Investor in accordance with its terms, except as enforceability may be limited by applicable law.

(h) Indemnity. Investor shall indemnify and hold harmless the Company and its officers, directors, employees, and agents from and against any and all losses, damages, liabilities, costs, or expenses, including reasonable attorney's fees, incurred or suffered by them as a result of any breach of Investor's representations, warranties and covenants hereunder.

6. Redemption by Holder. As of five years after issuance and subject to the limitation below, Investor has the right to request that the Company redeem (buy back) its Shares by submitting a written request for redemption to the Company at least 30 days before the date of redemption. If such request is granted, and if Shares are redeemed from five (5) years to seven (7) years after issuance, the Company will pay the holder 100% of the "**Redemption Price**," where the Redemption Price is the amount originally paid for the Shares, adjusted for any stock splits, recapitalizations, or the like, plus all accrued but unpaid cash dividends. If such request is granted, and if Shares are redeemed more than seven (7) years after issuance, the Company will pay the holder 120% of the Redemption Price for the Shares. If the Company's Board of Directors determines that a requested redemption may impair the Company's ability to operate effectively, or if there are no funds legally available to pay for the redemption, the Board of Directors may limit, postpone, or refuse the redemption.

7. Redemption by the Company. The Company reserves the right to redeem (buy back) any or all Shares at any time, in the sole discretion of the Board of Directors. If the Company elects to redeem Shares, holders of the redeemed Shares are entitled to receive an amount equal to 120% of the Redemption Price. For holders of Shares earning travel dividends that are redeemed by the Company, the Redemption Price will include the amounts of all dividends that would have accrued if cash dividends had been elected for any partially completed travel earning period. The holder must use or forfeit any trips that have been fully earned. The Company will send written notice of its intention to redeem Shares to the holders of the Shares to be redeemed at least thirty (30) days before the effective date of the redemption.

In the event of a sale of the Company, whether a stock sale or a sale of all or substantially all of the Company's assets, within six months after a redemption by the Company, the Company will pay the profits to its shareholders, as follows:

(a) First, to all holders of the Shares, an amount equal to the Redemption Price minus any amounts already paid to holders whose Shares were redeemed by the Company in the preceding 6 months. If profits from the sale are not sufficient to pay the Redemption Price to all

holders, then the Company will distribute profits pro rata in proportion to each holder's Redemption Price;

(b) Second, to all shareholders, including former holders of the Shares whose Shares were redeemed by the Company in the preceding 6 months, pro rata according to number of shares owned.

8. Liquidation Rights. If the Company is liquidated or dissolved other than by a sale of its stock or assets, the funds and assets legally available to be distributed to the Company's shareholders ("Liquidation Funds") shall be distributed as follows:

(a) First, to each holder of the Shares, an amount equal to the Redemption Price; provided that if there are not sufficient Liquidation Funds to pay the amount due to all holders of Shares under this provision, the funds will be distributed on a pro rata basis in proportion to each holder's Redemption Price. For holders of Shares earning travel dividends that are redeemed under this provision, the Redemption Price will include the amounts of all dividends that would have accrued if cash dividends had been elected for any partially completed travel earning period. The holder must use or forfeit any trips that have been fully earned.

(b) Second, if Liquidation Funds remain after the liquidating distribution to the holders of Shares described in paragraph (a), to the common shareholders pro rata according to number of shares owned.

9. Voting Rights. Holders of the Shares shall have no voting rights, except as required by law.

10. Conversion Rights. The Shares are nonconvertible.

11. Limitations on Transfer; Right of First Refusal.

(a) Limitations on Transfers.

(i) Investor shall not, directly or indirectly, offer, sell, pledge, transfer, or otherwise dispose of (or solicit any offers to buy, take a pledge of or otherwise receive or acquire) any Shares except in compliance with this Agreement, the Company's articles of incorporation and bylaws and any applicable state or federal securities laws, including rules and regulations thereunder.

(ii) Investor acknowledges and agrees that, during the period in which the Company is offering and selling securities that are part of the same issue as the Shares and for a period of nine (9) months thereafter, all resales of the Shares, by Investor or any other person, shall be made only to persons resident within the state of California.

(iii) Investor acknowledges that any certificate representing the Shares or any notice of issuance for the Shares, including any certificate issued or notice delivered upon any transfer of the Shares, will bear the following legends:

(A) “THE SECURITIES REFERENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS. WITHOUT LIMITING THE FOREGOING, DURING THE PERIOD IN WHICH SECURITIES THAT ARE PART OF THE SAME ISSUE AS THE SECURITIES REFERENCED HEREIN ARE BEING OFFERED AND SOLD BY THE ISSUER OF THE SECURITIES REFERENCED HEREIN, AND FOR A PERIOD OF NINE MONTHS FROM THE DATE OF THE LAST SALE OF SUCH SECURITIES BY SUCH ISSUER, ALL REALES OF THE SECURITIES REFERENCED HEREIN, BY ANY PERSON, SHALL BE MADE ONLY TO PERSONS RESIDENT WITHIN THE STATE OF CALIFORNIA.”

(B) “THE SECURITIES REFERENCED HEREIN ARE SUBJECT TO RESTRICTIONS ON TRANSFER, RESTRICTIONS ON VOTING RIGHTS, THE COMPANY’S RIGHT TO REDEMPTION, AND THE COMPANY’S RIGHT OF FIRST REFUSAL, AS SET FORTH IN THE OFFERING MEMORANDUM, THIS SUBSCRIPTION AGREEMENT, AND THE COMPANY’S ARTICLES OF INCORPORATION. A COPY OF ANY OF THESE DOCUMENTS MAY BE OBTAINED FROM THE COMPANY WITHOUT CHARGE.”

(C) “IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THE SECURITIES REFERENCED HEREIN, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF THE DEPARTMENT OF BUSINESS OVERSIGHT OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER’S RULES.”

(b) Right of First Refusal.

(i) Notice of Proposed Transfer. If Investor or any subsequent holder proposes to sell or otherwise transfer (including by gift or operation of law) any Shares, the holder shall, prior to consummating any such sale or transfer, deliver to the Company a written notice (the “Transfer Notice”) stating (i) the name of each proposed purchaser or other transferee (“Proposed Transferee”), (ii) the number of Shares proposed to be sold or transferred to each Proposed Transferee, (iii) the terms and conditions, including purchase price, of each proposed sale or transfer, and (iv) Investor’s offer to the Company or its assignee(s) to purchase the Shares upon the same terms and conditions, including purchase price, as those described in the Transfer Notice (or upon terms and conditions as similar as reasonably possible to those described in the Transfer Notice) (the “Applicable Terms”). The holder shall not consummate any sale or transfer of any Shares except in accordance with clauses (iv) or (v) below.

(ii) Exercise of Right of First Refusal. At any time within 30 days after the Company receives the Transfer Notice, the Company or its assignee(s) shall have the right, exercisable by written notice to the holder during such period, to purchase any or all of the Shares described in the Transfer Notice upon the Applicable Terms; provided, however, that (x) if the purchase price described in the Transfer Notice consists of no legal consideration (as,

for example, in the case of a transfer by gift), the applicable purchase price for the Company or its assignee(s) shall be the fair market value of the Shares as determined in good faith by the Company, and (y) if the purchase price described in the Transfer Notice includes non-cash consideration, the applicable purchase price for the Company or its assignee(s) shall reflect the cash value of such non-cash consideration as determined in good faith by the Company.

(iii) Payment. If the Company or its assignee(s) exercise the right of first refusal under clause (ii) above, the Company or its assignee(s) shall pay the applicable purchase price, at the election of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the holder to the Company or its assignee(s), or by any combination thereof, within 60 days after receipt of the Transfer Notice or in such other manner or at such other time as may be mutually agreed by the Company and the holder.

(iv) Holder's Right to Transfer. If the Company or its assignee(s) do not exercise the right to purchase all of the Shares described in the Transfer Notice within the applicable time period, then the holder may sell or otherwise transfer the unpurchased Shares to the Proposed Transferee described in the Transfer Notice upon the terms and conditions, including purchase price, described in the Transfer Notice (or upon terms and conditions, including purchase price, less favorable to the Proposed Transferee), so long as (x) such sale or transfer is consummated within 120 days after the date of the Transfer Notice, (y) such sale or transfer is effected in accordance with applicable laws and (z) without limiting Section 11b, any such Proposed Transferee agrees in writing that the provisions of this Agreement (including the transfer restrictions and covenants of Investor hereunder) shall continue to apply to the Shares in the hands of such Proposed Transferee and otherwise be binding upon such Proposed Transferee to the same extent as such provisions would (but for any such transfer) be binding on Investor. If such Shares are not so transferred to such Proposed Transferee(s) within such period, then the provisions of this Section 11(b) shall once again apply to any proposed sale or other transfer of Shares.

(v) Exception for Certain Family Transfers. Notwithstanding anything to the contrary in this Section 11(b), the transfer of any or all of the Shares during Investor's lifetime or on Investor's death by will or intestacy to Investor's Close Family or a trust or similar estate-planning vehicle for the benefit of Investor or Investor's Close Family shall be exempt from the provisions of this Section 11(b), so long as, in each case, the transferee agrees in writing to receive and hold the Shares so transferred subject to the provisions of this Section. "Close Family" means any spouse, domestic partner, child, parent, sibling, grandparent or grandchild, cousin, aunt, uncle, niece, nephew, or stepchild.

(vi) Assignment of Rights. The Company's rights to purchase Shares under this Section 11(b) may be assigned by the Company, in whole or in part, to any other person or entity, without any requirement that the Company obtain Investor's consent to such assignment.

(vii) No Transfer to Competitors. Without limiting Section 11(b), without the prior written consent of the Company, Investor shall not sell or otherwise transfer (including by gift or operation of law) any Shares to (i) any third party that sells or provides, or intends to sell or provide, any products or services that directly or indirectly compete with any products or services sold or provided by the Company ("Competitor"), (ii) any director or officer of any

Competitor, or (iii) any person who owns, or is part of a group acting in unison that owns, more than 5% of the outstanding voting securities of any Competitor.

(c) Transfer Restrictions and Covenants Binding on Transferees. The transfer restrictions and covenants of Investor under this Agreement shall continue to apply to the Shares in the hands of any transferee of the Shares and otherwise be binding upon any transferee of the Shares to the same extent as such transfer restrictions and covenants would (but for any such transfer) be binding on Investor.

(d) Stop-Transfer Instructions; Refusal to Transfer. Investor acknowledges that, to ensure compliance with the restrictions set forth herein, the Company may issue appropriate “stop transfer” instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records. In addition, the Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom any Shares have been sold or otherwise transferred in violation of any of the provisions of this Agreement.

12. Covenants of the Company: Annual Report. For so long as Investor holds Shares, the Company shall deliver to Investor a written annual report describing the Company’s financial performance in its most recently completed fiscal year; provided, however, that Investor shall not disclose any confidential or proprietary information in any such report to any third party, or use any such information for any purpose other than monitoring Investor’s investment in the Company, in each case without the prior written consent of the Company. Each such annual report shall be delivered to Investor at the same time as such annual report is generally delivered to holders of the Shares.

13. General Provisions.

(a) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the state of California, without giving effect to principles of conflicts of law.

(b) Entire Agreement. This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings, and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) Amendments and Waivers. No modification of or amendment to this Agreement shall be effective unless in writing signed by the parties, and no waiver of any rights under this Agreement shall be effective unless in writing signed by the waiving party.

(d) Successors and Assigns. Investor may not assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the Company, and any attempted assignment in violation of this provision shall be null and void. Subject to the foregoing and the transfer restrictions described herein, the provisions of this Agreement shall

inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties.

(e) Notices. Any notice, demand or request required or permitted to be given under this Agreement shall be in writing and shall be deemed given when delivered personally or by overnight courier or sent by email, or 48 hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address as set forth on the signature page hereto (as may be subsequently updated by written notice to the other party), or if no address is specified on the signature page, at the most recent address set forth in the Company's books and records.

(f) Severability. If any provision of this Agreement is held to be unenforceable under applicable law in any context, such provision shall be deemed limited or modified to the minimum extent necessary to render it enforceable under applicable law in such context, and the remainder of this Agreement shall remain in full force and effect.

(g) Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. An executed signature page of this Agreement delivered by facsimile transmission or by electronic mail in "portable document format" (".pdf") shall be as effective as an original executed signature page.

(h) Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to this Agreement or any notices required by applicable law or the Company's articles of incorporation or bylaws by email or any other electronic means. Investor hereby consents to receive such documents and notices by such electronic delivery.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth on the Company's signature page hereto.

Number of Shares*: _____

Total Purchase Price (at \$2.00 per Share)*: _____

Title to the Shares shall be registered as follows: _____

CERTIFICATION:

Under penalties of perjury, Investor hereby certifies that: (a) the taxpayer ID number or social security number shown below is the correct taxpayer identification number issued to Investor; (b) Investor is not subject to backup withholding because: (i) Investor is exempt from backup withholding, or (ii) Investor has not been notified by the Internal Revenue Service (IRS) that Investor is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Investor that it is no longer subject to backup withholding; and (c) Investor is a U.S. citizen or other U.S. person.

INVESTOR:

(Only one name, signature and social security number is required for a married couple)

Name: _____

Address: _____

Signature: _____

Title: _____

If signing for an entity

Telephone: _____

Social Security Number or Taxpayer ID Number: _____

Email: _____

Date of Birth: _____

SCHOLASTIC EXPEDITIONS INC.

By: _____
(Signature)

Address: 5610 Scotts Valley Blvd, #313
Scotts Valley, CA 95066

Name: Susan Schai
Title: Founder/CEO

Date: _____

* Note: the minimum subscription is 2500 Shares (minimum total purchase price of \$5,000)

Exhibit D
California Code of Regulations Section 260.141.11

It is unlawful for the holder of [this] security to consummate a sale or transfer of such security, or any interest therein, without the prior written consent of the Commissioner (until this condition is removed pursuant to Section 260.141.12 of these rules), except:

- (1) to the issuer;
- (2) pursuant to the order or process of any court;
- (3) to any person described in Subdivision (i) of Section 25102 of the Code or Section 260.105.14 of these rules;
- (4) to the transferor's ancestors, descendants or spouse, or any custodian or trustee for the account of the transferor or the transferor's ancestors, descendants, or spouse; or to a transferee by a trustee or custodian for the account of the transferee or the transferee's ancestors, descendants or spouse;
- (5) to holders of securities of the same class of the same issuer;
- (6) by way of gift or donation inter vivos or on death;
- (7) by or through a broker-dealer licensed under the Code (either acting as such or as a finder) to a resident of a foreign state, territory or country who is neither domiciled in this state to the knowledge of the broker-dealer, nor actually present in this state if the sale of such securities is not in violation of any securities law of the foreign state, territory or country concerned;
- (8) to a broker-dealer licensed under the Code in a principal transaction, or as an underwriter or member of an underwriting syndicate or selling group;
- (9) if the interest sold or transferred is a pledge or other lien given by the purchaser to the seller upon a sale of the security for which the Commissioner's written consent is obtained or under this rule not required;
- (10) by way of a sale qualified under Sections 25111, 25112, 25113, or 25121 of the Code, of the securities to be transferred, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;
- (11) by a corporation to a wholly owned subsidiary of such corporation, or by a wholly owned subsidiary of a corporation to such corporation;

(12) by way of an exchange qualified under Section 25111, 25112 or 25113 of the Code, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;

(13) between residents of foreign states, territories or countries who are neither domiciled nor actually present in this state;

(14) to the State Controller pursuant to the Unclaimed Property Law or to the administrator of the unclaimed property law of another state; or

(15) by the State Controller pursuant to the Unclaimed Property Law or by the administrator of the unclaimed property law of another state if, in either such case, such person (i) discloses to potential purchasers at the sale that transfer of the securities is restricted under this rule, (ii) delivers to each purchaser a copy of this rule, and (iii) advises the Commissioner of the name of each purchaser;

(16) by a trustee to a successor trustee when such transfer does not involve a change in the beneficial ownership of the securities;

(17) by way of an offer and sale of outstanding securities in an issuer transaction that is subject to the qualification requirement of Section 25110 of the Code but exempt from that qualification requirement by subdivision (f) of Section 25102; provided that any such transfer is on the condition that any certificate evidencing the security issued to such transferee shall contain the legend required by this section.

Exhibit E
Financial Statements of the Company

I, Susan Schai, President of the Company, hereby certify that, to my knowledge, the financial statements set forth in this Exhibit E have been prepared in accordance with United States generally accepted accounting principles.

Signed: Susan E Schai

Date: 12/6/2018

Scholastic Expeditions, Ir
Balance Sheet Stand
As of September 30, 2018

8:27 AM

11/16/18

Cash Basis
Sep 30, '18

ASSETS

Current Assets

Checking/Savings

Escrow Account 3,434.70

Operating Account 11,237.52

Total Checking/Savings 14,672.22

Accounts Receivable

Accounts Receivable -5,903.63

Total Accounts Receivable -5,903.63

Total Current Assets 8,768.59

Fixed Assets

Furniture and Equipment 2,261.78

Total Fixed Assets 2,261.78

TOTAL ASSETS 11,030.37

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

American Express 1,736.61

Total Credit Cards 1,736.61

Other Current Liabilities

Bank Loan 21,578.19

Customer Payments 4,777.15

Investor Loans 20,698.11

Payroll Liabilities 148.05

Total Other Current Liabilities 47,201.50

Total Current Liabilities 48,938.11

Long Term Liabilities

PCV Loan 59,152.57

Total Long Term Liabilities 59,152.57

Total Liabilities 108,090.68

Equity

Retained Earnings -34,576.79

Shareholder's Contributions 93,091.38

Shareholder Distributions -142,659.11

Shareholder Loans -1,371.85

Net Income -11,543.94

Total Equity -97,060.31

TOTAL LIABILITIES & EQUITY 11,030.37

Scholastic Expeditions, Inc
Profit and Loss Standard
January through September 2018

8:26 AM

11/16/18

Cash Basis

Jan - Sep '18

Ordinary Income/Expense	
Income	
Insurance Commissions	297.31
Discounts	-45.90
Sales	
Refunds	-7,268.00
Sales - Other	191,933.30
Total Sales	<u>184,665.30</u>
Total Income	<u>184,916.71</u>
Cost of Goods Sold	
Cost of Goods Sold	
Presenter	8,850.00
Accommodations	8,267.81
Activities	6,405.77
Administrative Costs	50.00
Airline Tickets	17,574.84
Guides	4,100.00
Hotels	66.41
Meals	2,887.85
Train Tickets	4,387.80
Transportation (Other)	4,329.16
Transportation and Guides	54,355.00
Travel Insurance	6,248.80
Cost of Goods Sold - Other	370.02
Total Cost of Goods Sold	<u>117,893.46</u>
Total COGS	<u>117,893.46</u>
Gross Profit	67,023.25
Expense	
Loan Fees	4,677.50
Advertising and Promotion	3,262.29
Automobile Expense	61.95
Bank Service Charges	628.96
Business Licenses and Permits	10.00
Computer and Internet Expenses	
Website Service and Development	2,565.32
Total Computer and Internet Expenses	<u>2,565.32</u>
Credit Card Fees	1,180.47
Dues and Subscriptions	175.00
Gifts	183.38
Insurance Expense	100.00
Meals and Entertainment	1,767.56
Office Supplies	1,634.21
Payroll Expenses	
Payroll Fees	315.00
Payroll Taxes	2,272.26
Employee Wages	21,663.54
Payroll Expenses - Other	246.00
Total Payroll Expenses	<u>24,496.80</u>
Postage and Delivery	533.05

Printing and Reproduction	1,001.33
Professional Fees	
Accounting	925.00
Professional Fees - Other	<u>7,494.00</u>
Total Professional Fees	8,419.00
Rent Expense	8,380.77
Tax Preparation	2,560.00
Telephone Expense	1,138.21
Travel Expense	<u>14,506.03</u>
Total Expense	<u>77,281.83</u>
Net Ordinary Income	-10,258.58
Other Income/Expense	
Other Income	
Interest Income	<u>368.64</u>
Total Other Income	368.64
Other Expense	
State Taxes	<u>1,654.00</u>
Total Other Expense	<u>1,654.00</u>
Net Other Income	<u>-1,285.36</u>
Net Income	<u><u>-11,543.94</u></u>

Scholastic Expeditions, Inc
Statement Of Cash Flows
January through September 2018

8:29 AM

11/16/18

	<u>Jan - Sep '18</u>
OPERATING ACTIVITIES	
Net Income	-110,219.24
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	99,249.00
American Express	-2,142.31
Bank Loan	-21.46
Customer Payments	-1,500.00
Investor Loans	18,130.02
Payroll Liabilities	148.05
Net cash provided by Operating Activities	<u>3,644.06</u>
FINANCING ACTIVITIES	
PCV Loan	-14,256.07
Shareholder Distributions	-3,051.56
Shareholder Loans	-1,371.85
Net cash provided by Financing Activities	<u>-18,679.48</u>
Net cash increase for period	-15,035.42
Cash at beginning of period	<u>29,707.64</u>
Cash at end of period	<u><u>14,672.22</u></u>

Scholastic Expeditions, Inc
Statement Of Cash Flows
January through December 2017

7:19 AM

11/19/18

Jan - Dec '17

OPERATING ACTIVITIES

Net Income 61,536.82

Adjustments to reconcile Net Income
to net cash provided by operations:

Accounts Receivable -37,681.88

American Express -3,790.82

Investor Loans -5,500.00

Net cash provided by Operating Activities 14,564.12

FINANCING ACTIVITIES

PCV Loan -17,576.44

Net cash provided by Financing Activities -17,576.44

Net cash increase for period -3,012.32

Cash at beginning of period 32,719.96

Cash at end of period 29,707.64

Scholastic Expeditions, Ir
Balance Sheet Stand
As of December 31, 2017

7:17 AM

11/19/18

Cash Basis

Dec 31, '17

ASSETS

Current Assets

Checking/Savings

Escrow Account 29,235.67

Operating Account 471.97

Total Checking/Savings 29,707.64

Accounts Receivable

Accounts Receivable -5,329.93

Total Accounts Receivable -5,329.93

Total Current Assets 24,377.71

Fixed Assets

Furniture and Equipment 2,261.78

Total Fixed Assets 2,261.78

TOTAL ASSETS 26,639.49

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

American Express 3,878.92

Total Credit Cards 3,878.92

Other Current Liabilities

Bank Loan 21,599.65

Customer Payments 6,277.15

Investor Loans 2,568.09

Total Other Current Liabilities 30,444.89

Total Current Liabilities 34,323.81

Long Term Liabilities

PCV Loan 73,408.64

Total Long Term Liabilities 73,408.64

Total Liabilities 107,732.45

Equity

Retained Earnings -56,568.97

Shareholder's Contributions 93,091.38

Shareholder Distributions -139,607.55

Net Income 21,992.18

Total Equity -81,092.96

TOTAL LIABILITIES & EQUITY 26,639.49

Scholastic Expeditions, Inc
 Profit and Loss Standard
 January through December 2017

7:15 AM

11/19/18

Cash Basis

Jan - Dec '17

Ordinary Income/Expense	
Income	
Insurance Commissions	272.25
Discounts	-179.10
Sales	
Refunds	-275.00
Sales - Other	435,267.15
Total Sales	<u>434,992.15</u>
Travel Sales	50.00
Total Income	<u>435,135.30</u>
Cost of Goods Sold	
Cost of Goods Sold	
Presenter	40,000.00
Tour Operator	32,844.00
Accommodations	5,463.79
Activities	2,780.32
Administrative Costs	100.00
Airline Tickets	34,997.45
Guides	66,942.78
Hotels	22,521.02
Meals	12,677.84
Train Tickets	2,489.10
Transportation (Other)	8,657.96
Travel Insurance	633.00
Cost of Goods Sold - Other	43,912.70
Total Cost of Goods Sold	<u>274,019.96</u>
Total COGS	<u>274,019.96</u>
Gross Profit	161,115.34
Expense	
Loan Fees	7,668.32
Advertising and Promotion	4,105.26
Automobile Expense	360.68
Bank Service Charges	721.83
Business Licenses and Permits	25.00
Computer and Internet Expenses	
Website Service and Development	9,703.16
Computer and Internet Expenses - Other	3,272.00
Total Computer and Internet Expenses	<u>12,975.16</u>
Credit Card Fees	1,056.35
Gifts	748.22
Government Fees	1,000.00
Insurance Expense	2,389.80
Meals and Entertainment	2,643.32
Office Supplies	2,240.59
Payroll Expenses	
Officer Wages	18,749.97
Payroll Fees	414.00
Payroll Taxes	6,453.66
Employee Wages	37,203.99

Payroll Expenses - Other	3,448.19
Total Payroll Expenses	<u>66,269.81</u>
Postage and Delivery	566.05
Printing and Reproduction	1,462.30
Professional Fees	
Legal Fees	250.00
Accounting	1,850.00
Contractors	190.00
Professional Fees - Other	<u>5,837.16</u>
Total Professional Fees	8,127.16
Rent Expense	12,000.00
Repairs and Maintenance	177.55
Telephone Expense	2,152.99
Travel Expense	<u>13,999.77</u>
Total Expense	<u>140,690.16</u>
Net Ordinary Income	20,425.18
Other Income/Expense	
Other Expense	
Ask My Accountant	<u>-1,567.00</u>
Total Other Expense	<u>-1,567.00</u>
Net Other Income	<u>1,567.00</u>
Net Income	<u><u>21,992.18</u></u>

Scholastic Expeditions, Inc
Statement Of Cash Flows
January through December 2016

7:20 AM

11/19/18

	<u>Jan - Dec '16</u>
OPERATING ACTIVITIES	
Net Income	93,163.97
Adjustments to reconcile Net Income to net cash provided by operations:	
Accounts Receivable	-31,468.65
Accounts Payable	-1,404.25
American Express	7,669.74
Customer Payments	-98,348.85
Investor Loans	-15,495.00
Net cash provided by Operating Activities	<u>-45,883.04</u>
INVESTING ACTIVITIES	
Furniture and Equipment	<u>-2,069.11</u>
Net cash provided by Investing Activities	<u>-2,069.11</u>
FINANCING ACTIVITIES	
PCV Loan	90,985.08
Shareholder's Contributions	-1,503.50
Shareholder Distributions	<u>-42,886.21</u>
Net cash provided by Financing Activities	<u>46,595.37</u>
Net cash increase for period	<u>-1,356.78</u>
Cash at beginning of period	<u>34,076.74</u>
Cash at end of period	<u><u>32,719.96</u></u>

Scholastic Expeditions, Ir 7:18 AM
 Balance Sheet Standar 11/19/18
 As of December 31, 2016 Cash Basis
 Dec 31, '16

ASSETS	
Current Assets	
Checking/Savings	
Escrow Account	9,885.05
Operating Account	18,450.91
Total Checking/Savings	<u>28,335.96</u>
Accounts Receivable	
Accounts Receivable	-3,467.17
Total Accounts Receivable	<u>-3,467.17</u>
Other Current Assets	
Undeposited Funds	4,384.00
Total Other Current Assets	<u>4,384.00</u>
Total Current Assets	<u>29,252.79</u>
Fixed Assets	
Furniture and Equipment	2,261.78
Total Fixed Assets	<u>2,261.78</u>
TOTAL ASSETS	<u>31,514.57</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
American Express	7,669.74
Total Credit Cards	<u>7,669.74</u>
Other Current Liabilities	
Bank Loan	21,599.65
Customer Payments	6,277.15
Investor Loans	8,068.09
Total Other Current Liabilities	<u>35,944.89</u>
Total Current Liabilities	<u>43,614.63</u>
Long Term Liabilities	
PCV Loan	90,985.08
Total Long Term Liabilities	<u>90,985.08</u>
Total Liabilities	<u>134,599.71</u>
Equity	
Retained Earnings	-66,785.78
Shareholder's Contributions	93,091.38
Shareholder Distributions	-139,607.55
Net Income	10,216.81
Total Equity	<u>-103,085.14</u>
TOTAL LIABILITIES & EQUITY	<u>31,514.57</u>

Scholastic Expeditions, Inc
Profit and Loss Standard
January through December 2016

7:16 AM

11/19/18

Cash Basis

Jan - Dec '16

Ordinary Income/Expense	
Income	
Sales	
Refunds	299.95
Sales - Other	272,028.44
Total Sales	<u>272,328.39</u>
Total Income	272,328.39
Cost of Goods Sold	
Cost of Goods Sold	
Presenter	3,284.00
Tour Operator	49,378.00
Accommodations	16,896.22
Activities	27,557.25
Administrative Costs	225.00
Airline Tickets	37,792.82
Guides	7,626.00
Meals	7,646.75
Other	12.00
Train Tickets	992.90
Transportation (Other)	5,344.04
Transportation and Guides	1,500.00
Travel Insurance	2,239.11
Cost of Goods Sold - Other	28,881.78
Total Cost of Goods Sold	<u>189,375.87</u>
Total COGS	189,375.87
Gross Profit	82,952.52
Expense	
Loan Fees	5,103.73
internet expense	560.38
Advertising and Promotion	4,663.86
Automobile Expense	759.69
Bank Service Charges	378.00
Business Licenses and Permits	50.00
Computer and Internet Expenses	
Website Service and Development	6,613.97
Computer and Internet Expenses - Othe	570.31
Total Computer and Internet Expenses	<u>7,184.28</u>
Continuing Education	775.00
Credit Card Fees	548.78
Gifts	225.46
Insurance Expense	2,189.80
Meals and Entertainment	3,229.57
Misc.	0.00
Office Supplies	941.63
Payroll Expenses	
bonus	500.00
Payroll Fees	51.00
Payroll Taxes	3,288.95
Employee Wages	<u>13,124.90</u>

Total Payroll Expenses	16,964.85
Postage and Delivery	306.87
Printing and Reproduction	802.06
Professional Fees	
Accounting	1,812.50
Professional Fees - Other	<u>20,446.45</u>
Total Professional Fees	22,258.95
Repairs and Maintenance	1,364.56
Tax Preparation	1,470.00
Telephone Expense	441.31
Travel Expense	<u>1,691.96</u>
Total Expense	<u>71,910.74</u>
Net Ordinary Income	11,041.78
Other Income/Expense	
Other Income	
Interest Income	<u>0.03</u>
Total Other Income	0.03
Other Expense	
State Taxes	<u>825.00</u>
Total Other Expense	<u>825.00</u>
Net Other Income	<u>-824.97</u>
Net Income	<u><u>10,216.81</u></u>

Exhibit F

Consumer Guide to Small Business Investments

State laws have been relaxed to make it easier for small businesses to raise start-up and growth financing from the public. Many investors view this as an opportunity to "get in on the ground floor" of emerging businesses and to "hit it big" as these small businesses grow into large ones.

Statistically, most small businesses fail within a few years. Small business investments are among the most risky that investors can make. This guide suggests items to consider for determining whether you should make a small business investment.

Risks and Investment Strategy

A basic principle of investing in a small business is: NEVER MAKE A SMALL BUSINESS INVESTMENT THAT YOU CANNOT AFFORD TO LOSE ENTIRELY. Never use funds that might be needed for other purposes, such as college education, retirement, loan repayment or medical expenses. Instead, use funds that would otherwise be used for a consumer purchase, such as a vacation or a down payment on a boat or RV.

Above all, never let a commissioned securities salesperson or an officer or director of a company convince you that the investment is not risky. Any such assurance is almost always inaccurate. Small business investments are generally highly illiquid even though the securities may technically be freely transferable. Thus, you will usually be unable to sell your securities if the company takes a turn for the worse.

Also, just because the state has registered the offering does not mean the particular investment will be successful. The state does not evaluate or endorse the investment. (If anyone suggests otherwise to you, it is unlawful.)

If you plan to invest a large amounts of money in a small business, you should consider investing smaller amounts in several small businesses. A few highly successful investments can offset the unsuccessful ones. Even when using this strategy, DO NOT INVEST FUNDS YOU CANNOT AFFORD TO LOSE ENTIRELY.

Analyzing the Investment

Although there is no magic formula for making successful investment decisions, certain factors are often considered particularly important by professional venture investors. Some questions to consider are as follows:

1. How long has the company been in business? If it is a start up or has only a brief operating history, are you being asked to pay more than the shares are worth?
2. Consider whether management is dealing unfairly with investors by taking salaries or other benefits that are too large in view of the company's stage of development or by retaining an inordinate amount of the equity of the company compared with the amount

investors will receive. For example, is the public putting up 80% of the money but only receiving 10% of the company shares?

3. How much experience does management have in the industry and in a small business? How successful were the managers in previous businesses?
4. Do you know enough about the industry to be able to evaluate the company and make a wise investment?
5. Does the company have a realistic marketing plan and do they have the resources to market the product or service successfully?

There are many other questions to be answered, but you should be able to answer these before you consider investing.

Making Money on Your Investment

The two classic methods for making money on an investment in a small business are resale in the public securities markets following a public offering and receiving cash or marketable securities in a merger or other acquisition of the company.

If the company is the type that is not likely to go public or be sold out within a reasonable time (i.e., a family owned or closely held corporation), it may not be a good investment for you irrespective of its prospects for success because of the lack of opportunity to cash in on the investment. Management of a successful private company may receive a good return indefinitely through salaries and bonuses but it is unlikely that there will be profits sufficient to pay dividends commensurate with the risk of the investment.

Other Suggestions

The Disclosure Document usually used in public venture offerings is the "Form U-7," which has a question and answer format. The questions are designed to bring out particular factors that may be crucial to the proper assessment of the offering. Read each question and answer carefully. If an answer does not adequately address the issues raised by the question, reflect on the importance of the issue in the context of the particular company.

Even the best venture offerings are highly risky. If you have a nagging sense of doubt, there is probably a good reason for it. Good investments are based on sound business criteria and not emotions. If you are not entirely comfortable, the best approach is usually not to invest. There will be many other opportunities. Do not let a securities salesperson pressure you into making a premature decision.

It is generally a good idea to see management of the company face-to-face to size them up. Focus on experience and track record rather than a smooth sales presentation. If at all possible, take a sophisticated business person with you to help in your analysis.

Beware of information that is different from that in the Disclosure Document or not contained in the Disclosure Document. If it is significant, it must be in the Disclosure Document or the offering will be illegal.

Conclusion

Greater numbers of public investors are "getting in on the ground floor" by investing in small businesses. When successful, these enterprises enhance the economy and provide jobs for its citizens. They can also provide new investment opportunities, but that must be balanced against the inherently risky nature of small business investments. In considering a small business investment, you should proceed with caution, and above all, never invest more than you can lose.

Adopted by NASAA, October 9, 1994

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