

CORPORATE BYLAWS
OF THE
LAKE ERIE COLLEGE
OF
OSTEOPATHIC MEDICINE

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AMENDED AND RESTATED BYLAWS
OF THE
LAKE ERIE COLLEGE OF OSTEOPATHIC MEDICINE, INC.

ARTICLE I

Name

Section 1. The name of the Corporation shall be the LAKE ERIE COLLEGE OF OSTEOPATHIC MEDICINE, INC. (hereinafter referred to as the "College").

ARTICLE II

Offices

Section 1. Registered Office. The registered office of the College shall be located at 1858 West Grandview Boulevard, City of Erie, Commonwealth of Pennsylvania, 16509.

Section 2. Other Offices. The College may also have offices at such other places as its Board of Trustees may from time to time determine.

ARTICLE III

Seal

Section 1. Seal. The corporate seal shall have inscribed thereon the name of the College, the year of its organization and the words "Nonprofit Corporation, Pennsylvania." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced, such impression, affixation, or the reproduction to be attested by the signature of the Secretary or Treasurer of the College.

ARTICLE IV

MEMBER

Section 1. The sole member of the College shall be the Millcreek Health System, Inc., a Pennsylvania nonprofit corporation.

ARTICLE V

Action of Member

Section 1. The Member shall have any and all rights, powers, and responsibilities which are conferred upon the Member by these Bylaws and the Pennsylvania Nonprofit Corporation Law of 1988, as amended ("NPL").

All actions of Member shall be in the best interests of the College and shall not serve the interests of any entity other than the College.

Section 2. The following powers, rights and privileges are expressly reserved by the Member:

(a) The right to alter, amend or repeal the Articles of Incorporation of the College.

(b) The right to approve any and all transactions that change, or have the effect of changing, the ownership and/or control of the College. Such a transaction shall include, but not be limited to, any proposed attempt to merge, acquire or combine the College with any other school, hospital, health care facility, health system, affiliate entity or person, whether such transaction is by contract, sale of all or substantially all of its assets or by operation of law.

(c) The right to approve or disapprove any and all actions on the part of the College to change its osteopathic orientation. For purposes of this section, a change in the osteopathic orientation of the College shall mean any proposed action by the College to eliminate accreditation by the American Osteopathic Association, Commission on Osteopathic College Accreditation ("COCA") or to eliminate the granting of the D.O. degree.

Section 3. Meetings of the Member may be called at anytime at the request of the Member. If a meeting of the Member is so requested, it shall be the duty of the Secretary to call a meeting to be held at such time as the Secretary may provide, not less than ten (10) nor more than sixty (60) days after receipt of the request. If the Secretary shall neglect or refuse to issue such a call, the Member may do so.

Section 4. Any action which may be taken at a meeting of the Member may be taken without a meeting if a consent in writing setting forth the action so taken is signed by the Member and filed with the Secretary of the College.

ARTICLE VI

Board of Trustees

Section 1. Powers and Duties. Except as provided in Article V as it relates to powers of the Member, the business, property, and affairs of the College shall be managed and controlled by the Board of Trustees. Trustees shall be deemed to stand in a fiduciary relation to the

College, and shall discharge the duties of their position with that diligence, care and skill which ordinarily prudent men/women would exercise under similar circumstances.

Without limiting the full extent of their powers, the Trustees shall: have the supervisory authority over the President; support and objectively evaluate the performance of the President and the Officers, no less frequently than annually; develop or approve policies and strategic plans of the College; take all actions necessary to maintain the financial health and integrity of the College; review and, if necessary, revise the breadth and extent of the faculty governance; and review and ensure adherence to the Mission of LECOM; approve the conferral of degrees on the graduating classes of the various programs of the College.

Section 2. Composition of Board of Trustees. The Board of Trustees shall be composed of up to seventeen voting members. Except for the initial Board of Trustees, the Trustees shall be elected by the College's Board of Trustees, at the annual meeting of the College for a term of three years; provided, however, that the Trustees shall be classified with respect to the time for which they shall severally hold office by dividing them into three (3) classes each consisting, to the extent possible, of one-third (1/3) of the whole number of Trustees. The initial Trustees of the first class shall serve for a term of one (1) year; the initial Trustees of the second class for a term of two (2) years; and initial Trustees of the third class for a term of three (3) years. Thereafter, the successors to the class of Trustees whose term shall expire that year shall be elected to hold office for the term of three (3) years, so that the term of office of one class of Trustees shall expire in each year. The Trustees in office on the effective date of these Amended and Restated Bylaws shall continue in office until the end of the term to which he/she is elected and until his/her successor has been duly elected and has qualified, or until such Trustee's earlier death, resignation, or removal.

Section 3. Election of Trustees. All elections of Trustees shall be by the affirmative vote of a majority of the Trustees whose terms are not then expiring and who are present and voting at the annual meeting. Each Trustee shall hold office for a term which is co-extensive with the term to which he/she is elected and until his/her successor has been duly elected and has qualified, or until such Trustee's earlier death, resignation, or removal. The Board of Trustees may accept nominations from any source affiliated with the College. Trustees may be elected to the Board of Trustees by a majority vote of the existing Trustees at any time. Trustees elected to the Board shall be proven leaders chosen from among representatives of various professional, occupational, and cultural backgrounds who have a genuine interest in higher education. Trustees must have time to devote to the work of the Board. In order to be considered, nominations, together with supporting documentation, must be submitted to the Nominating Committee at least thirty (30) days prior to the nearest Board meeting.

Section 4. Vacancies. Vacancies among the Trustees shall be filled by a majority of the remaining members of the Board of Trustees, though less than a quorum, and each person so selected shall be a Trustee to serve for the balance of the unexpired term, and until his/her successor has been duly elected and has qualified.

Section 5. Removal and Resignation. Any Trustee may be removed from office by the vote of a majority of the Trustees then in office. Any Trustee may resign at any time by giving

written notice of his resignation to the Board of Trustees, which shall become effective upon receipt of the resignation by the Board or at such later time as set forth in the resignation. Resignation or removal of a Board member shall also constitute his/her resignation or removal as an officer and as a member of any committee of the Board. A member of the Board may be removed by the Member at any time, with or without cause.

Section 6. Conflict of Interest.

A. Every Board member or officer of the College, whether or not compensated, shall conduct the affairs of the College in an honest and prudent manner, exercising his or her best skill and judgment for the College's benefit. No Board member or officer shall serve or continue to serve in any capacity with the College if there exists a conflict between his or her personal interest and the interest of the College; provided, however, that this policy shall not apply to conflicts of interest which are de minimis; nor shall it apply to any Board member or officer who discloses fully to the Board the conflict and conducts himself or herself in accordance with the guidelines hereinafter set forth.

B. All acts of Board members and officers shall be for the benefit of the College and any act which shall affect the College and benefit any Board member or officer directly or indirectly, whether financially or otherwise, shall be presumed to be a conflict of interest, which must be disclosed to the Board of Trustees.

C. Each Board member and officer upon initial appointment to office shall direct a written statement to the Board disclosing any conflict of interest or disclaiming the same. Such written statement shall be a matter of record and filed with the official minutes of the Board of Trustees.

D. Any Board member or officer, whose status changes materially after the initial conflict of interest statement has been filed, shall promptly disclose such change to the Board of Trustees. Such notification shall be in writing and filed with the minutes of the Board of Trustees meeting when such disclosure is made.

E. Each Board member who has an interest in any business transaction, in addition to making such disclosures, shall not vote on such business transaction.

F. Every Board member or officer whose interest conflicts with that of the College's so often or so substantially that his or her ability to adequately perform his or her duties is impaired, shall resign his or her office or position as soon as such impairment of ability is discovered.

G. The Board shall solicit statements disclaiming any conflict of interest from each Officer; shall confirm with the President that all other conflict of interest statements have been completed; review the enforcement of the conflict of interest provisions contained in the Institutional Code of Ethics; and answer any questions on conflicts of interest put to it by the Officers.

Section 7. Meetings. The meetings of the Board of Trustees shall be held at such time and place within the Commonwealth of Pennsylvania or elsewhere as a majority of the Trustees may from time to time decide. The Board of Trustees shall hold regular quarterly meetings and may hold special meetings called by the Chairman or any two (2) of the Trustees. The annual meeting of the Board of Trustees shall be the first meeting of each calendar year.

Section 8. Notice of Board Meetings.

(a) Written notice (which may be provided by mail, personal delivery, telecopy or other electronic facsimile) of each meeting of the Board of Trustees shall be given at least forty-eight (48) hours before the time scheduled for the meeting. The notice shall specify the date, hour and place of the meeting, and shall state the nature of the business to be conducted at the meeting.

(b) Whenever a written notice is required to be given by law or by these Bylaws, a waiver thereof in writing signed by the trustees, entitled to such notice shall be deemed the equivalent of the giving of such notice. The business to be transacted shall be specified in the waiver of notice of such meeting. Attendance of a person at a meeting constitutes a waiver of notice of the meeting, except where a person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9. Quorum and Majority. At all meetings of the Board of Trustees, a majority of the trustees then in office shall be necessary to constitute a quorum for the transaction of business. The acts of a majority of the trustees present at a meeting at which a quorum is present shall be the acts of the Board of Trustees, except as may be otherwise specifically provided by statute or by these Bylaws. If a quorum shall not be present at any meeting of the trustees, the trustees then present may adjourn the meeting from time to time until a quorum shall be present. It shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at such meeting other than by announcement at the meeting at which such adjournment is taken.

Section 10. Board and Board Committee Action Without a Meeting. Any action which may be taken at a meeting of the Board or a Board committee may be taken without a meeting if, prior to such action, a consent in writing setting forth such action is signed by all of the members of the Board or committee, as the case may be, and is filed in the minutes of the proceedings of the Board or of the committee.

Section 11. Minutes. Minutes of each meeting of the Board shall be taken by the Secretary or his/her designee and be disseminated to each Board member as soon as practicable after the conclusion of the meeting.

Section 12. Meetings by Conference Telephone. One or more trustees may participate in a meeting of the Board of Trustees, or of a committee of the Board of Trustees, by means of conference telephone or similar communications equipment which permits all persons participating in the meeting to hear each other, and all persons so participating shall be deemed present at the meeting.

Section 13. Compensation. The Trustees shall not be entitled to receive compensation from the College for their services as Trustees. They may, however, be reimbursed by the College for out-of-pocket expenses, if any, incurred in connection with attendance at meetings of the Board of Trustees. Nothing herein contained shall be construed to preclude any Trustee from serving the College as an officer, or in any other capacity, and receiving compensation therefore, so long as a majority of the remaining Trustees agree that, in their judgment, such service is unlikely to create a conflict of interest, on the part of that director, prejudicial of the College.

Section 14. Committees. There shall be an Executive Committee, Finance Committee, Audit Committee and such additional standing committees as the Board of Trustees may from time to time establish. Each such committee shall serve at the pleasure of the Board of Trustees.

(a.) The Executive Committee shall consist of the Chairman and President of the College, and such other Trustees, as the Board of Trustees shall from time to time determine. The Executive Committee shall have and may exercise, at all times, when the Board is not in session, all the power and authority of the Board with respect to the affairs of the College (including, except as provided in Article V as it relates to powers of the Member, without limiting the generality of the foregoing, the power to approve and authorize borrowing money and purchasing, selling, mortgaging, leasing away and otherwise disposing of any real estate or personal property) except that the Executive Committee shall not have the authority to fill vacancies on the Board or the Executive Committee, elect or remove officers, or amend the Bylaws. Notwithstanding the foregoing, any action undertaken by the Executive Committee must be in strict conformance with the provisions of these Bylaws and shall be subject to ratification or rescission by the entire Board.

(b.) The Finance Committee shall consist of three members of the Board, serving terms of two years each, which may be renewed. The Committee shall review and make recommendations to the entire Board on the budget; provide oversight and assistance to the CFO; review and make recommendations on all financial and investment policies and actions; monitor the sufficiency of insurance coverage and reserves; review all capital projects and expenditures; review and recommend tuition rates; ensure compliance with all laws and regulations relating to taxes and financial dealings of the College; and perform such other actions as directed by the Board as a whole.

(c.) The Board shall function as an audit committee of the whole. The committee shall appoint independent, outside auditors, receive a comprehensive report from said auditors no less frequently than annually and put all pertinent and necessary questions to the auditors. The Committee shall take any corrective actions dictated by the report. In addition, the Committee shall have the authority to initiate investigations or audits of any aspect of the financial operations of the College and shall receive, investigate and remediate, if necessary, any complaints of financial wrongdoing made pursuant to the provisions of the Institutional Code of Ethics or otherwise. The Committee shall also oversee any bid processes; shall review the accuracy of any financial filings; and shall perform such other actions as directed by the Board as a whole.

Section 15. Trustees Emeriti. At any regular meeting, or at any special meeting the call for which includes a notice of election, the Board of Trustees may elect one or more Trustees Emeriti who, in the judgment of the Board of Trustees, have provided distinguished and meritorious service, outstanding leadership, and exceptional contributions to the Lake Erie College of Osteopathic Medicine over the years. Trustees Emeriti shall have such rights, powers and duties as may be assigned from time to time by the Board of Trustees.

ARTICLE VII

Officers

Officers. The officers of the College shall be a Chairman, a President, a Treasurer/Vice President of Fiscal Affairs, a Secretary, and a Provost/Vice President and Dean of Academic Affairs. The Board shall hire the President of the College and shall review and approve the contracts of all other officers. One person may hold two or more offices. The Board of Trustees may hire such other officers or assistants as the business of the College may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Trustees may from time to time prescribe. The duties of each of the Officers shall be set forth in a job description that shall be reviewed annually by the Board. The performance of all officers shall be reviewed annually by the Board. Officers may, but need not, be Trustees of the College.

Section 1. Election/Term of Office/Vacancies. Unless otherwise indicated in these Bylaws, the officers of the College shall be elected to two-year terms by the Board of Trustees at its annual meeting. Each officer shall hold office until his/her successor has been duly elected and qualified, or until such officer's earlier death, resignation, or removal. If any office of the College becomes vacant by death, resignation, removal or any other cause, a majority of the Trustees then in office shall elect an officer to fill such vacancy, and the officer so elected shall hold office and serve until the election and qualification of his/her successor.

Section 2. Removal or Resignation.

(a) Any officer or agent elected or appointed by the Board of Trustees may be removed by the Board of Trustees whenever in its judgment the best interest of the College will be served thereby, but such removal shall be without prejudice to any contract rights of the person so removed.

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

Section 3. Chairman. The Chairman shall preside at all meetings of the Board of Trustees and the Executive Committee.

Section 4. President. The President is the chief executive officer of the College and reports directly to the Board of Trustees. The President serves under the supervision of the Board of Trustees. The President shall periodically provide reports to the Board, answer their inquiries and see that their meetings are properly arranged. A full description of the President's job duties is set forth in the job description of the President.

The President will have an earned D.O. degree from an AOA accredited college of osteopathic medicine and have AOA board certification. He/she shall be an ex officio member, with vote, of the Board of Trustees and the Executive Committee. He/she is to lead the College toward the fulfillment of its objectives and is to be the chief spokesperson for the College. The President interprets and supports the major policy decisions, pronouncements and rules of the Board as well as aids the Board in their formulation. The President appoints administrative and academic personnel to implement the mission and philosophy of osteopathic medical education and service. He/She assigns to the Provost/Vice President and Dean of Academic Affairs the necessary responsibilities for implementing the curriculum and the instructional plan of the College. The President is responsible for developing and implementing long and short-range planning and goals for the College including funding. The President recommends to the Board all salaries and is accountable to the Board for all appointments and dismissals.

Section 5: Provost/Senior Vice President and Dean of Academic Affairs. The Provost/Senior Vice President and Dean of Academic Affairs shall be the principle academic officer of the College and shall be subject to the general supervision of the President. The Provost/Senior Vice President and Dean of Academic Affairs will have an earned D.O. degree from an AOA accredited college of osteopathic medicine and have AOA board certification. The Provost/Senior Vice President and Dean of Academic Affairs shall be responsible for execution of all directives and policies of the Board of Trustees, which pertain to the academic affairs of the College. The Provost/Senior Vice President and Dean of Academic Affairs' supervision of the conduct of the academic programs shall extend to all areas of the College including the fiscal affairs and condition of all academic programs and the conduct of such programs in those hospitals and institutions with which the College has an official academic affiliation. He/she shall have such further authority and duties as set forth in the Academic Bylaws of the College.

Section 6: Secretary. In addition to any other duties which the Board of Trustees may assign to him/her, the Secretary shall attend all meetings of the Board of Trustees and record all the votes of the College and the minutes of all the transactions in a book to be kept for that purpose, and shall perform like duties for the Executive Committee and other committees of the Board of Trustees, if any, when required. He/she shall give or cause to be given, notice of all meetings of the Board of Trustees, and shall perform such other duties as may be prescribed by the Board of Trustees. He/she shall keep, in safe custody, the corporate seal of the College, and, when authorized by the Board of Trustees, affix the same to any instrument requiring it.

Section 7: Treasurer/Vice President of Fiscal Affairs. The Treasurer shall have custody of the College's funds and securities; he/she shall keep full and accurate accounts of receipts and disbursements in books belonging to the College; he/she shall deposit all moneys and other valuable effects in the name and to the credit of the College in such depositories as shall be designated by the Board of Trustees; he/she shall disburse such funds of the College as may be ordered by the Board of Trustees, taking proper vouchers for such disbursements, and shall render to the Trustees, at the regular meetings of the Board of Trustees, or whenever they may require it, an account of all his/her transactions as Treasurer and of the financial condition of the College; if required by the Board of Trustees, he/she shall give the College a bond in such sum, and with surety or sureties as may be satisfactory to the Board of Trustees, for the faithful

discharge of the duties of his/her office and for the restoration to the College, in case of his/her death, resignation, retirement or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his/her possession or under his/her control belonging to the College and he/she shall, in general, perform all duties incident to the office of Treasurer.

Section 8: Members Ex Officio. Three officer members are considered Trustees Ex Officio: President, Treasurer, and Provost/Vice President and Dean of Academic Affairs. Of these three members, only the President shall be with vote. The Treasurer and Provost/Vice President and Dean of Academic Affairs are members without vote.

ARTICLE VIII

General Provisions

Section 1. Voting Share of Other Corporations. Unless otherwise ordered by the Board of Trustees, the President shall have full power and authority on behalf of the College to vote either in person or by proxy at any meeting of shareholders of any corporation in which the College may hold shares, and at any such meeting shall possess and exercise all of the rights and powers incident to the ownership of such shares which, as the owner thereof, the College might have possessed and exercised if present.

Section 2. Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the College and any and all securities owned or held by the College requiring signature for their transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board of Trustees.

Section 3. Annual Report. The President and Treasurer shall cause to be prepared and shall present to the first regular quarterly meeting of the Board of Trustees following the close of the College's fiscal year, an annual report, prepared in conformity with the requirements of 15 Pa.C.S. § 5553(c) of the NPL, as amended, as well as the annual certified audit, and such reports shall be filed with the minutes of the said meeting of the Board of Trustees.

Section 4. Ethics. The College shall operate at all times in a manner consistent with its Institutional Code of Ethics and shall maintain a safe workplace free of any discrimination, harassment or retaliation, with due process available to all employees.

Any documents or records deemed confidential shall be labeled as such and kept in a secure place, under the supervision of a designated custodian. If kept on a computer drive, records shall not be kept on drives generally available to the College community. All such confidential material shall be kept in password protected locations, typically on the "U" drive. Student and employee records shall generally be deemed to be confidential; shall be treated as such; and, shall be maintained under the supervision of the Department of Student Affairs or the Director of Human Resources, respectively. Any confidential documents that are subject to a subpoena shall not be produced without a review by the General Counsel and notice to the individual(s) to whom the documents pertain.

No student or employee shall be subject to any form of improper or illegal discrimination. This means that all students or employees who are in categories protected by law shall be treated the same under all College policies and regarding any benefits as similarly situated students or employees who are not in the protected category, unless there is a legitimate reason, unrelated to the protected category, that is of importance to the College that dictates different treatment. Also, no policy or practice of the College will be applied in a way that has a disproportionately negative impact on members of any group protected by law unless required by business necessity. The College shall also make reasonable accommodations to otherwise qualified students or employees upon request.

In terms of “due process”, the College shall at all times act in a manner which is fair to and which is respectful of the legal rights of all students and employees. No student or employee shall be subject to discipline without a fair investigation; notice of any infractions of which they are charged; and an opportunity to be heard. Any discipline or penalty imposed on any student or employee shall be appropriate to the offense and applied in a non-discriminatory fashion.

ARTICLE IX

Investment of Corporate Funds

Section 1. In General. The Board of Trustees may take, receive, and hold, in trust, such property, real or personal, as may be given, devised to or otherwise vested in the College, in trust, for such purposes, set forth in the trust instrument, as are consistent with the charitable purposes of the College. The Board of Trustees may take, receive and hold such other property, real or personal as may be given, devised to or otherwise vested in the College, outright, as part of the general assets of the College and committed to its charitable purposes.

Section 2. Investment. Except as provided in Article V as it relates to powers of the Member, the College shall have the right to retain or sell all or any part of any securities or property, real or personal, given, devised to or otherwise vested in it, whether outright or in trust, and to invest and reinvest any funds held by it, according to the judgment of the Board of Trustees. Except as provided in Article V as it relates to powers of the Member, the College may transfer all or any part of its assets in a revocable trust to a corporate trustee qualified under 15 Pa.C.S. § 5549(a) of the NPL.

ARTICLE X

Operation as an Exempt Organization

Section 1. Compliance with Requirements of Internal Revenue Code. The College has been organized and shall be operated exclusively for charitable, educational and scientific purposes; the College shall not enter into any agreement, nor shall its Member, Trustees or officers adopt any resolution or Bylaws, take any action or carry on any activity by or on behalf of the College, not permitted to be entered into, taken or carried by (a) an organization that is exempt from federal income tax pursuant to Internal Revenue Code (“Code”) Section 501(a), as

an organization described in Code Section 501(c)(3); (b) an organization, contributions to which are deductible under Section 170(c)(2) of the Code; and (c) an organization subject to the Solicitation of Funds for Charitable Purposes Act, Act of December 19, 1990, P.L. 1200, Section 1, as amended.

ARTICLE XI

Limitation of Liability; Insurance

Section 1. Limitation of Liability of Trustees, Officers and Committee Members.

Section 1. Neither a trustee, officer nor committee member shall be personally liable for monetary damages for any action taken or any failure to take any action as a trustee, officer or committee member except as expressly provided by the NPL.

(a) Any repeal or amendment of this Article XI shall be prospective only and shall not increase, but may decrease, the liability of the trustee, officer or committee member with respect to actions or failures to act occurring prior to such change.

(b) The provisions contained in this Article XI shall be in addition to, and not in limitation of, any rights or protections available to the trustees, officers and committee members under applicable law and these Bylaws, including, without limitation under this Article XI relating to insurance and Article XII relating to indemnification.

However, paragraph (a) of this Article XI shall not apply to the responsibility or liability of a trustee, officer or committee member pursuant to any criminal statute or the liability of a trustee, officer or committee member for payment of taxes pursuant to local, state or federal law.

Section 2. Insurance. The College may purchase and maintain insurance on behalf of any person who is or was a representative of the College, or is or was serving at the request of the College as a representative of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not the College would have the power to indemnify him/her against such liability under the laws of the Commonwealth of Pennsylvania or any other jurisdiction.

ARTICLE XII

Indemnification

Section 1. Representative Defined. For purposes of Article XII, "representative" means any trustee, officer, committee member, employee, agent or other representative of the College or a person serving at the request of the College as a trustee, officer, partner, fiduciary, trustee or director of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise.

Section 2. Third Party and Derivative Actions. The College shall indemnify any representative of the College who was or is a representative of the College and who was or is a party (which includes giving testimony or similar involvement) or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, formal or informal (including an action or proceeding by or in the right of the College), by reason of the fact that he/she was or is a representative of the College, against expenses (including reasonable attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with the action or proceeding. If a representative is not entitled to indemnification for a portion of any liabilities to which he/she may be subject, the College shall indemnify him/her to the maximum extent for the remaining portion of the liabilities.

Section 3. Employee Benefits Plan. For purposes of this Article XII, "other enterprise" shall include employee benefit plans; "serving at the request of the College" shall include any service as a representative of the College that imposes duties on, or involves services by, the representative with respect to an employee benefit plan, its participants or beneficiaries; excise taxes assessed on a person with respect to any employee benefit plan shall be deemed "fines"; and action with respect to an employee benefit plan taken or omitted in good faith by a representative of the College in a manner he/she reasonably believed to be in the interest of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the College.

Section 4. Advancing Expenses. The College shall pay expenses (including reasonable attorneys' fees) actually and reasonably incurred in defending any action or proceeding referred to in Section A of this Article XII in advance of the final disposition of the action or proceeding upon receipt of any undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the College as authorized in this Article XII or otherwise.

Section 5. Supplementary Coverage. The indemnification and advancement of expenses provided by or granted pursuant to this Article XII shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the NPL, or any bylaw, agreement, vote of the members or disinterested trustees, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding that office. However, no indemnification may be made by the College under this Article XII or otherwise to or on behalf of any person to the extent that:

the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct, or recklessness; or

the Board of Trustees determines that under the circumstances indemnification would constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

Section 6. Duration and Extent of Coverage. The indemnification and advancement of expenses provided by or granted pursuant to Article XII shall, unless otherwise provided when

authorized or ratified, continue as to a person who has ceased to be a representative of the College and shall inure to the benefit of the heirs and personal representatives of that person.

Section 7. Reliance and Modification. Each person who shall act as a representative of the College shall be deemed to be doing so in reliance upon the rights provided by this Article XII. The duties of the College to indemnify and to advance expenses to a representative provided in this Article XII shall be in the nature of a contract between the College and the representative. No amendment or repeal of any provision of this Article XII shall alter, to the detriment of the representative, his/her right to the advancement of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment or repeal.

ARTICLE XIII

Fiscal Year

The fiscal year of the College shall end on the last day of June.

ARTICLE XIV

Amendment

These Bylaws may be altered, amended or repealed, and the new bylaws may be adopted, only by the Member.