

BYLAWS
OF
ALLIANT INTERNATIONAL UNIVERSITY, INC.
a California benefit corporation

DRAFT

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OF
ALLIANT INTERNATIONAL UNIVERSITY, INC.
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ARTICLE I

PUBLIC BENEFIT OVERVIEW

1.1 Mission

The principal postsecondary academic mission of ALLIANT INTERNATIONAL UNIVERSITY, INC. (the "Corporation") is to operate a university (the "University") organized to prepare students for professional careers of service and leadership, and to promote the discovery and application of knowledge to improve the lives of people in diverse cultures and communities around the world. In pursuing this mission, the Corporation seeks to excel in four particular areas:

- (a) Education and training for the professions;
- (b) Applied research;
- (c) Multicultural and international competence; and
- (d) Community engagement.

Furthermore, in general, subject to limitations required by law and applicable regulations, the Corporation shall be committed to the traditional values of higher education in the United States including, among other educational values:

- (a) Freedom of expression and self-determination with respect to teaching and scholarship;
- (b) An environment that encourages the exchange of ideas and is predicated on respect for reason and evidence;
- (c) Shared governance and the appropriate division of responsibility among the governing boards, administrators and faculty members in a manner that is broadly and generally consistent with best practices in higher education; and
- (d) Integrity in all areas of the University's operations, and especially with regard to students.

1.2 Public Benefit Purpose

The Corporation shall be organized to produce a general public benefit as set forth in Section 1.3 below and the specific public benefits enumerated in Section 1.4 below and as identified in its articles of incorporation (the "Articles") and permitted under Part 13, Section 14601, *et seq.* of Corporations Code of California (the "Code").

1.3 General Public Benefit

“General public benefit” means a material positive impact on society and the environment, taken as a whole, as assessed against a third-party standard, from the business and operations of the Corporation.

1.4 Specific Public Benefits

Subject to the specific public benefits as set forth in the Corporation’s Articles of Incorporation, as amended from time to time, the Corporation shall produce and adhere to the following specific public purposes. The identification of any specific public benefit purposed does not limit the obligation of the Corporation to create general public benefit pursuant to Section 14610 of the Code.

PURPOSE	CRITERIA	PUBLIC STANDARD
The following are the specific public benefits:	The following are criteria for measuring achievement of the specific public benefit purposes:	The following constitutes the method by which the Corporation will endeavor to promote public accountability and transparency (in each case where the result of a calculation is published, the calculation methodology must be described in reasonable detail):
Maintain appropriate student admissions standards and achieve competitive student academic outcomes.	Each student admitted to the University shall have a reasonable prospect to complete the program based on objective admissions standards of the University and of the applicable program. No student shall be admitted who does not meet admissions criteria established by the University except in pursuit of affirmative goals of addressing underserved populations unless the reasons for an exception are clearly stated and the student is given appropriate notice that his or her admission is based on an exception to normal standards. The University shall make progress toward and, upon	<ul style="list-style-type: none"> - Continuous audit of admissions records and decisions by the University. - Calculation and publication of retention and graduation rates for the University and each program and degree level.

PURPOSE	CRITERIA	PUBLIC STANDARD
	achievement, maintain retention and graduation rates at benchmark levels based on national standards as appropriately adjusted to compare with those of private institutions offering the same degree levels and with similar admissions selectivity.	
Achieve competitive post-graduate outcomes.	Each graduate of the University shall have reasonable expectations of licensure attainment (as applicable), employment, or further academic study in the field for which he or she has prepared academically. Students shall receive appropriate licensure examination preparation, career mentoring and advice, and postgraduate academic study advice sufficient to prepare them for entry into their professions or further academic study during and within a reasonable period of time following graduation. The University shall make progress toward and, upon achievement, maintain placement rates for all degree programs and licensure examination pass rates for each applicable program, at national benchmark levels as appropriately adjusted to compare with those of private institutions offering the same degree disciplines and levels and with similar admissions selectivity. No degree program shall be compared to the same program at another institution where the institution maintains different levels or kinds of specialized or programmatic accreditation.	Published placement and licensure pass rates from the most official or reliable source available. The manner and quality of data collection shall be of paramount importance in determining reliability. When posting the University's placement data, the University will be the most official source of data.

PURPOSE	CRITERIA	PUBLIC STANDARD
Promote Diversity and Inclusiveness	The University shall foster an inclusive environment that respects diversity among its students, faculty, staff and leadership, including its Board of Trustees. The University will develop and maintain programs aimed at promoting the success of students from backgrounds that are underrepresented in higher education and the professions, and include formal competencies in multicultural and international settings among its educational outcomes.	Publication of admissions and graduation rates of student populations representing diversity in race, ethnicity, gender and other factors that can be tracked through common data collection methods in compliance with law.
Provide community engagement opportunities and experiences	The University's programs shall include formal opportunities for students and faculty to engage with broader communities through internships, outreach and public service.	Publish annually a report on the quantity and quality of community engagement and community impact from the University's programs and selective exemplary efforts of individual students, faculty and staff to the extent permissible by law.
Assure the quality of academic offerings	The University shall maintain good standing with its accreditors and applicable regulators. The University shall seek to confirm the quality of its academic programs by the pursuit of specialty accreditation that leads to an improvement in student learning outcomes and access to professional engagements, employment and advance academic studies without creating barriers to admission for the existing or targeted student population.	Summative findings of accrediting and regulatory bodies concerning the University's compliance with applicable rules and standards shall be published on the University's website.
Maintain student, faculty and staff satisfaction	The University shall annually survey its students, faculty and staff to determine their levels of satisfaction with the institution and make recommendations for improvement. The University	A summary report of all satisfaction surveys shall be published on the University's website.

PURPOSE	CRITERIA	PUBLIC STANDARD
	shall work toward continuous improvement in this area.	
Ensure the sustainability of operations	Effectively manage the University's resources in a manner that will allow the University to pursue activities that support public benefit purposes and achieve intended public benefit outcomes.	Compliance with applicable regulatory and accrediting agency financial responsibility ratios, and the production of financial audits that demonstrate responsible financial management.

1.5 Duties Of Directors Regarding Public Benefit

Pursuant to and subject to any changes of the Code, including without limitation Section 14620 thereof:

(a) A director shall perform the duties of a director including duties as a member of any committee of the Corporation's Board of Directors (the "Board") upon which the director may serve, in good faith, in a manner the director believes to be in the best interests of the Corporation and with that care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. Each director shall have fiduciary duties of directors of a California benefit corporation determined in accordance with applicable California law, including without limitation, Section 14160(c) of the California Corporations Code.

(b) In discharging their respective duties, and in considering the best interests of the Corporation, the Board, committees of the Board, and individual directors of the Corporation shall consider the impacts of any action or proposed action upon all of the following:

- (i) the shareholders of the Corporation;
- (ii) the employees and workforce of the Corporation and its subsidiaries and suppliers;
- (iii) the interests of customers of the Corporation as beneficiaries of the general or specific public benefit purposes of the Corporation;
- (iv) community and societal considerations, including those of any community in which offices or facilities of the Corporation or its subsidiaries or suppliers are located;
- (v) the local and global environment;
- (vi) the short-term and long-term interests of the Corporation, including benefits that may accrue to the Corporation from its long-term plans and the possibility

that these interests may be best served by retaining control of the Corporation rather than selling or transferring control to another entity;

(vii) the ability of the Corporation to accomplish its general, and any specific, public benefit purpose;

(c) In discharging their respective duties, the persons described in subdivision (b) may consider any of the following:

(i) the resources, intent, and conduct, including past, stated, and potential conduct, of any person seeking to acquire control of the Corporation;

(ii) any other pertinent factors or the interests of any other person or group.

(d) In discharging their respective duties, the persons described in subdivision (a) shall not be required to give priority to any particular factor or the interests of any particular person or group referred to in subdivision (b) or (c) over any other factor or the interests of any other person or group unless the Corporation has stated its intention to give such priority through a specific public benefit purpose identified in the Articles.

(e) In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(i) one or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;

(ii) counsel, independent accountants, or other persons as to matters that the director believes to be within those persons' professional or expert competence;

(iii) a committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, in any of those cases, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause that reliance to be unwarranted.

(f) A director shall not be liable for monetary damages for any failure of the Corporation to create a general or specific public benefit.

(g) A person who performs the duties of a director in accordance with Section 14620 of the Code shall not be liable for monetary damages for any alleged failure to discharge the person's obligations as a director.

(h) A director shall not have a fiduciary duty to a person that is a beneficiary of the general or specific public benefit purposes of the Corporation arising from the status of the person as a beneficiary.

1.6 Annual Benefit Report

(a) The Board shall prepare and the Corporation shall deliver to each shareholder an annual benefit report including all of the following:

(i) A narrative description of all of the following:

(1) The process and rationale for selecting the third-party standard, as defined in Section 1.7 below, used to prepare the benefit report.

(2) The ways in which the Corporation pursued a general public benefit during the applicable year and the extent to which that general public benefit was created.

(3) The ways in which the Corporation pursued any specific public benefit that the Articles state it is the purpose of the Corporation to create and the extent to which that specific public benefit was created.

(4) Any circumstances that have hindered the creation by the Corporation of a general or specific public benefit.

(ii) An assessment of the overall social and environmental performance of the Corporation, prepared with the assistance of and in consultation with the Board of Trustees (as defined herein) and University administration, and in accordance with a third-party standard applied consistently with any application of that standard in prior benefit reports or accompanied by an explanation of the reasons for any inconsistent application. The assessment does not need to be audited or certified by a third party.

(iii) The name of each person that owns five percent or more of the outstanding shares of the Corporation, either beneficially, to the extent known to the Corporation without independent investigation, or of record.

(iv) The following statement required by Section 14621 of the Code, namely whether, in the opinion of the Board, the Corporation failed to pursue its general, and any specific, public benefit purpose in all material respects during the period covered by the report. If, in the opinion of the Board, the Corporation failed to pursue its general, and any specific, public benefit purpose, the statement shall include a description of the ways in which the Corporation failed to pursue its general, and any specific, public benefit purpose.

(v) A statement of any connection between the entity that established the third-party standard, or its directors, officers, or material owners, and the Corporation, or its directors, officers, and material owners, including any financial or governance relationship that might materially affect the credibility of the objective assessment of the third-party standard.

(b) The benefit report shall be sent annually to each shareholder within 120 days following the end of the fiscal year of the Corporation or at the same time that the Corporation delivers any other annual report to its shareholders.

(c) The Corporation shall post all of its benefit reports on the public portion of its Internet Web site, if any, except that the compensation paid to directors and any financial or proprietary information included in the benefit report may be omitted from the benefit report as posted on the Internet Web site.

(i) If the Corporation does not have an Internet Web site, the Corporation shall provide a copy of its most recent benefit report, without charge, to any person that requests a copy.

(ii) The Corporation may omit any proprietary or financial information, including, but not limited to, compensation paid to directors, from the copy of a benefit report that the Corporation provides pursuant to subparagraph (c)(i) above.

1.7 Third Party Standard

“Third-party standard”, as set forth in Section 1.6 above, means a standard for defining, reporting, and assessing overall corporate social and environmental performance to which all of the following apply:

(a) The standard is a comprehensive assessment of the impact of the business and the business’s operations upon the considerations listed in paragraphs (2) to (5), inclusive, of subdivision (b) of Section 14620 of the Code and as set forth in Section 1.5 (b)(ii)-(v) of these bylaws.

(b) The standard is developed by an entity that has no material financial relationship with the Corporation or any of its subsidiaries and that satisfies both of the following requirements:

(i) Not more than one-third of the members of the governing body of the entity are representatives of any of the following:

(1) Associations of businesses operating in a specific industry, the performance of whose members is measured by the standard.

(2) Businesses from a specific industry or an association of businesses in that industry.

(3) Businesses whose performance is assessed against the standard.

(ii) The entity is not materially financed by an association or business described in subparagraph (b)(i) above.

(c) The standard is developed by an entity that does both of the following:

(i) Accesses necessary and appropriate expertise to assess overall corporate social and environmental performance.

(ii) Uses a balanced multi-stakeholder approach, including a public comment period of at least 30 days to develop the standard.

(d) All of the following information regarding the standard is publicly available:

(i) The criteria considered when measuring the overall social and environmental performance of a business.

(ii) The relative weightings assigned to the criteria described in subparagraph (d)(i) above.

(iii) The identity of the directors, officers, any material owners, and the governing body of the entity that developed, and controls revisions to, the standard.

(iv) The process by which revisions to the standard and changes to the membership of the governing body described in subparagraph (d)(iii) above are made.

(v) An accounting of the sources of financial support for the entity, with sufficient detail to disclose any relationships that could reasonably be considered to present a potential conflict of interest.

ARTICLE II

CORPORATE OFFICES

2.1 Principal Office

The Board shall fix the location of the principal executive office of the Corporation at any place within the city and county of San Francisco, California.

2.2 Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

ARTICLE III

MEETINGS OF SHAREHOLDERS

3.1 Place and Conduct Of Meetings

Meetings of shareholders shall be held at any place within or outside the state of California designated by the Board. In the absence of any such designation, shareholders' meetings shall be held at the principal executive office of the Corporation.

If authorized by the Board (in its sole discretion) and subject to the consent requirement in Section 20(b) of the Code and any guidelines and procedures adopted by the Board, shareholders not physically present in person or by proxy at a meeting of shareholders

may, by electronic transmission by and to the Corporation or by electronic video screen communication, participate in a meeting of shareholders, be deemed present in person or by proxy, and vote, whether the meeting is to be held at a designated place or in whole or in part by means of electronic transmission by and to the Corporation or by electronic video screen communication. A meeting of shareholders may be conducted, in whole or in part, by electronic transmission by and to the Corporation or by electronic video screen communication if: (i) the Corporation implements reasonable measures to provide shareholders (in person or by proxy) a reasonable opportunity to participate in the meeting and then to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting concurrently with those proceedings; and the Corporation maintains a record of the vote or action and any shareholder votes or other shareholder action is taken at the meeting by means of electronic transmission to the Corporation or electronic video screen communication. Any request by the Corporation to a shareholder under Section 20(b) of the Code for consent to conduct a meeting of shareholders by electronic transmission must include a notice that absent consent of the shareholder, the meeting will be held at a physical location.

3.2 Annual Meeting

The annual meeting of shareholders shall be held on such date, time and place, either within or without the state of California, as may be designated by resolution of the Board each year. At the meeting, directors shall be appointed, as necessary, and any other proper business may be transacted.

3.3 Special Meeting

A special meeting of the shareholders may be called at any time by the Board, the chairperson of the Board, the president of the Corporation, the chief executive officer, or by one or more shareholders holding shares in the aggregate entitled to cast not less than 10% of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board, the chairperson of the Board, the chief executive officer or the president of the Corporation, then the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by email, fax, telegraphic or other facsimile or electronic transmission to the chairperson of the Board, the president of the Corporation or the secretary of the Corporation. The officer receiving the request shall cause notice to be promptly given to the shareholders entitled to vote, in accordance with the provisions of Sections 3.4 and 3.5 of these bylaws, that a meeting will be held at the time requested by the person or persons calling the meeting, so long as that time is not less than 35 nor more than 60 days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, then the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 3.3 shall be construed as limiting, fixing or affecting the time when a meeting of shareholders called by action of the Board may be held.

3.4 Notice Of Shareholders' Meetings

All notices of meetings of shareholders shall be sent or otherwise given in accordance with Section 3.5 of these bylaws not less than 10 days (or, if sent by third-class mail pursuant to Section 3.5 of these bylaws, 30 days) nor more than 60 days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and (a) in the case of a special meeting, the general nature of the business to be transacted (no business other than that specified in the notice may be transacted) or (b) in the case of the annual meeting, those matters which the Board, at the time of giving the notice, intends to present for action by the shareholders (but subject to the provisions of the next paragraph of this Section 3.4 any proper matter may be presented at the meeting for such action).

If action is proposed to be taken at any meeting for approval of (a) a contract or transaction in which a director has a direct or indirect financial interest, pursuant to Section 310 of the Code, (b) an amendment of the Articles, pursuant to Section 902 of the Code, (c) a reorganization of the Corporation, pursuant to Section 1201 of the Code, (d) a voluntary dissolution of the Corporation, pursuant to Section 1900 of the Code, or (e) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 2007 of the Code, then the notice shall also state the general nature of that proposal.

If the meeting is to be held in whole or in part by electronic transmission, the notice shall state the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which shareholders may participate in that meeting.

3.5 Manner Of Giving Notice; Affidavit Of Notice

Written notice of any meeting of shareholders shall be given either (a) personally or (b) by first-class mail or (c) by telegraphic or other written communication (including electronic transmission by the Corporation), or, if the Corporation has outstanding shares held of record by more than five hundred (500) persons (determined as provided in Section 605 of the Code) on the record date for the shareholders' meeting, notice may be sent by third-class mail, or other means of written communication, addressed to the shareholder at the address of the shareholder appearing on the books of the Corporation or given by the shareholder to the Corporation for the purpose of notice; or if no address appears or is given, at the place where the principal executive office of the Corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal executive office is located. Notices not personally delivered shall be sent charges prepaid and shall be addressed to the shareholder at the address of that shareholder appearing on the books of the Corporation or given by the shareholder to the Corporation for the purpose of notice. If no such address appears on the Corporation's books or is given, notice shall be deemed to have been given if sent to that shareholder by mail or telegraphic or other written communication to the Corporation's principal executive office, or if published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication.

If any notice addressed to a shareholder at the address of that shareholder appearing on the books of the Corporation is returned to the Corporation by the United States

Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the shareholder at that address, then all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available to the shareholder on written demand of the shareholder at the principal executive office of the Corporation for a period of one (1) year from the date of the giving of the notice.

Notice shall not be given by electronic transmission by the Corporation after either of the following: (i) the Corporation is unable to deliver two (2) consecutive notices to the shareholder by that means, or (ii) the inability to so deliver such notices to the shareholder becomes known to the secretary, the transfer agent, or other person responsible for the giving of the notice.

An affidavit of the mailing or other means of giving any notice of any shareholders' meeting, executed by the secretary, assistant secretary or any transfer agent of the Corporation giving the notice, shall be prima facie evidence of the giving of such notice.

3.6 Quorum

The presence in person or by proxy of the holders of a majority of the shares entitled to vote thereat constitutes a quorum for the transaction of business at all meetings of shareholders. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

3.7 Adjourned Meeting; Notice

Any shareholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the shares represented at that meeting, either in person or by proxy. In the absence of a quorum, no other business may be transacted at that meeting except as provided in Section 3.6 of these bylaws.

When any meeting of shareholders, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place (or the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which shareholders may participate) are announced at the meeting at which the adjournment is taken. However, if a new record date for the adjourned meeting is fixed or if the adjournment is for more than 45 days from the date set for the original meeting, then notice of the adjourned meeting shall be given. Notice of any such adjourned meeting shall be given to each shareholder of record entitled to vote at the adjourned meeting in accordance with the provisions of Sections 3.4 and 3.5 of these bylaws. At any adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting.

3.8 Voting

The shareholders entitled to vote at any meeting of shareholders shall be determined in accordance with the provisions of Section 3.11 of these bylaws, subject to the provisions of Sections 702 through 704 of the Code (relating to voting shares held by a fiduciary, in the name of the Corporation or in joint ownership).

The shareholders' vote may be by voice vote or by ballot.

Except as provided in the last paragraph of this Section 3.8, or as may be otherwise provided in the Articles or by agreement of the shareholders, each outstanding share, regardless of class, shall be entitled to one vote on each matter submitted to a vote of the shareholders. Any shareholder entitled to vote on any matter may vote part of the shares in favor of the proposal and refrain from voting the remaining shares or may vote them against the proposal; but, if the shareholder fails to specify the number of shares which the shareholder is voting affirmatively, it will be conclusively presumed that the shareholder's approving vote is with respect to all shares which the shareholder is entitled to vote.

If a quorum is present, the affirmative vote of the majority of the shares represented and voting at a duly held meeting (which shares voting affirmatively also constitute at least a majority of the required quorum) shall be the act of the shareholders, unless the vote of a greater number or a vote by classes is required by the Code, the Articles or agreement of the shareholders.

Notwithstanding the foregoing, for so long as the Corporation is a benefit corporation pursuant to Section 14600, et seq. of the Code, the affirmative vote or written consent of the holders of at least two-thirds of the outstanding shares of each class or series entitled to vote, shall be required for the Corporation to perform any of the following acts: (i) terminate the Corporation's status as a benefit corporation by amending the Articles to delete the provision required by Section 14602 of the Code, (ii) reorganize the Corporation, if such reorganization would have the effect of terminating the Corporation's status as a benefit corporation, (iii) convert the Corporation to another form of business entity, if such conversion would have the effect of terminating the Corporation's status as a benefit corporation, or (iv) sell, lease, convey, exchange, transfer, or otherwise dispose of all or substantially all of the assets of the Corporation, unless the transaction is in the usual and ordinary course of business of the Corporation, or (v) amend the Articles or these bylaws by deleting the identification of a specific public benefit.

Subject to the provisions of the next sentence, every shareholder entitled to vote at any election of directors may cumulate such shareholder's votes and give one (1) candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which the shareholder's shares are normally entitled, or distribute the shareholder's votes on the same principle among as many candidates as the shareholder directs. No shareholder shall be entitled to cumulate votes unless a shareholder has given notice at the meeting, prior to the voting, of the shareholder's intention to cumulate the shareholder's votes and has placed in nomination, prior to the voting, the names of the candidate or candidates such shareholder proposes to elect. If any one shareholder has given such a notice, all shareholders may cumulate their votes for candidates in nomination. In any election of directors, the candidates receiving the highest number of votes of the shares entitled to be voted for them, up to the number of directors to be elected by such shares, are elected.

3.9 Validation Of Meetings; Waiver Of Notice; Consent

The transactions of any meeting of shareholders, either annual or special, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held

after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. The waiver of notice or consent or approval need not specify either the business to be transacted or the purpose of any annual or special meeting of shareholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in the second paragraph of Section 3.4 of these bylaws, the waiver of notice or consent or approval shall state the general nature of the proposal. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance by a person at a meeting shall also constitute a waiver of notice of and presence at that meeting, except when the person objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the Code to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

3.10 Shareholder Action By Written Consent Without A Meeting

Any action which may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all shares entitled to vote on that action were present and voted.

All such consents shall be maintained in the corporate records. Any shareholder giving a written consent, or the shareholder's proxy holders, or a transferee of the shares, or a personal representative of the shareholder, or their respective proxy holders, may revoke the consent by a writing received by the secretary of the Corporation before written consents of the number of shares required to authorize the proposed action have been filed with the secretary.

If the consents of all shareholders entitled to vote have not been solicited in writing and if the unanimous written consent of all such shareholders has not been received, then the secretary shall give prompt notice of the corporate action approved by the shareholders without a meeting. Such notice shall be given to those shareholders entitled to vote who have not consented in writing and shall be given in the manner specified in Section 3.5 of these bylaws. In the case of approval of (a) a contract or transaction in which a director has a direct or indirect financial interest, pursuant to Section 310 of the Code, (b) indemnification of a corporate "agent," pursuant to Section 317 of the Code, (c) a reorganization of the Corporation, pursuant to Section 1201 of the Code, or (d) a distribution in dissolution other than in accordance with the rights of outstanding preferred shares, pursuant to Section 2007 of the Code, the notice shall be given at least 10 days before the consummation of any action authorized by that approval.

3.11 Record Date For Shareholder Notice, Voting, Or Giving Consents

For purposes of determining the shareholders entitled to notice of any meeting or to vote thereat or entitled to give consent to corporate action without a meeting, the Board may fix, in advance, a record date, which shall not be more than 60 days nor less than 10 days before

the date of any such meeting nor more than 60 days before any such action without a meeting, and in such event only shareholders of record on the date so fixed are entitled to notice and to vote or to give consents, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the record date, except as otherwise provided in the Code.

3.12 If the Board does not so fix a record date:

the record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held; and

the record date for determining shareholders entitled to give consent to corporate action in writing without a meeting, (i) when no prior action by the Board has been taken, shall be the day on which the first written consent is given, or (ii) when prior action by the Board has been taken, shall be at the close of business on the day on which the Board adopts the resolution relating to that action, or the 60th day before the date of such other action, whichever is later.

The record date for any other purpose shall be as provided in Article IX of these bylaws.

3.13 Proxies

Every person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the secretary of the Corporation. A proxy shall be deemed signed if the shareholder's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission or otherwise) by the shareholder or the shareholder's attorney-in-fact. A validly executed proxy which does not state that it is irrevocable shall continue in full force and effect unless (a) the person who executed the proxy revokes it prior to the time of voting by delivering a writing to the Corporation stating that the proxy is revoked or by executing a subsequent proxy and presenting it to the meeting or by voting in person at the meeting, or (b) written notice of the death or incapacity of the maker of that proxy is received by the Corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Sections 705(e) and 705(f) of the Code.

Any form of proxy or written consent distributed to ten (10) or more shareholders of the Corporation at a time when the Corporation has outstanding shares held of record by one hundred (100) or more persons shall afford an opportunity on the proxy or form of written consent to specify a choice between approval and disapproval of each matter or group of related matters intended to be acted upon at the meeting for which the proxy is solicited or by the written consent, other than elections to the Board, and shall provide (subject to reasonable specified conditions) that where the person solicited specifies a choice with respect to any such matter the shares will be voted in accordance therewith. In any election of directors, any form of proxy in

which the directors to be voted upon are named as candidates and which is marked by a shareholder "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director. This paragraph shall not apply if the Corporation has an outstanding class of securities registered under Section 12(g) of the Securities Exchange Act of 1934 or whose securities are exempt from registration by Section 12(g)(2) under that act.

3.14 Inspectors Of Election

Before any meeting of shareholders, the Board may appoint an inspector or inspectors of election to act at the meeting or its adjournment. If no inspector of election is so appointed, then the chairperson of the meeting may, and on the request of any shareholder or a shareholder's proxy shall, appoint an inspector or inspectors of election to act at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting pursuant to the request of one (1) or more shareholders or proxies, then the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed as inspector fails to appear or fails or refuses to act, then the chairperson of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

Such inspectors shall:

- (a) determine the number of shares outstanding and the voting power of each, the number of shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;
- (b) receive votes, ballots or consents;
- (c) hear and determine all challenges and questions in any way arising in connection with the right to vote;
- (d) count and tabulate all votes or consents;
- (e) determine when the polls shall close;
- (f) determine the result; and
- (g) do any other acts that may be proper to conduct the election or vote with fairness to all shareholders.

ARTICLE IV

DIRECTORS

4.1 Powers

(a) Powers. Subject to the provisions of the Code and any limitations in the Articles and these bylaws relating to actions required to be approved by the shareholders or by the outstanding shares, the business and affairs of the Corporation shall be managed and all

corporate powers shall be exercised by or under the direction of the Board. The powers and prerogatives herein of the Board are subject to and limited by the rights of the shareholders under the Articles and the Code. Subject to such rights and limitations, the Board shall exercise a general oversight and supervision over, and direction and control of the Corporation and shall formulate and establish the general and financial policies of the Corporation as it shall deem necessary, appropriate and convenient for the proper development and management of the Corporation in pursuit of its mission and established corporate purposes.

(b) Responsibilities. In addition to those imposed by the Code or otherwise set forth in the Articles or these bylaws, the responsibilities of the Board shall include, without implication of limitation, the following:

(i) Determine and periodically review the purposes and mission of the Corporation;

(ii) Determine and periodically review the organizational structure of the Corporation, including its divisions and offices to ensure that it appropriately supports and furthers the mission of the Corporation;

(iii) Select, appoint, continue and remove the officers of the Corporation;

(iv) Establish the general terms and conditions of employment of all non-University employees of the Corporation;

(v) Approve any additional capital requirements of any of the operating divisions of the Corporation and present such requirements to the shareholders as applicable to the reserved powers of the shareholders;

(vi) Periodically evaluate the performance of the directors, corporate officers and such non-University employees as the Board shall determine is necessary and appropriate to the proper oversight of the Corporation;

(vii) Establish and oversee a plan for the development and maintenance of the physical assets of the Corporation;

(viii) Approve the financial statements of the Corporation;

(ix) Cause the development and implementation of strategic and other plans required for the strategic direction and the proper management of the Corporation; and

(x) In connection with any potential sale of the Corporation (including sale of any principal asset of the Corporation or all or substantially all of the assets or sale of the Corporation by merger, stock transaction or otherwise), the Board will evaluate all offers consistent with its obligations under the Articles and these bylaws, including, but not limited to, the objective of maintaining its status as a benefit corporation pursuant to Section 14600, et seq. of the Code and the specific public benefit purposes stated in the Articles and Section 1.4 of these bylaws after such sale.

4.2 Number Of Directors

The number of directors of the Corporation shall be not less than seven (7) nor more than eleven (11). The indefinite number of directors may be changed, or a definite number may be fixed without provision for an indefinite number, by a duly adopted amendment to the these Bylaws.

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

4.3 Election And Term Of Office Of Directors

Except as provided in Section 4.4 of these bylaws, and unless otherwise provided in the Articles or by agreement of the shareholders, Directors shall be elected at each annual meeting of shareholders to hold office until the next annual meeting. Each director, including a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

Unless otherwise specified in the Articles, elections of directors need not be by written ballot and may be effected by written consent pursuant to Section 3.10 above.

4.4 Resignation And Vacancies

Any director may resign effective on giving written notice to the chairperson of the Board, the secretary or the Board, unless the notice specifies a later time for that resignation to become effective. If the resignation of a director is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective.

Vacancies in the Board may be filled by a majority of the remaining directors, even if less than a quorum, or by a sole remaining director; however, a vacancy created by the removal of a director by the vote or written consent of the shareholders or by court order may be filled only by the affirmative vote of a majority of the shares represented and voting at a duly held meeting at which a quorum is present (which shares voting affirmatively also constitute a majority of the required quorum), or by the unanimous written consent of all shares entitled to vote thereon. Each director so elected shall hold office until the next annual meeting of the shareholders and until a successor has been elected and qualified.

A vacancy or vacancies in the Board shall be deemed to exist (a) in the event of the death, resignation or removal of any director, (b) if the Board by resolution declares vacant the office of a director who has been declared of unsound mind by an order of court or convicted of a felony, (c) if the authorized number of directors is increased, or (d) if the shareholders fail, at any meeting of shareholders at which any director or directors are elected, to elect the number of directors to be elected at that meeting.

The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors, but any such election other than to fill a vacancy created by removal, if by written consent, shall require the consent of the holders of a majority of the outstanding shares entitled to vote thereon.

However, where such vacancy occurs among the directors elected by the holders of a class or series of stock, the holders of shares of such class or series may override the Board's action to fill such vacancy by (i) voting for their own designee to fill such vacancy at a meeting of the Corporation's shareholders or (ii) written consent, if the consenting shareholders hold a sufficient number of shares to elect their designee at a meeting of the shareholders.

4.5 Place Of Meetings; Meetings By Telephone

Meetings of the Board, both regular and special, shall, unless otherwise decided by the Board, be held at the principal executive offices of the Corporation.

Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another; and all such directors shall be deemed to be present in person at the meeting.

4.6 Regular Meetings

Regular meetings of the Board may be held without notice if the times of such meetings are fixed by the Board.

4.7 Special Meetings; Notice

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the chief executive officer, the secretary or any two directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone (including a voice messaging system or other system or technology designed to record and communicate messages), facsimile, electronic mail, or other electronic means, to each director or sent by first-class mail or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the Corporation. If the notice is mailed, it shall be deposited in the United States mail at least 4 days before the time of the holding of the meeting. If the notice is delivered personally or by telephone, telegram, facsimile, electronic mail or other electronic means, it shall be delivered at least 24 hours before the time of the holding of the meeting. Any oral notice given personally or by telephone, and any notice given by facsimile or electronic mail, may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose or the place of the meeting, if the meeting is to be held at the principal executive office of the Corporation.

4.8 Quorum

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 4.10 of these bylaws. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board, subject to the provisions of Section 310 of the Code (as to approval of contracts or transactions in which a director has a direct or indirect material financial interest), Section 311 of the Code (as to appointment of

committees), Section 317(e) of the Code (as to indemnification of directors), the Articles, other applicable law and agreement of the shareholders.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

4.9 Waiver Of Notice

Notice of a meeting need not be given to any director (a) who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or (b) who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents, and approvals shall be filed with the corporate records or made part of the minutes of the meeting. A waiver of notice need not specify the purpose of any regular or special meeting of the Board.

4.10 Adjournment

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

4.11 Notice Of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given unless the meeting is adjourned for more than twenty-four (24) hours. If the meeting is adjourned for more than twenty-four (24) hours, then notice of the time and place of the adjourned meeting shall be given before the adjourned meeting takes place, in the manner specified in Section 4.7 of these bylaws, to the directors who were not present at the time of the adjournment.

4.12 Board Action By Written Consent Without A Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting, provided that all members of the Board individually or collectively consent in writing to that action and if the number of members of the Board serving at the time constitutes a quorum; provided, however, for purposes of this Section 4.12 “all members of the Board” shall include an “interested director” as described in subdivision (a) of Section 310 of the Code or a “common director” as described in subdivision (b) of Section 310 of the Code who abstains in writing from providing consent, where the disclosures required by Section 310 of the Code have been made to the non-interested or non-common directors, as applicable, prior to their execution of the written consent or consents, the specified disclosures are conspicuously included in the written consent or consents executed by the non-interested or non-common directors, and the non-interested or non-common directors, as applicable, approve the action by a vote that is sufficient without counting the votes of the interested or common directors. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent and any counterparts thereof shall be filed with the minutes of the proceedings of the Board.

4.13 Fees And Compensation Of Directors

Directors and members of committees may receive such compensation (if any) for their services and such reimbursement of expenses as may be fixed or determined by resolution of the Board. This Section 4.13 shall not be construed to preclude any director from serving the Corporation in any other capacity as an officer, agent, employee or otherwise and receiving compensation for those services.

4.14 Approval Of Loans To Officers

The Corporation may make loans of money or property to, or guarantee the obligations of, any officer or director of the Corporation to the extent permitted by applicable law. Without limiting the foregoing, the Corporation may, upon the approval of the Board alone, make loans of money or property to, or guarantee the obligations of, any officer of the Corporation or its parent or subsidiary, whether or not a director, or adopt an employee benefit plan or plans authorizing such loans or guaranties provided that (a) the Board determines that such a loan or guaranty or plan may reasonably be expected to benefit the Corporation, (b) the Corporation has outstanding shares held of record by 100 or more persons (determined as provided in Section 605 of the Code) on the date of approval by the Board, and (c) the approval of the Board is by a vote sufficient without counting the vote of any interested director or directors.

4.15 Chairperson Of The Board. The Corporation may also have, at the discretion of the Board, a chairperson of the Board who shall not be considered an officer of the Corporation.

4.16 Duties to the Corporation. All directors shall act in the best interests of the Corporation in accordance with their duties under the Code and shall preserve, protect and maintain the confidentiality of the Corporation's trade secrets and confidential information in accordance with their fiduciary duties. No director shall interfere with or attempt to influence the admissions process for academic institutions owned by the Corporation.

4.17 Subsidiary Boards and Deliberative Bodies.

(a) The Board may from time to time establish, compose, and disband subsidiary boards and deliberative bodies established to provide oversight and direction of business operations of the Corporation. The members of such boards or bodies shall be subject to direct appointment and removal by the Board, unless otherwise set forth in the charter and/or bylaws for any subsidiary board or body established under the authority of this Section 4.17. The Board may delegate such of its power as it shall deem convenient and prudent, subject to the reserved authority of the shareholders under the Articles, these bylaws, applicable law or agreement of the Corporation's shareholders and, provided, that the Board reserves to itself as the fiduciary governing body the final and ultimate power and authority to act at any time on any and all matters essential to the proper functioning of the Corporation. Any policy, operating statement, grant or presumption of authority adopted by any person or entity acting in the name of or under the authority of the Board or within the governance structure of the Corporation, whether presently existing or hereafter created, that is inconsistent with the reserved powers of the Board as established in Section 4.1, of these bylaws, or under law, shall not be binding on the Board or the Corporation. The Board shall approve the charter and/or bylaws for any subsidiary

board or body established under the authority of this Section 4.17, and any amendments thereto or restatements thereof.

(b) Notwithstanding the foregoing, the Board shall establish a deliberative body consisting of a self-perpetuating Board of Trustees (the "Board of Trustees") of the University consisting of no more than seventeen (17) persons and composed in a manner that is compliant with the Western Association of Schools and Colleges, Senior College and University Commission, Policy on Independent Governing Boards and applicable agreements of the shareholders. The Board of Trustees shall be established to provide oversight and direction of business operations of the University, and shall be vested with management power and direction of the University's operations and educational functions in accordance with the Bylaws of the Board of Trustees. The Board shall directly appoint the inaugural members of the Board of Trustees in accordance with any nomination rights established in applicable agreements of the shareholders. Thereafter, the members of the Board of Trustees shall be subject to direct appointment and removal as set forth in its bylaws. The Board shall approve the inaugural bylaws for the Board of Trustees established under the authority of this Section 4.17 and any amendments thereto approved in accordance with the terms of the bylaws of the Board of Trustees.

ARTICLE V
COMMITTEES

5.1 Committees Of Directors

The Board may, by resolution adopted by a majority of the authorized number of directors, designate one (1) or more committees, each consisting of two or more directors, to serve at the pleasure of the Board. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the authorized number of directors. All committee appointments are subject to any limitations or requirements imposed by agreement of the shareholders. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except with respect to:

- (a) the approval of any action which, under the Code, also requires shareholders' approval or approval of the outstanding shares;
- (b) the filling of vacancies on the Board or in any committee;
- (c) the fixing of compensation of the directors for serving on the Board or any committee;
- (d) the amendment or repeal of these bylaws or the adoption of new bylaws;
- (e) the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

(f) a distribution to the shareholders of the Corporation, except at a rate or in a periodic amount or within a price range determined by the Board; or

(g) the appointment of any other committees of the Board or the members of such committees.

5.2 Specific Committee Mandates

(a) **Executive Committee.** There is hereby established an executive committee of the Board composed and empowered as provided hereinafter.

(i) **Composition.** The Executive Committee shall include as ex officio members the chairperson of the Board, and the President of the Corporation. The Board shall elect three (3) additional members of the executive committee annually from amongst the regularly elected members of the Board. Only members of the Board or the Board of Trustees may serve on the Executive Committee.

(ii) **Meetings.** The Executive Committee shall meet as often as necessary to conduct its business on call of the chairperson of the Board or on the written request of at least three (3) of the members of the Committee directed in writing to the secretary of the Corporation who shall call the meeting within thirty (30) days thereafter.

(iii) **Mandate.** The Executive Committee, between the meetings of the Board, shall have such powers and authority to act on behalf of the Board as granted by the Board from time-to-time, and then only with regard to matters specifically delegated by the Board to the Executive Committee. The Executive Committee may exercise all powers and authority granted by the Board in such manner as it shall deem in the best interests of the Corporation in all cases in which the Board shall not have given specific directions. Any action taken by the Executive Committee shall be subject to revision or alteration by the Board at the meeting of the Board at which any such action shall be reported; provided, however, that such revision or alteration shall not affect any action taken by an officer or employee of the Corporation or by any third party, or any rights of third parties which shall have vested in reliance upon any action or direction of the Executive Committee unless otherwise allowed by law or the nature or form of the action taken.

(b) **Finance and Administration Committee.** [There is hereby established a Finance and Administration Committee of the Board composed and empowered as provided hereinafter.

(i) **Composition.** The Finance and Administration Committee shall be composed of not less than three (3) members of the Board and shall include the Treasurer of the Corporation, ex officio.

(ii) **Mandate.** The Finance and Administration Committee shall maintain a general supervision and oversight of the financial operations of the Corporation including, without limitation, a review of its budget preparation and management process, the adequacy and availability of its financial resources, the adequacy and protection of its assets, the capability of its business office staff, the integrity of its financial systems, its compliance with

financial standards and regulations, its compliance with student financial aid regulations, and its financial reporting.

(c) **Corporation Audit Committee.** There is hereby established a Corporation Audit Committee of the Board composed and empowered as provided hereinafter.

(i) **Composition.** The Audit Committee shall be composed of the chairperson of the Board, and such other persons as the chairperson shall appoint from time to time who by training, relationship to the Corporation and its business, and by disposition are able to exercise independent judgment concerning the financial affairs of the Corporation. The Audit Committee membership shall not include officers or employees of the Corporation.

(ii) **Mandate.** The Audit Committee shall: interview and recommend the hiring and firing of the auditor of the financial statements of the Corporation; confer with the auditor from time to time to ensure that the financial affairs of the Corporation are in order; require that the auditor conduct the audit in accordance with GAAP; negotiate and recommend to the Board the terms of engagement of the auditor; approve any non-audit related service engagement to be conducted by the auditing firm; review and accept or reject the audit; and monitor remediation of or compliance with any audit findings or recommendations.

5.3 Committee Minutes

Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

5.4 Meetings And Action Of Committees

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article III of these bylaws, Section 4.5 (place of meetings), Section 4.6 (regular meetings), Section 4.7 (special meetings and notice), Section 4.8 (quorum), Section 4.9 (waiver of notice), Section 4.10 (adjournment), Section 4.11 (notice of adjournment), and Section 4.12 (action without meeting), with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board, and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

ARTICLE VI

OFFICERS

6.1 Officers

The Corporation shall have a president, a secretary and a chief financial officer. The Corporation may also have, at the discretion of the Board, a chief executive officer, a treasurer, one or more vice presidents, one or more assistant secretaries, one or more assistant

treasurers, and such other officers as may be appointed in accordance with the provisions of Section 6.3 of these bylaws. Any number of offices may be held by the same person.

6.2 Election Of Officers

The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 6.3 or Section 6.5 of these bylaws, shall be chosen by the Board, subject to the rights (if any) of an officer under any contract of employment.

6.3 Subordinate Officers

The Board may appoint, or may empower the president to appoint, such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

6.4 Removal And Resignation Of Officers

Subject to the rights (if any) of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board at any regular or special meeting of the Board or, except in case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights (if any) of the Corporation under any contract to which the officer is a party.

6.5 Vacancies In Offices

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office.

6.6 Chief Executive Officer

Subject to such supervisory powers (if any) as may be given by the Board to the chairperson of the Board (if any), the chief executive officer of the Corporation (if such an officer is appointed) shall, subject to the control of the Board, have general supervision, direction, and control of the business and the officers of the Corporation and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board or these bylaws.

The person serving as chief executive officer shall also be the acting president of the Corporation whenever no other person is then serving in such capacity.

6.7 President

Subject to such supervisory powers (if any) as may be given by the Board to the chairperson of the Board (if any) or the chief executive officer, the president shall have general supervision, direction, and control of the business and other officers of the Corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board or these bylaws.

The person serving as president shall also be the acting chief executive officer, secretary or treasurer of the Corporation, as applicable, whenever no other person is then serving in such capacity.

6.8 Vice Presidents

In the absence or disability of the chief executive officer and president, the vice presidents (if any) in order of their rank as fixed by the Board or, if not ranked, a vice president designated by the Board, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board, these bylaws, the president or the chairperson of the Board.

6.9 Secretary

The secretary shall keep or cause to be kept, at the principal executive office of the Corporation or such other place as the Board may direct, a book of minutes of all meetings and actions of directors, committees of directors, and shareholders. The minutes shall show the time and place of each meeting, the names of those present at directors' meetings or committee meetings, the number of shares present or represented at shareholders' meetings, and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal executive office of the Corporation or at the office of the Corporation's transfer agent or registrar, as determined by resolution of the Board, a share register, or a duplicate share register, showing the names of all shareholders and their addresses, the number and classes of shares held by each, the number and date of certificates (if any) evidencing such shares, and the number and date of cancellation of every certificate (if any) surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the shareholders and of the Board required to be given by law or by these bylaws. He or she shall have such other powers and perform such other duties as may be prescribed by the Board or by these bylaws.

6.10 Chief Financial Officer

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts,

disbursements, gains, losses, capital, retained earnings and shares. The books of account shall at all reasonable times be open to inspection by any member of the Board.

The chief financial officer shall render to the chief executive officer, the president, or the Board, upon request, an account of all his or her transactions as chief financial officer and of the financial condition of the Corporation. He or she shall have the general powers and duties usually vested in the office of chief financial officer of a corporation and shall have such other powers and perform such other duties as may be prescribed by the Board or these bylaws.

The person serving as the chief financial officer shall also be the acting treasurer of the Corporation whenever no other person is then serving in such capacity. Subject to such supervisory powers (if any) as may be given by the Board to another officer of the Corporation, the chief financial officer shall supervise and direct the responsibilities of the treasurer whenever someone other than the chief financial officer is serving as treasurer of the Corporation.

6.11 Treasurer

The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records with respect to all bank accounts, deposit accounts, cash management accounts and other investment accounts of the Corporation. The books of account shall at all reasonable times be open to inspection by any member of the Board.

The treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. He or she shall disburse the funds of the Corporation as may be ordered by the Board and shall render to the chief financial officer, the chief executive officer, the president or the Board, upon request, an account of all his or her transactions as treasurer. He or she shall have the general powers and duties usually vested in the office of treasurer of a corporation and shall have such other powers and perform such other duties as may be prescribed by the Board or these bylaws.

The person serving as the treasurer shall also be the acting chief financial officer of the Corporation whenever no other person is then serving in such capacity.

6.12 Representation Of Shares Of Other Corporations

The chairperson of the Board, the chief executive officer, the president, any vice president, the chief financial officer, the secretary or assistant secretary of this Corporation, or any other person authorized by the Board or the chief executive officer or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

6.13 Authority And Duties Of Officers

(a) In addition to the foregoing authority and duties, all officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be designated from time to time by the Board or the shareholders.

(b) Each officer of the Corporation shall consider the interests and factors described in Section 1.5 of the Bylaws in the manner provided in that section when either of the following applies:

(i) The officer has discretion to act with respect to a matter.

(ii) It reasonably appears to the officer that the matter may have a material effect on any of the following:

(1) the creation of a general or specific public benefit by the Corporation;

(2) any of the interests or factors referred to in subdivision (b) of Section 1.5 of the bylaws.

(c) The consideration by an officer of interests and factors in the manner described in subdivision (a) shall not constitute a violation of the duties of the officer.

(d) An officer shall not be liable for monetary damages under this part for any of the following:

(i) Any action taken as an officer if the officer performed the duties of the position in compliance with this section.

(ii) Any failure of the Corporation to create a general or specific public benefit.

(e) An officer shall not have a fiduciary duty to a person that is a beneficiary of the general or specific public benefit purposes of a corporation arising from the status of the person as a beneficiary.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES,

AND OTHER AGENTS

7.1 Indemnification Of Directors And Officers

The Corporation shall, to the maximum extent and in the manner permitted by the Code, indemnify each of its directors and officers against expenses (as defined in Section 317(a) of the Code), judgments, fines, settlements, and other amounts actually and reasonably incurred

in connection with any proceeding (as defined in Section 317(a) of the Code), arising by reason of the fact that such person is or was a director or officer of the Corporation. For purposes of this Article VII, a “director” or “officer” of the Corporation includes any person (a) who is or was a director or officer of the Corporation, (b) who is or was serving at the request of the Corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was a director or officer of a corporation which was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation.

7.2 Indemnification Of Others

The Corporation shall have the power, to the extent and in the manner permitted by the Code, to indemnify each of its employees and agents (other than directors and officers) against expenses (as defined in Section 317(a) of the Code), judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding (as defined in Section 317(a) of the Code), arising by reason of the fact that such person is or was an agent of the Corporation. For purposes of this Article VII, an “employee” or “agent” of the Corporation (other than a director or officer) includes any person (a) who is or was an employee or agent of the Corporation, (b) who is or was serving at the request of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was an employee or agent of a corporation which was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation.

7.3 Payment Of Expenses In Advance

Expenses incurred in defending any civil or criminal action or proceeding for which indemnification is required pursuant to Section 7.1 or for which indemnification is permitted pursuant to Section 7.2 following authorization thereof by the Board shall be paid by the Corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined that the indemnified party is not entitled to be indemnified as authorized in this Article VII.

7.4 Indemnity Not Exclusive

The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that such additional rights to indemnification are authorized in the Articles.

7.5 Insurance Indemnification

The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation against any liability asserted against or incurred by such person in such capacity or arising out of such person’s status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article VII.

7.6 Conflicts

No indemnification or advance shall be made under this Article VII, except where such indemnification or advance is mandated by law or the order, judgment or decree of any court of competent jurisdiction, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the Articles, these bylaws, a resolution of the shareholders or an agreement in effect at the time of the accrual of the alleged cause of the action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE VIII

RECORDS AND REPORTS

8.1 Maintenance And Inspection Of Share Register

The Corporation shall keep either at its principal executive office or at the office of its transfer agent or registrar (if either is appointed), as determined by resolution of the Board, a record of its shareholders listing the names and addresses of all shareholders and the number and class of shares held by each shareholder.

A shareholder or shareholders of the Corporation holding at least 5.00% in the aggregate of the outstanding voting shares of the Corporation or who hold at least 1.00% of such voting shares and have filed a Schedule 14A with the Securities and Exchange Commission relating to the election of directors, may (a) inspect and copy the records of shareholders' names, addresses, and shareholdings during usual business hours on 5 days' prior written demand on the Corporation, and (b) obtain from the transfer agent of the Corporation, on written demand and on the tender of such transfer agent's usual charges for such list, a list of the names and addresses of the shareholders who are entitled to vote for the election of directors, and their shareholdings, as of the most recent record date for which that list has been compiled or as of a date specified by the shareholder after the date of demand. Such list shall be made available to any such shareholder by the transfer agent on or before the later of 5 days after the demand is received or 5 days after the date specified in the demand as the date as of which the list is to be compiled.

The record of shareholders shall also be open to inspection on the written demand of any shareholder or holder of a voting trust certificate, at any time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate.

Any inspection and copying under this Section 8.1 may be made in person or by an agent or attorney of the shareholder or holder of a voting trust certificate making the demand.

8.2 Maintenance And Inspection Of Bylaws

The Corporation shall keep at its principal executive office the original or a copy of these bylaws as amended to date, which bylaws shall be open to inspection by the shareholders at all reasonable times during office hours.

8.3 Maintenance And Inspection Of Other Corporate Records

The accounting books and records and the minutes of proceedings of the shareholders, of the Board, and of any committee or committees of the Board shall be kept at such place or places as are designated by the Board or, in absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written form, and the accounting books and records shall be kept either in written form or in any other form capable of being converted into written form.

The minutes and accounting books and records shall be open to inspection upon the written demand of any shareholder or holder of a voting trust certificate, at any reasonable time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. The inspection may be made in person or by an agent or attorney and shall include the right to copy and make extracts. Such rights of inspection shall extend to the records of each subsidiary corporation of the Corporation.

8.4 Inspection By Directors

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind as well as the physical properties of the Corporation and each of its subsidiary corporations. Such inspection by a director may be made in person or by an agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

8.5 Annual Report To Shareholders; Waiver

The Board shall cause an annual report to be sent to the shareholders not later than 120 days after the close of the fiscal year adopted by the Corporation. Such report shall be sent at least 15 days (or, if sent by third-class mail, 35 days) before the annual meeting of shareholders to be held during the next fiscal year and in the manner specified in Section 3.5 of these bylaws for giving notice to shareholders of the Corporation.

The annual report shall contain (a) a balance sheet as of the end of the fiscal year, (b) an income statement and a statement of changes in financial position for the fiscal year, and (c) any report of independent accountants or, if there is no such report, the certificate of an authorized officer of the Corporation that the statements were prepared without audit from the books and records of the Corporation.

The foregoing requirement of an annual report shall be waived so long as the shares of the Corporation are held by fewer than 100 holders of record.

8.6 Financial Statements

If no annual report for the fiscal year has been sent to shareholders, then the Corporation shall, upon the written request of any shareholder made more than 120 days after the close of such fiscal year, deliver or mail to the person making the request, within 30 days thereafter, a copy of a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year

If a shareholder or shareholders holding at least 5.00% of the outstanding shares of any class of stock of the Corporation makes a written request to the Corporation for an income statement of the Corporation for the three-month, six-month or nine-month period of the then current fiscal year ended more than 30 days before the date of the request, and for a balance sheet of the Corporation as of the end of that period, then the chief financial officer shall cause such statement or statements to be prepared, if not already prepared, and shall deliver personally or mail such statement or statements to the person making the request within 30 days after the receipt of the request. If the Corporation has not sent to the shareholders its annual report for the last fiscal year, the statements referred to in the first paragraph of this Section 8.6 shall likewise be delivered or mailed to the shareholder or shareholders within 30 days after the request.

The quarterly income statements and balance sheets referred to in this section shall be accompanied by the report (if any) of any independent accountants engaged by the Corporation or by the certificate of an authorized officer of the Corporation that the financial statements were prepared without audit from the books and records of the Corporation.

ARTICLE IX

GENERAL MATTERS

9.1 Record Date For Purposes Other Than Notice And Voting

For purposes of determining the shareholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the shareholders entitled to exercise any rights in respect of any other lawful action (other than action by shareholders by written consent without a meeting), the Board may fix, in advance, a record date, which shall not be more than 60 days before any such action. In that case, only shareholders of record at the close of business on the date so fixed are entitled to receive the dividend, distribution or allotment of rights, or to exercise such rights, as the case may be, notwithstanding any transfer of any shares on the books of the Corporation after the record date so fixed, except as otherwise provided in the Code.

If the Board does not so fix a record date, then the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the Board adopts the applicable resolution or the 60th day before the date of that action, whichever is later.

9.2 Checks; Drafts; Evidences Of Indebtedness

From time to time, the Board shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other

evidences of indebtedness that are issued in the name of or payable to the Corporation, and only the persons so authorized shall sign or endorse those instruments.

9.3 Corporate Contracts And Instruments; How Executed

The Board, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

9.4 Special Designation On Certificates

All certificates representing shares of the Corporation shall contain, in addition to any other statements required by the Code, the Articles or agreement of the shareholders, the following conspicuous language on the face of the certificate: **“This entity is a benefit corporation organized under Part 13 (commencing with Section 14600) of Division 3 of Title 1 of the California Corporations Code.”**

9.5 Certificates For Shares; Partly Paid Shares

Every holder of shares of the Corporation shall be entitled to have a certificate certifying the number of shares and the class or series of shares owned by the shareholder, and all such shares shall be entered in the books of the Corporation and recorded as they are issued. All certificates shall be signed in the name of the Corporation by the chairperson of the Board or the president or a vice president and by the chief financial officer or the treasurer or the secretary or an assistant secretary, certifying the number of shares and the class or series of shares owned by the shareholder. Any or all of the signatures on any certificate may be a facsimile or electronic signature. In case any officer, transfer agent or registrar who has signed or whose facsimile or electronic signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

If the shares of the Corporation are classified, or if any class of shares has two or more series, there shall appear on the certificate one of the following: (i) a statement of the rights, preferences, privileges, and restrictions granted to or imposed upon each class or series of shares authorized to be issued and upon the holders thereof; (ii) a summary of rights, preferences, privileges, and restrictions with reference to the provisions of the Articles and any Certificates of Determination establishing the same; or (iii) a statement setting forth the office or agency of the Corporation from which shareholders may obtain, upon request and without charge, a copy of the statement referred to in (i) above.

There shall also appear on the certificate the following statements (if applicable): (i) that the shares are subject to restrictions upon transfer; (ii) if the shares are assessable or are not fully

paid, that they are assessable or, on partly paid shares, the total amount of the consideration to be paid and the amount previously paid; (iii) that the shares are subject to an irrevocable proxy, or restrictions upon voting rights contractually imposed by the Corporation; (iv) that the shares are redeemable; and (v) that the shares are convertible and the period for conversion. Any statement on the face of the certificate required by this paragraph shall be conspicuous.

When the Articles are amended in any way affecting the statements contained in the certificates for outstanding shares, or it becomes desirable for any reason, in the discretion of the Board, to cancel any outstanding certificate for shares and issue a new certificate therefor conforming to the rights of the holder, the Board may order any holders of outstanding certificates for shares to surrender and exchange them for new certificates within a reasonable time to be fixed by the Board.

The Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate (if any) issued to represent any such partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

9.6 Lost Certificates

Except as provided in this Section 9.6, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and cancelled at the same time. The Corporation may issue a new certificate of stock in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

9.7 Benefit Enforcement Proceedings

Pursuant to and subject to any change in Section 14623 of the Code, no person may bring an action or assert a claim against the Corporation or its directors or officers for breach of the public benefit purposes of the Corporation except in a benefit enforcement proceeding as permitted under the Code.

(a) Subject to changes in the Code, a benefit enforcement proceeding may be commenced or maintained only as follows:

- (i) Directly by the Corporation;
- (ii) Derivatively by any of the following:
 - (1) A shareholder.
 - (2) A director.

(3) A person or group of persons that owns beneficially or of record five percent or more of the equity interests in an entity of which the Corporation is a subsidiary.

(4) Other persons as have been identified in the Articles or bylaws of the Corporation.

(b) “Benefit enforcement proceeding” means a claim or action relating to any of the following:

(i) Failure to pursue the general public benefit purpose of the Corporation or any specific public benefit purpose set forth in the Articles.

(ii) Violation of a duty or standard of conduct imposed on a director pursuant to Article I of these bylaws.

(iii) Failure of the Corporation to deliver or post an annual benefit report as required by Section 14630 of the Code and Section 1.6 of these bylaws.

9.8 Construction; Definitions

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Code shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term “person” includes both a corporation and a natural person.

ARTICLE X

AMENDMENTS

10.1 Amendment By Shareholders

Except as otherwise required by law, the Articles or agreement of the shareholders, including the Voting Agreement or Shareholders Agreement, each dated as of _____, 2014 the bylaws of the Corporation shall be subject to amendment or repeal, and new bylaws may be adopted, by the vote or written consent of the holders of a majority of the outstanding shares entitled to vote; provided, however, that if the number of authorized directors is specified in the Articles then amendment of the authorized number of directors shall require the amendment of the Articles. After the issuance of shares, a bylaw changing the maximum or minimum number of directors or changing from a variable to a fixed board may only be adopted by an amendment to the Articles or to Section 4.2 duly adopted by approval of a majority of the outstanding shares entitled to vote; provided, however, that an amendment to the Articles or to Section 4.2 reducing the minimum number of directors to fewer than five (5) cannot be adopted if the votes cast against its adoption at a shareholders meeting, or the shares not consenting in the case of an action by written consent, are equal to more than sixteen and two-thirds percent (16-2/3%) of the outstanding shares entitled to vote, and further provided that, for so long as the Corporation is a benefit corporation pursuant to Section 14600, et seq. of the Code, amendment or repeal of any obligations or duties of the Corporation and its Directors or officers pursuant to

the Corporation's status as a benefit corporation shall require amendment of the Articles to terminate the Corporation's status as a benefit corporation, or delete the identification of a specific public benefit, adopted by the affirmative vote or written consent of the holders of at least two-thirds of the outstanding shares of each class or series entitled to vote, subject to the rights of the shareholders set forth in any applicable agreements of the shareholders.

10.2 Amendment By Directors

Subject to the rights of the shareholders as provided in Section 10.1 of these bylaws, bylaws, other than a bylaw or an amendment of a bylaw changing the authorized number of directors (except to fix the authorized number of directors pursuant to a bylaw providing for a variable number of directors), may be adopted, amended or repealed by the Board.

DRAFT

CERTIFICATE OF ADOPTION OF BYLAWS
OF
ALLIANT INTERNATIONAL UNIVERSITY, INC.

ADOPTION BY INCORPORATOR

The undersigned person appointed in the Articles of Incorporation to act as the Incorporator of Alliant International University, Inc. a California benefit corporation, hereby adopts the foregoing Bylaws as the Bylaws of the Corporation.

Executed on _____
_____, [Incorporator Name], Incorporator

CERTIFICATE BY SECRETARY OF ADOPTION BY INCORPORATOR

The undersigned hereby certifies that the undersigned is the duly elected, qualified, and acting secretary of Alliant international University, Inc. a California benefit corporation, and that the foregoing Bylaws were adopted as the Bylaws of the Corporation on _____, by the person appointed in the Articles of Incorporation to act as the Incorporator of the Corporation.

Executed on _____
_____, Secretary