

BY-LAWS
OF
VETERANS HIGHER EDUCATION CORPORATION

Veterans Higher Education Corporation
By-Laws
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Veterans Higher Education Corporation

By-Laws

ARTICLE I - THE CORPORATION

1. Name. The name by which the corporation shall be known is Veterans Higher Education Corporation (the "Corporation"). These By-Laws, the powers of the Corporation and of its Directors and Officers, and all matters concerning the conduct and regulation of the affairs of the Corporation, shall be subject to such provisions in regard thereto, if any, as are set forth in the Corporation's Articles of Organization.

2. Purpose. The Corporation is a corporation organized under Chapter 180 of the Massachusetts General Laws for the purposes enumerated in its Articles of Organization, as they may be amended from time to time. The principal office of the Corporation in The Commonwealth of Massachusetts shall initially be located at the place set forth in the Articles of Organization of the Corporation. The Directors of the Corporation may change the location of the principal office in The Commonwealth of Massachusetts effective upon the filing of a certificate with the Secretary of State of the Commonwealth.

ARTICLE II - BOARD OF DIRECTORS

1. Powers. The Board of Directors shall have general management and control over all of the property, affairs and funds of the Corporation and shall exercise all of the powers of the Corporation, except as otherwise provided by law, the Articles of Organization or these By-Laws. The Directors may determine their own duties in addition to those prescribed by the By-Laws, as well as the duties of all officers, agents and employees of the Corporation. The Directors shall serve without compensation, but may determine the compensation of officers and employees of the Corporation.

2. Composition. The Board of Directors shall consist of no fewer than three (3) Directors, such number of the Directors to be fixed by vote of the Directors at each annual meeting of the Board of Directors. Unless otherwise determined by vote of the Directors, there shall be only one (1) class of Directors.

3. Tenure. Each Director shall hold office until the next annual meeting of the Board of Directors and thereafter until his successor is elected and qualified, or until he sooner dies, resigns, is removed or becomes disqualified.

4. Resignation and Removal. A Director may resign by delivering his resignation in writing to the Corporation at its principal office or to the President or the Clerk of the Corporation. Such resignation shall be effective upon its receipt or upon such date (if any) as is stated in such resignation, unless otherwise determined by the Board. A Director may be removed from office at any time [with or without cause]¹ by vote of a majority of the Board of Directors at a special meeting called for that purpose. A Director may be removed for cause only if notice of such action shall have been given to all the Directors, as the case may be, prior to the meeting at which such action is to be taken and if the Director so to be removed shall have been given reasonable notice and opportunity to be heard before the Board of Directors.

5. Vacancies. Any vacancy in the Board of Directors, including a vacancy resulting from the enlargement of the Board, may be filled by vote of a majority of the remaining Directors present at a meeting of Directors at which a quorum is present or by appointment of all of the Directors if less than a quorum shall remain in office. Each such Director elected to fill a vacancy for the unexpired term of the Director whom he replaced shall hold office until a successor is elected and qualified, or until his earlier death, resignation or removal. The Directors shall have and may exercise all of their powers notwithstanding the existence of one (1) or more vacancies in their number.

6. Enlargement or Decrease in Number of the Board. At any special meeting or regular meeting of the Directors, the Directors may (a) increase the number of members of the Board of Directors, or (b) decrease the number of members of the Board of Directors, but only to eliminate vacancies resulting from the death, resignation, removal or disqualification of one or more Directors.

7. Annual and Regular Meetings. The Board of Directors shall hold an annual meeting each year for the election of Officers and the conduct of other business. Other regular meetings of the Directors may be held at such places and at such times as the Directors may determine.

8. Special Meetings. Special meetings of the Board of Directors may be held at any time and at any place when called by the President, the Clerk, or by two (2) or more Directors.

¹ *NTD*: The Company should consider whether the board should be able to remove directors with or without cause (as currently drafted), or only for cause (e.g. conviction of a felony, gross misconduct that is injurious to the company, failure to perform duties required of him or her).

9. Notice of Meetings. A notice of the time and place of each meeting of the Board of Directors shall be given by the Clerk or by any other Officer of the Corporation to each Director at his business or home address as it appears in the records of the Corporation in person or by telephone, telegram, telecopy, e-mail or other electronic means at least seventy-two (72) hours before the meeting, or by written notice mailed by first class mail, postage prepaid, at least five (5) days before the meeting. Whenever notice of a meeting is required, such notice need not be given to any Director if a written waiver of notice, executed by him (or his attorney duly authorized) before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting the lack of notice before the meeting or before action is taken at the meeting. Neither such notice nor waiver of notice need specify the purposes of the meeting, unless otherwise required by law, the Articles of Organization or these By-Laws.

10. Actions of Board of Directors With and Without a Meeting. Except as otherwise required by law, the Articles of Organization or these By-Laws, any action of the Board of Directors, including the election of Officers, shall be taken by the affirmative vote of a majority of the Directors present at any meeting at which a quorum is present. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if all of the Directors consent to the action in writing and the written consents are filed with the records of the meetings of the Board of Directors. Such consents shall be treated for all purposes as a vote at a meeting. Directors or members of any committee designated by the Directors may participate in a meeting of the Directors or such committee by means of a conference telephone or similar communications equipment, provided that all persons participating in the meeting can hear each other at the same time; in such event, participation by such means shall constitute presence in person at a meeting.

11. Quorum. At any meeting of the Board of Directors, a majority of the Directors then in office shall constitute a quorum. Each Director shall have one (1) vote. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.

12. Executive Committee and Other Board Committees. The Board of Directors may, by vote of a majority of the Directors then in office, appoint an Executive Committee from their number, at any meeting of Directors. Unless otherwise determined by vote of the Board of Directors, the Executive Committee may act on behalf of the full Board of Directors on any matter between meetings of the Board of Directors; provided that (a) the Executive Committee shall not be authorized (i) to approve any substantial change in the operations or activities of the Corporation, (ii) to make any change in the principal office of the Corporation, (iii) to amend these By-Laws, (iv) to elect or remove officers or Directors, or (v) to appoint or eliminate any committee of the Board or any member of any such committee, (b) the Executive Committee shall not have any power or authority which the Board is prohibited from delegating by law, by the Articles of Organization or by these By-Laws, and (c) any action taken by the Executive Committee may be amended or repealed prospectively by subsequent vote of the Board of Directors.

Unless otherwise specified by vote of the Directors, members of the Executive Committee shall serve until the next annual meeting of the Board of Directors or special meeting in lieu thereof and thereafter until their successors are chosen.

The Directors may, from time to time, appoint one (1) or more other committees, having such authority and duties and consisting of such Directors or other persons, serving for such terms and in such capacities, as the Directors shall determine; provided that voting members of any committee to which powers of the Directors are delegated shall consist solely of Directors.

Except as the Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Directors or such rules, its business shall be conducted so far as possible in the same manner as is provided by these By-Laws for the conduct of business by the Directors. The Board of Directors may, by vote of a majority of the Directors then in office, (a) remove any member from the Executive Committee or any other committee appointed by the Directors, with or without cause, (b) fill vacancies in or change the composition of any such committee, or (c) terminate any such committee. The Executive Committee and every other committee to which the Board of Directors may delegate any of its powers or duties shall keep minutes or records of its meetings, signed by the Clerk or by an Assistant Clerk or temporary Clerk, reflecting attendance and all votes and other action taken at such meetings; and any action taken by any such committee on behalf of the Directors of the Corporation shall be reported to the Board of Directors no later than the date of formal notice given for the meeting of Directors next following the date of such action.

13. Advisory Committees. The Directors may appoint one (1) or more advisory committees consisting of such individuals as the Directors may from time to time designate to provide the Corporation and its Directors with informal advice concerning matters related to the future of the Corporation and its mission. Any such advisory committee shall not be a committee of the Board, and individuals serving on any advisory committee shall not, in that capacity, have the legal or fiduciary obligations of Directors or any authority to act on behalf of the Corporation. An advisory committee may, however, be asked to assist the Corporation in fundraising, obtaining corporate or other sponsorship for events and activities of the Corporation or in soliciting other assistance or support for the Corporation and its tax-exempt activities. The Board of Directors may at any time terminate any such advisory committee or remove or replace any member of any such advisory committee with or without cause. No advisory committee shall be required to keep minutes or other records of its meetings or activities.

ARTICLE III - OFFICERS

1. Enumeration. The Officers of the Corporation shall consist of a President, a Treasurer and a Clerk, or such other officers having other titles but having the powers of President, Treasurer and Clerk as the Board of Directors may determine. The Corporation may have such other Officers and assistant Officers as the Board of Directors may determine, including without limitation a Chairman of the Board and one or more VicePresidents, Assistant Treasurers and Assistant Clerks. Any two (2) or more offices may be held by the same person, except that the President and the Clerk shall not be the same person. An Officer may but need not be a Director of the Corporation. If required by the Directors, any Officer shall give the Corporation a bond for the faithful performance of his duties in such amount and with such surety or sureties as shall be satisfactory to the Directors.

2. Election. The President, Treasurer, and Clerk shall be elected by the affirmative vote of a majority of the Board of Directors present and voting at the annual meeting of the Board of Directors at which there is a quorum.

3. Tenure. Except as otherwise provided by law, the Articles of Organization or these By-Laws, the President, Treasurer, Clerk and all other Officers shall hold office until the next annual meeting of the Board of Directors and thereafter until their successors are elected and qualified.

4. Resignation and Removal. An Officer may resign by delivering his resignation in writing to the Corporation at its principal office or to the President or the Clerk of the Corporation. Such resignation shall be effective upon receipt or upon such date (if any) as is stated in such resignation, unless otherwise determined by the Board. The Board of Directors may remove any Officer with or without cause by a vote of a majority of the Directors, at a meeting of the Board of Directors called for that purpose. An Officer may be removed for cause only if notice of such action shall have been given to all of the Directors prior to the meeting at which such action is to be taken and if the Officer so to be removed shall have been given reasonable notice and opportunity to be heard before the Board of Directors.

5. Vacancies. A vacancy in any office may be filled by vote of a majority of the Directors at any meeting of Directors at which a quorum is present or by appointment of all of the Directors if less than a quorum of Directors shall remain in office. Each such successor shall hold office for the unexpired term of his predecessor and in the case of the President, Treasurer and Clerk, until his successor is chosen and qualified, or in each case until he sooner dies, resigns, is removed or becomes disqualified.

6. Chairman of the Board. If there is a Chairman of the Board, that Chairman shall, when present, preside at all meetings of the Directors.

7. President. Unless otherwise voted by the Board of Directors, the President shall be the chief executive officer of the Corporation and shall have, subject to oversight by the Directors, general supervision and control of the business of the Corporation. In the absence of a Chairman of the Board, the President shall, when present, preside at all meetings of the Directors and shall have such other powers and duties as may be vested in him by the Board of Directors.

8. Vice President. The Vice President, if any, or if there shall be more than one (1), the Vice Presidents in the order determined by the Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and shall have such other powers as the Directors may from time to time prescribe.

9. Treasurer. The Treasurer shall be the chief financial officer and the chief accounting officer of the Corporation. The Treasurer shall, subject to oversight by the Directors, maintain general supervision over the financial affairs of the Corporation, including its long-range financial planning, and shall cause to be kept accurate books of account. Unless otherwise determined by the Board, the Treasurer shall prepare a yearly report on the financial status of the Corporation to be delivered at the annual meeting of the Board of Directors. The Treasurer shall also prepare or oversee all filings required by the Commonwealth of Massachusetts, the Internal Revenue Service, or other federal and state agencies.

10. Executive Director. In addition to the officers of the Corporation, there may be an Executive Director who may be a paid employee of the Corporation and who, though not a corporate officer, shall have and exercise responsibility for the day-to-day conduct of all activities of the Corporation, subject to such policies or limitations as may from time to time be adopted by the Board of Directors or by any committee or officer to which the Board has delegated authority in that regard. The Executive Director shall assist the President but shall report to, and be subject to direction by, the Board of Directors. Unless otherwise determined by the Board, at each annual meeting of the Board of Directors, the Executive Director shall submit a report of the operations of the Corporation for the past year and a statement of its affairs, and shall from time to time report to the Board on all matters which the President or the Executive Director believes the interests of the Corporation require to be brought to the Board's attention.

11. Clerk. The Clerk shall be a resident of the Commonwealth of Massachusetts, unless the Corporation has designated a resident agent in the manner provided by law. The minutes and records of all meetings of the Board of Directors shall be prepared and maintained by the Clerk. The Clerk shall keep such minutes and records within the Commonwealth at the principal office of the Corporation or the office of the Clerk or its resident agent; such minutes and records shall be open at all reasonable times to the inspection of any Director. Such minutes and records shall also contain records of all meetings of the incorporators and the original or attested copies of the Articles of Organization and these By-Laws and the names of all Directors and the addresses of each such person. The Clerk shall have such other powers and shall perform such other duties as the Directors may from time to time prescribe. In the absence of the Clerk from any meeting, a temporary Clerk shall be appointed by the President and shall exercise the duties of the Clerk at the meeting.

12. Other Powers and Duties. Each Officer shall have, in addition to the powers and duties specifically set forth in these By-Laws, such powers and duties as are customarily incident to his office, and such powers and duties as the Directors may from time to time designate.

ARTICLE IV - INDEMNIFICATION

Except as otherwise provided below, the Corporation shall, to the extent legally permissible and only to the extent that the status of the Corporation as an organization exempt under Section 501(c)(3) of the Internal Revenue Code, as amended (the "Code") is not adversely affected thereby, indemnify each person who is, or shall have been, an incorporator, Director, or unpaid Officer of the Corporation, or who serves at the Corporation's request as a member, trustee, director or unpaid officer of another organization or in a capacity with respect to any employee benefit plan (each such person being herein called a "Person"), against all liabilities and expenses (including without limitation judgments, fines, penalties, and reasonable attorney's fees and all amounts paid, other than to the Corporation, in compromise or settlement) imposed upon or incurred by such Person in connection with, or arising out of, the defense or disposition of any action, suit or other proceeding, whether civil or criminal, in which such Person may be a defendant or with which such Person may be threatened or otherwise involved, directly or indirectly, by reason of being or having been such a Person.

The Corporation shall provide no indemnification with respect to any matter as to which such Person shall be finally adjudicated in such action, suit or proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation. Any Person who, at the request of the Corporation, serves another organization or employee benefit plan in one (1) or more of the above indicated capacities and who shall be finally adjudicated not to have acted in good faith in the reasonable belief that his or her action was in the best interest of such other organization or in the best interest of the participants or beneficiaries of such employee benefit plan shall be deemed not to have acted in good faith with respect to the Corporation. The Corporation shall provide no indemnification with respect to any matter settled or compromised, pursuant to a consent decree or otherwise, unless such settlement or compromise shall have been approved as in the best interests of the Corporation, after notice that indemnification is involved, by (a) a disinterested majority of the Board of Directors, or

(b) if there are no disinterested Directors, by independent legal counsel representing the Corporation and appointed by a majority of the Directors then in office.

Indemnification may include payment by the Corporation of expenses in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding upon receipt of any undertaking by such Person to repay such payment if it is ultimately determined that such Person is not entitled to indemnification under Section 6 of Chapter 180 of the Massachusetts General Laws or pursuant to the provisions of the preceding paragraph. Such an undertaking may be accepted without reference to the financial ability of such Person to make repayment.

As used in this ARTICLE IV, the terms “incorporator,” “Director,” and “unpaid Officer” include their respective heirs, executors, administrators and legal representatives, and an “interested” incorporator, Director, or Officer is one against whom, in such capacity, the proceeding in question or another proceeding on the same or similar grounds is then pending.

The right of indemnification provided in this ARTICLE IV shall not be exclusive of or affect any other rights to which any Director or Officer may be entitled under any agreement, statute or otherwise. The Corporation’s obligation to provide indemnification under this ARTICLE IV shall be offset to the extent of any other source of indemnification or any otherwise applicable insurance coverage under a policy maintained by the Corporation or any other person. Nothing contained in this ARTICLE IV shall affect any rights to which corporate personnel other than Directors or Officers may be entitled by contract or otherwise.

ARTICLE V - AMENDMENTS

These By-Laws may be amended by a majority of the Directors then in office; provided, that the substance of any proposed amendment shall have been stated or summarized in the notice of such meeting.

ARTICLE VI - MISCELLANEOUS PROVISIONS

1. Fiscal Year. Except as otherwise determined by the Directors, the fiscal year of the Corporation shall end on the last day of December of each year.
2. Seal. The Corporation may have a seal in such form as the Directors may adopt and alter from time to time.
3. Execution of Instruments. All checks, deeds, leases, transfers, contracts, bonds, notes and other obligations authorized to be executed by an Officer of the Corporation on its behalf shall be signed by the President or the Treasurer except as the Directors may generally or in particular cases otherwise determine. A certificate by the Clerk or an Assistant Clerk, or a temporary Clerk, as to any action taken by the Board of Directors, Executive Committee or any Officer or representative of the Corporation shall as to all persons who rely thereon in good faith be conclusive evidence of such action; and any part to whom an Officer or representative of the Corporation delivers an agreement or document signed on behalf of the Corporation by the President or Treasurer of the Corporation shall be entitled to rely in good faith that such delivery and execution have been duly authorized by the Corporation unless such party knows of facts or circumstances to the contrary.
4. Transactions with Interested Parties. To the extent that the status of the Corporation as an organization exempt from federal income taxation under Section 501(c)(3) of the Code is not adversely affected thereby, and in the absence of fraud, no contract or other transaction between this Corporation and any other corporation or any firm, association, partnership or person shall be affected or invalidated by the fact that any Director or Officer of this Corporation is pecuniarily or otherwise interested in or is a director, member or officer of such other corporation or of such firm, association or partnership or is a party to or is pecuniarily or otherwise interested in such contract or other transaction or is in any way connected with any person or persons, firm, association, partnership, or corporation pecuniarily or otherwise interested therein; provided that the fact that such Director or Officer, individually or as a director, member or officer of such corporation, firm, association or partnership is such a party or is so interested shall be disclosed to or shall have been known by the Board of Directors or a majority of such members thereof as shall be present or represented at a meeting of the Board of Directors at which action upon any such contract or transaction shall be taken; any Director may be counted in determining the existence of a quorum and may vote at any meeting of the Board of Directors for the purpose of authorizing any such contract or transaction with like force and effect as if he were not so interested, or were not a director, member or officer of such other corporation, firm, association or partnership, provided that any vote with respect to such contract or transaction must be adopted by a majority of the Directors then in office who have no interest in such contract or transaction.

5. Dissolution. Unless otherwise required by law, in the event of the termination, dissolution or liquidation of the Corporation in any manner or for any reason whatsoever, its assets, if any, remaining after the payment of all of the liabilities of the Corporation, shall be distributed to one or more organizations with purposes similar or related to the purposes of the Corporation and exempt from federal income tax under Section 501(c)(3) of the Code, in such manner and in such proportions as shall be approved by vote of a majority of the Directors then in office.

6. Gender. The personal pronoun “he” or possessive pronoun “his,” when appropriate, shall be construed to mean “she” or “her” and the word “chairman” shall be construed to include a female person.

7. Articles of Organization. All references in these By-Laws to the Articles of Organization shall be deemed to refer to the Articles of Organization of the Corporation, as amended and in effect from time to time.