

BYLAWS

ACCREDITING COUNCIL FOR CONTINUING EDUCATION & TRAINING, INC.

ARTICLE I. NAME AND OFFICES

Section 1.1. Name

The name of this corporation is the Accrediting Council for Continuing Education & Training, Inc. (hereafter referred to as “ACCET” or “the Corporation”), a non-profit, non-stock, charitable corporation organized under Title 13.1, Chapter 10, of the Code of Virginia exclusively for educational purposes.

Section 1.2. Offices

The registered office of ACCET shall be located in Alexandria, Virginia or such other place as determined by the Board of Trustees. ACCET may have other offices within or without Virginia as the Board of Trustees may from time to time determine.

Section 1.3. References to Board of Trustees and Accrediting Commission

The Board of Trustees is also known as the Accrediting Commission. For convenience of reference, the term “Commission” will hereinafter be used in these Bylaws. Likewise, the individual Trustees will be referred to in these Bylaws as “Commissioners”.

Section 1.4. President to Act as Chair

The president of the Board of Trustees shall also serve as the Chair. The term Chair and President are interchangeable. Both connote the principal officer of the Corporation.

ARTICLE II. PRINCIPLES OF OPERATION

Section 2.1. To establish and operate an educational accrediting agency in the field of continuing education and training.

Section 2.2. To meet the criteria for nationally recognized accrediting agencies that may be established, from time to time, by the United States Department of Education, as promulgated by the U.S. Secretary of Education, or other appropriate governmental agencies.

Section 2.3. To accredit institutions and organizations offering continuing education and training programs which have attained and maintained the standards, policies, and procedures established by ACCET.

Section 2.4. To identify and publicize those organizations and institutions that attain accredited status.

Section 2.5. To promote the development and maintenance of high educational and ethical standards in continuing education and training by means of standard setting, evaluation, and consultation processes.

Section 2.6. To implement the high quality standards which are contained in the ACCET Principles of Ethics.

Section 2.7. To conduct research in continuing education and training.

Section 2.8. To hold conferences, seminars, workshops and meetings to support continuing education and training.

Section 2.9. To cooperate with other private and public agencies in any way that may lead to the improvement of continuing education and training.

Section 2.10. To undertake such other activities as the Commission may determine.

ARTICLE III. MEMBERSHIP

Section 3.1. Members

Each organization and institution granted independent accredited status by the Commission shall be a member of ACCET, subject to the provisions of the Bylaws in force at the time of admission of such member, or as altered, revised, or amended thereafter.

Section 3.2. Representation

Any member organization or institution may be represented at any meeting of members of ACCET by any number of its staff designated by it for the purpose, but each member organization or institution shall be entitled to only one vote.

Section 3.3. Termination of Membership

Membership in ACCET shall be terminated when

- (1) the grant of accreditation expires, or
- (2) the grant of accreditation is withdrawn or denied in accordance with established and approved Commission policies.

Section 3.4. Resignation

Any member may resign from ACCET by filing a written resignation with the Executive Director. Such member shall remain fully liable for all accrued and unpaid financial obligations.

Section 3.5. Transfer of Membership

Membership in ACCET is not transferable or assignable.

ARTICLE IV. MEETINGS OF MEMBERS

Section 4.1. Annual Meetings of Members

The annual meeting of the members of ACCET shall be held at a time and place designated by the Commission. The purpose of the meeting shall be to elect Institutional Commissioners to the Commission and transact such other business as may be appropriate.

Section 4.2. Special Meetings of Members

Special meetings of the members of ACCET may be called by the Chair of the Commission or upon written petition of no less than one-fourth of the members.

Section 4.3. Quorum for Members' Meetings

At any regular or special meeting of members, the quorum requirement will be the minimum quorum allowed by Virginia law.

Section 4.4. Place of Members' Meeting

The Commission may designate any place as the place of meeting for any annual members' meeting or for any special members' meeting called by the Commission. If no designation is made, or if a special meeting may otherwise be called, the place of members' meeting shall be the principal place of business of ACCET.

Section 4.5. Notice of Members' Meetings

By the direction of the Chair, the Commission, or the members calling the meeting, written or printed notice stating the place, day, and hour of any meeting of members shall be delivered personally, by mail, or electronically (as allowed by Virginia law) to each member entitled to vote at such meeting. The notice shall be so delivered no fewer than ten (10) nor more than sixty (60) days before the date of such meeting. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, postage pre-paid addressed to the member's address as it appears on the records of ACCET. If notice is sent electronically, such notice shall be deemed to be delivered when transmitted to the receiving device of the member as it appears on the records of ACCET.

Section 4.6. Voting and Proxies

A member entitled to vote may vote by proxy executed in writing by the member or by a duly authorized attorney-in-fact. A proxy shall be valid only for the members' meeting designated in the proxy. If the proxy contains no such designation, it shall be limited to the next member's meeting. No member shall exercise a proxy for more than ten percent of the members entitled to vote at the meeting.

Proxies may be submitted electronically as allowed by Virginia law. Voting may occur by mail or electronically as allowed by Virginia law.

ARTICLE V. THE COMMISSION

Section 5.1. General Powers

The legal, financial, and operational affairs of ACCET shall be managed by the Commission, which shall have all necessary and incidental powers to carry out the purposes of ACCET as set forth in Virginia Code §13.1-826.

Section 5.2. Number of Commissioners, Tenure, and Qualifications

The Commission shall consist of not fewer than eleven (11) sitting members nor more than fifteen (15) sitting members. At least five (5) of the Commissioners shall be Public Commissioners. All other Commissioners shall be Institutional Commissioners. In a period of heavy workload, the Commission Executive Committee may authorize the pro tempore appointment of former Commissioners at a number that exceeds the fifteen (15) member capacity.

To determine the appropriate size of the Commission to fulfill its designated duties and responsibilities, the Executive Committee, in consultation with the Executive Director, shall periodically assess the appropriate size and balance of the Commission taking into consideration various factors including the number, tenure, and qualifications of the Commissioners and its projected workload. The Commission shall vote on the recommendation of the Executive Committee regarding any change to the number of Commissioners.

Section 5.3. Term of Commissioners

The term of office of a Commissioner shall be three years and shall begin at the close of the annual members' meeting.

Within each classification of Commissioners as Public or Institutional Commissioners, the office terms shall be staggered with expiration dates to permit balanced and proportional expiration of terms for the purpose of maintaining continuity of knowledgeable, experienced Commissioners. At the time a Commissioner is appointed or elected, the Commissioner's term of office shall be designated. The designation of a Commissioner's term of office may be changed to suit the needs of the Commission as set forth herein.

If otherwise eligible, a Commissioner shall hold office until a successor is elected and installed. An Institutional Commissioner shall serve no more than two full consecutive terms, and a Public Commissioner shall serve no more than three full consecutive terms. Upon approval of the Commission, a Commissioner may serve up to two additional years, granted in one-year increments, if such extensions are determined by the Commission to be necessary or convenient to the effectiveness, structure, or continuity of the Commission. Partial terms of office to which a Commissioner is initially elected or appointed to complete shall not be included in determining the maximum time a Commissioner is permitted to serve.

Section 5.4. Appointment and Qualifications of Public Commissioners

Public Commissioners shall be appointed by the Commission by the affirmative vote of at least two-thirds of the sitting Institutional Commissioners. A Public Commissioner or any member of his/her immediate family cannot be an employee, member of the governing board, owner, or shareholder of, or consultant to, an institution or program that is accredited by ACCET or applying for ACCET accreditation, or a member of a trade association or membership organization related to, affiliated with, or associated with ACCET. Public Commissioners shall be drawn from the following fields: the administration of higher education, university continuing education, management in business and industry, management of professional or trade associations, public education, government, or such other pertinent fields of endeavor as the Commission determines to be appropriate to the purposes of ACCET.

Section 5.5. Election of Institutional Commissioners

An Institutional Commissioner shall be elected by the ACCET membership and shall be owners or full-time employees of an ACCET member institution. There shall be no more than one elected Institutional Commissioners from each group of institutions under common ownership, control, or affiliation. Institutional Commissioners shall be drawn from both administrative and academic personnel, with each Commissioner fulfilling a separate role (academic or administrative member). Election of the Institutional Commissioners to the Commission shall take place at the annual members' meetings. Each member institution shall be limited to one vote for each vacancy. Cumulative voting is not permitted. Balloting may be by voice vote, postal or similar service, or by electronic means, as allowed by Virginia law. To be included in the tally, a member's ballot must be received at the place where the meeting is scheduled, in the form required, by the time the annual members' meeting is called to order.

Section 5.6. Vacancies and Appointments

The Accrediting Commission may appoint one or more former Commissioners for a particular meeting. The appointee must consent to the appointment and must have and maintain the qualifications of the Commission position for which he or she acts. Any vacancy occurring in the Commission below its maximum number of members may be filled by appointment by means of a majority vote of the Commissioners serving at the time of such vacancy and for a period not to exceed the vacant term's expiration.

Section 5.7. Conflicts of Interest

Commissioners shall not have any inherent conflicts of interest. Commissioners with potential conflicts of interest shall disclose such conflicts to the Commission and shall recuse themselves from participation on matters giving rise to a conflict of interest.

ARTICLE VI. OFFICERS

Section 6.1 Designation of Officers

The officers of ACCET shall be the following:

- The Chair, also known as President
- The Vice Chair, also known as Vice President
- The Secretary
- The Treasurer
- The Executive Director
- The Past Chair

Except for the offices of Executive Director and Past Chair, all of the above named officers shall be members of the Commission and elected by the Commission. A Commissioner may hold more than one office at the same time. The officers shall constitute the Executive Committee.

The Commission may create additional officers as may be necessary to suit its purposes. Such additional officers need not be Commissioners unless required by the Commission.

Section 6.2. Chair

The Chair shall preside at all meetings of the members and all meetings of the Commission. In addition, the Chair shall perform all duties incident to the office and shall execute such other duties as may be prescribed by the Commission from time to time. The Chair shall be elected annually by the Commission and shall not serve as Chair more than two years in succession. Upon approval of the Commission, a Chair may serve a third successive one year term if such extension is determined by the Commission to be necessary or convenient to the effectiveness, structure, or continuity of the Commission. The Chair may execute documents on behalf of ACCET, as may be necessary for or convenient to the purposes of ACCET.

Section 6.3. Vice Chair

In the absence of the Chair of the Commission or in the event of the Chair's inability or refusal to act, the Vice Chair shall perform the duties of the Chair, and when so acting, shall have all the power of and be subject to all the restrictions upon the office. The Vice Chair shall perform such other duties as may be assigned to him or her by the Chair or by the Commission. The Vice Chair shall be elected annually by the Commission and shall not serve as Vice Chair more than two years in succession. However, if the term of the Chair has been extended past two years, then the term of the Vice Chair may be likewise extended. The Vice Chair may execute documents on behalf of ACCET, as may be necessary for or convenient to the purposes of ACCET.

Section 6.4. Secretary

The Secretary shall keep the minutes of the meetings of the members and of the Commission; determine that all notices required by law or these Bylaws are duly given; be custodian of ACCET's records and corporate seal; assure that the seal of ACCET is affixed to all documents

as required by law; keep a register of the addresses of each member, which each member shall furnish to the Secretary; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the Chair or by the Commission. The Chair may delegate one or more of these specified duties to one or more assistant secretaries appointed by the Commission.

The Commission shall elect a Secretary immediately following the annual members' meeting. If the election is not so held, such election shall be held as soon thereafter as may be convenient.

Section 6.5. Treasurer

The Treasurer shall be responsible for all funds and shall deposit them in the name of ACCET in depositories selected in accordance with the provisions of Article IX of these Bylaws. The Treasurer shall and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Chair or by the Commission. The Treasurer shall have same authority as the Executive Director to sign drafts against the depository accounts of ACCET. Except for the authority to sign drafts, the Chair may delegate any of these specified duties to one or more assistant treasurers appointed by the Commission. With the approval of the Commission, the Chair may also hold the office of treasurer.

The Commission may require a fidelity bond of the Treasurer, an Assistant Treasurer, or of any employees engaged in handling and managing the financial affairs of ACCET. ACCET shall pay the cost of any bond so required.

The Commission shall elect a Treasurer immediately following the annual members' meeting. If the election is not so held, such election shall be held as soon thereafter as may be convenient.

Section 6.6. Executive Director

The Executive Director shall be appointed and serve at the pleasure of the Commission. The Executive Director shall be the chief executive officer of ACCET, responsible for administering the affairs of ACCET under policies determined by the Commission. The Executive Director shall also select and supervise such other staff members as may be authorized by the Commission. The Executive Director shall give a bond for the faithful discharge of his or her duties in such amount as the Commission shall determine the cost of such bond to be paid by ACCET. The Executive Director is authorized to act for the Treasurer in the receipt, deposit and disbursement of funds. The Executive Director shall attend the meetings of the Commission and certain committees of the Commission, as determined by the Commission.

Section 6.7. Past Chair

The Past Chair shall be an officer and shall serve on such committees as designated by these Bylaws, and shall perform such other duties as are assigned. The Past Chair may be appointed as Commissioner on a meeting-by-meeting basis.

The Past Chair will normally be the person who most recently served as Chair. If the retiring Chair is unable or chooses not to serve as Past Chair, the Commission may elect any former Chair to serve as Past Chair.

If a Commissioner's term as Chair expires before the expiration of his or her term as a Commissioner, the Commission may 1) permit that person to continue on the Commission through the remainder of the term, in which case the Past Chair shall be the person most recently serving as Past Chair or 2) permit that person to become Past Chair, in which case that person's office on the Commission will be declared vacant.

ARTICLE VII. GOVERNANCE

Section 7.1. Regular Meetings

Regular meetings of the Commission shall be held as directed by the Chair. Such regular meetings shall be held at least three times annually. At each regular Commission meeting, the Commission shall set aside adequate time to conduct the business and corporate affairs of ACCET.

Section 7.2. Special Meetings

Special meetings of the Commission in the performance of any of its duties may be conducted in person or by electronic or telephonic means as allowed by Virginia law. Special meetings of the Commission may be called at the request of the Chair and shall be called by the Chair at the written request of any five Commissioners.

Section 7.3. Notice

Notice of any meeting of the Commission shall be given at least three (3) days previously thereto excluding Saturdays, Sundays and Federal holidays. All notices shall be in writing delivered personally, by mail, or electronically (as allowed by Virginia law) to each Commissioner's address as shown by the records of ACCET. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice is sent electronically, such notice shall be deemed to be delivered when transmitted to the receiving device of the Commissioner as it appears on the records of ACCET. Any Commissioner may waive notice of any meeting. The attendance at, participation in, or ratification of any meeting by a Commissioner constitutes a waiver of notice except where a Commissioner attends a meeting for the express purpose of objecting to the meeting as having been called through improper notice. The notice of a special meeting shall specify the purpose of the meeting.

Section 7.4. Quorum of Commissioners

A quorum is constituted by the presence of two-thirds of the then sitting Commissioners at any meeting.

Section 7.5. Manner of Acting

The act of a majority of the Commissioners present at a meeting at which a quorum has been declared shall be the act of the Commission, unless the act of a greater number is required by law or by these Bylaws.

Section 7.6. Removal of Commissioners or Officers

Any Commissioner or officer may be removed with or without cause by a two-thirds vote of the then sitting Commissioners.

Section 7.7. Compensation

Commissioners shall not be paid a salary. Approved expenses for attendance at each regular or special meeting of the Commission shall be reimbursed.

Section 7.8. Other Actions by the Commission

The Commission may take action as reflected in a document signed by all then sitting members of the Commission. Such a document may be signed in duplicate originals.

ARTICLE VIII. COMMITTEES

Section 8.1. Non-Standing Committees

The Commission may designate and appoint committees in addition to the standing committees. Such additional committees may be composed of Commissioners, members, non-members or any combination of such persons as the Commission directs, and such additional committees shall be vested with the authority granted by the Commission. Unless reserved by the Commission, the Executive Committee shall appoint the members of a non-standing committee.

Section 8.2. Standing Committees

There shall be two Standing Committees of the Commission: The Nominating Committee and the Executive Committee.

Section 8.2.1. Nominating Committee

The Nominating Committee shall consist of the Chair, the Vice Chair, the Past Chair, and two non-commission members of ACCET, the latter two to be appointed by the Chair with the advice and consent of the Commission. The Nominating Committee shall select nominees for vacancies on the Commission. In the event the Chair, Vice Chair, or Past Chair of the Commission is unable or ineligible to serve, the Executive Committee of the Commission shall select an alternative member of the Commission as the fifth member of the Nominating Committee.

The Nominating Committee shall convene during the Commission meeting preceding the annual members' meeting for the purpose of nominating one candidate for each Institutional

Commissioner position to be filled. Member institutions may submit names for consideration by the Nominating Committee, up until 30 days prior to the meeting of the Nominating Committee.

No later than sixty (60) days in advance of the annual members' meeting, the list of nominees recommended by the Nominating Committee shall be provided to all member institutions. Further nominations may be made separate from the Nominating Committee process by gaining the written support of ten percent (10%) of the members of ACCET. Such nominations must be received by the ACCET Executive Director no later than thirty-five (35) days before the annual meeting, in which case the Executive Director shall submit the entire revised list to the membership no later than thirty (30) days prior to the annual meeting.

The recommendations of the Nominating Committee together with biographical data about each nominee shall be included in the information provided to ACCET members. The Nominating Committee shall report its recommendations at the Annual Meeting.

Section 8.2.2. Executive Committee

The Officers shall constitute the Executive Committee. To ensure balanced representation, the Executive Committee shall be comprised of at least one public Commissioner and at least two institutional Commissioners drawn from academic and administrative personnel, with each Commissioner fulfilling a separate role (academic, administrative, or public members). To be eligible to be a member of the Executive Committee, one must have been a member of the Commission for at least one year. The Chair of the Commission shall be the Chair of the Executive Committee. Subject to the limitations on the authority of committees contained in Section 8.3, the Executive Committee shall possess and exercise all the powers of the Commission during the intervals between meetings. The Executive Committee shall keep the members of the Commission apprised of its activities.

Section 8.3. Duties That Cannot be Delegated

No committee shall have the authority of the Commission in reference to amending, altering or repealing the Bylaws; electing, appointing or removing any member of such committee or any officer of ACCET; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of ACCET; authorizing the voluntary dissolution of ACCET or revoking proceedings therefore; adopting a plan for the distribution of the assets of ACCET; initiating adverse actions regarding the accreditation status of any applicant or accredited member; granting initial accreditation or reaccreditation to an institution; or amending, altering or repealing any resolution of the Commission. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Commission or any individual Commissioner, of any responsibility imposed upon it or him or her by law.

Section 8.4. Term of Office

A Committee member shall continue as such until the next Annual Meeting or until a successor is appointed, unless the Committee shall be sooner terminated, or unless the member is removed from such Committee or ceases to qualify as a member of the committee. Removal of a member

of a non-standing committee or of a standing committee shall require the same action as was required to make the appointment.

ARTICLE IX. ACCREDITING STANDARDS AND RESPONSIBILITIES

Section 9.1. Adoption of Eligibility Requirements and Standards of Accreditation

The membership of ACCET shall adopt eligibility requirements and standards for accreditation. Substantive changes to eligibility requirements and standards for accreditation shall require approval of a majority of the votes cast by the members at a meeting at which a quorum is present.

The Commission shall interpret and apply the eligibility requirements and standards for accreditation and shall be responsible for submitting proposed changes to the ACCET membership for their approval. All eligibility requirements and standards shall, at a minimum, satisfy the criteria established by the Secretary of Education of the United States Department of Education for nationally recognized accrediting agencies.

Section 9.2. Periodic Review

The eligibility requirements and standards for accreditation shall be re-evaluated periodically by the ACCET membership. The Commission shall conduct a study of the standards for accreditation at least every five years to ensure that they are adequate to evaluate the quality of continuing education provided by the institutions and organizations it accredits relevant to the continuing education needs of the students.

Section 9.3. Implementation and Interpretation

The Commission may adopt such policies and procedures as it deems necessary with regard to the sound implementation of the accreditation evaluation process. The Commission shall possess exclusive authority to interpret these Bylaws, the standards for accreditation, and the eligibility requirements.

Section 9.4. Finality of Commission's Decisions

The Commission shall have sole authority to make decisions regarding the accredited status of any applicant or accredited member. Its decisions shall not be subject to review or approval by the membership of ACCET.

Section 9.5. Conflicts of Interest

No member of the Commission shall vote on any matter regarding the accreditation of any applicant with which the Commission member is affiliated in any capacity or where such vote would give rise to a conflict of interest.

Section 9.6. Appeals Panel

The Chair shall appoint an independent Appeals Panel which shall hear appeals of adverse actions of the Commission, in accordance with policies adopted by the Commission. No member of the Appeals Panel shall be a current member of the Commission or a member of the Commission at the time the appealed adverse action was taken.

ARTICLE X. CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section 10.1. Contracts

The Commission may authorize any officer or agent of ACCET to enter into any contract or execute and deliver any instrument in the name of and on behalf of ACCET, and such authority may be general or confined to specific instances.

Section 10.2. Drafts and Instruments of Debt.

All instruments for the payment of money and other evidence of indebtedness issued in the name of ACCET shall be signed by such officer or officers, agent or agents of ACCET and in such manner as shall be determined by resolution of the Commission.

Section 10.3. Deposits

All funds of ACCET shall be deposited on a timely basis to the credit of ACCET in such banks, trust companies or other depositories as the Executive Committee may select.

Section 10.4. Gifts

The Commission may accept on behalf of ACCET any contribution, gift, bequest, or devise for the general purposes or for any special purpose of ACCET.

ARTICLE XI. CERTIFICATES OF MEMBERSHIP

Section 11.1. Certificates of Membership

The Commission shall provide for the issuance of certificates of membership in ACCET in such form as may be determined by the Commission. Such certificates shall be signed by the Chair and the Executive Director and shall be sealed with the seal of ACCET. The name and address of each member and the date of issuance of the certificate shall be entered on the records of ACCET.

Section 11.2. Issuance of Certificates of Membership

When a member has been accredited by the Commission and has paid all relevant fees, a certificate of membership shall be issued to that member.

Section 11.3 Ownership of Certificates of Membership

Certificates of Membership shall remain the property of ACCET and must be returned to ACCET upon termination of the membership represented by the certificate.

ARTICLE XII. BOOKS AND RECORDS

Section 12.1. Corporate Books and Records

ACCET shall keep, at its registered or principal place of business, correct and complete books and records of accounts and shall also keep minutes of recorded meetings. Likewise, ACCET shall keep a record of the names and addresses of the members entitled to vote. All corporate and financial books and records of ACCET may be inspected by a member, or a member's agent or attorney, for any purpose at any reasonable time and at reasonable intervals.

Section 12.2. Commission Records and Minutes Relating to Accreditation.

ACCET shall keep at its registered or principal place of business the correct and complete records and minutes of the proceedings of the Commission, in its accrediting role and all supporting documents in accordance with the requirements for recognized accrediting agencies established by the U.S. Secretary of Education. Due to the confidential nature of the information about applicants and accredited members received and reviewed by the Commission in making accreditation decisions, records and minutes of the Commission relating to the accreditation of applicants and accredited members may not be inspected by members except on such terms and conditions as may be prescribed by the Commission or as required by law, provided, however, that an applicant or accredited member shall have right of access, upon 30 days written request, to such decisions, records and minutes, relating to its own application or accreditation.

ARTICLE XIII. INDEMNIFICATION

Section 13.1. Indemnification for Adverse Results

ACCET shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, administrative, or investigative (other than an action by or in the right of ACCET) by reason of the fact that he or she is or was a Commissioner, officer, employee, or agent of ACCET, or is or was serving at the request of ACCET as a Commissioner, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he or she acted in good faith provided that in the case of his or her conduct in his or her official capacity with ACCET that his or her conduct was in the best interests of ACCET and in all other cases that his or her conduct was at least not opposed to the best interests of ACCET. The termination of any action, suit or proceeding by judgment, order or settlement shall not, of itself, create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interest of ACCET.

Section 13.2. Indemnification as to Derivative Actions

ACCET shall indemnify any person who was or is a party or is threatened to be made party to any threatened, pending, or completed action or suit by or in the right of ACCET to procure a judgment in its favor by reason of the fact that he or she is or was a Commissioner, officer, employee or agent of ACCET, or is or was serving at the request of ACCET as a Commissioner, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), actually and reasonably incurred by him or her in connection with the defense or settlement of such suit if he or she acted in good faith provided that in the case of his or her conduct in his or her official capacity with ACCET that his or her conduct was in the best interests of ACCET and in all other cases that his or her conduct was at least not opposed to the best interests of ACCET and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to ACCET unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 13.3. Indemnification for Favorable Results

To the extent that a Commissioner, officer, employee or agent of ACCET has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 13.1 and 13.2, or in defense of any claim, issue or matter therein, he or she shall be indemnified against costs, expenses, and attorneys' fees actually and reasonably incurred by him or her in connection therewith.

Section 13.4. Corporate Determinations

Unless otherwise ordered by a court, any indemnification under Sections 13.1 and 13.2 shall be made by ACCET only as authorized in the specific case upon a determination that indemnification of the Commissioner, officer, employee, or agent of ACCET is proper in the circumstances because he or she has met the applicable standards of conduct set forth in Sections 13.1 and 13.2. Such determination shall be made (1) by the Commission by a majority vote of a quorum consisting of Commissioners who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, and a majority of disinterested Commissioners so directs, by independent legal counsel in a written opinion, or (3) by the members of ACCET.

Section 13.5. Advances

Expenses incurred in defending a civil, administrative, or investigative action, suit or proceeding may be paid by ACCET in advance of the final disposition of such action, suit or proceeding, as authorized in the manner provided in Section 13.4, upon receipt of a written statement of the Commissioner, officer, employee, or agent of his or her good faith belief he or she has met the applicable standards of conduct set forth in Sections 13.1 and 13.2 and upon receipt of an undertaking by or on behalf of such Commissioner, officer, employee, or agent to repay such amount to ACCET unless he or she shall ultimately be determined to be entitled to be indemnified by ACCET as authorized in this Article.

Section 13.6. Insurance

ACCET is authorized to purchase and maintain insurance on behalf of any person (1) who is or was a Commissioner, officer, employee or agent of ACCET or (2) who is or was serving at the request of ACCET as a Commissioner, officer, employee, or agent of another corporation, partnership, joint venture, trust or other enterprise. The insurance shall protect the person from any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not ACCET would have the power to indemnify him or her against such liability under the provisions of this Article.

ARTICLE XIV. FISCAL YEAR

The fiscal year of ACCET shall begin on the first day of January and end on the last day of December in each calendar year, unless otherwise changed by the Commission.

ARTICLE XV. PAYMENT OF FEES

Section 15.1. Fees

The Commission shall establish the amount, the dates for payment, and the manner of payment of all fees payable to ACCET by its members.

Section 15.2 Failure to Pay Fees

Failure of a member to pay any fees may jeopardize the accreditation status of the institution and make the institution subject to show cause and subsequent withdrawal or denial of accreditation.

Section 15.3 Refund of Fees

Fees are not refundable unless otherwise determined by the Commission.

ARTICLE XVI. LITIGATION, JURISDICTION, VENUE, CHOICE OF LAW, EXHAUSTION OF ADMINISTRATIVE REMEDIES, AND EXPENSES

Section 16.1. Suits Against ACCET, Jurisdiction, Venue, Choice of Law, and Exhaustion of Administrative Remedies

Jurisdiction and venue of any suit, claim or proceeding, relating to membership, accreditation or accredited status, whether a claim for damages or injunctive or declaratory relief, brought by an accredited member, former member, or applicant for membership and accredited status, against ACCET, or a Commissioner, officer, Commission member, committee member or staff member acting in his or her official capacity shall be only in the U.S. District Court for the Eastern District of Virginia or the Circuit Court for the City of Alexandria, whichever shall have subject matter jurisdiction. The law of the Commonwealth of Virginia shall govern the interpretation, validity and performance of the terms of these Bylaws, as well as any disputes between accredited institutions or applicants for accreditation and ACCET, regardless of the law that might otherwise

be applied under any principles of conflicts of laws. Accredited members, former members and applicants must exhaust all administrative remedies provided for in the ACCET Documents and Bylaws before initiating any suit, claim or proceeding in Court.

Section 16.2. Reimbursement of ACCET's Litigation Expenses

An applicant for membership, a member or a former member shall reimburse ACCET for all costs, expenses, and attorney's fees actually and reasonably incurred by ACCET in defending any suit, claim or proceeding whether for damages or for injunctive or declaratory relief brought by an applicant, member or former member against ACCET, or a Commissioner, officer, employee or agent of ACCET acting in his or her official capacity where ACCET or the Commissioner, officer, employee or agent shall have been adjudged to be the prevailing party in the suit, claim or proceeding.

Section 16.3. Expenses

A member shall reimburse ACCET for all costs, expenses, and attorney's fees incurred by ACCET in the production of any of ACCET's records relating to such member in response to lawful requests from parties in litigation, in preparation for possible litigation, or from state or federal agencies to which that party is a party or becomes a party.

Section 16.4. Obligation of Members

Acceptance or continuation of membership in ACCET shall constitute each member's agreement to be bound by the provisions of this Article XVI while a member of and subsequent to the termination of membership in ACCET.

Section 16.5. Obligation of Applicants

Application for membership to ACCET shall constitute such applicant's agreement to be bound by the provisions of this Article XVI, regardless of whether such applicant becomes a member of ACCET.

ARTICLE XVII. SEAL

ACCET shall adopt and maintain a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of ACCET and the words "Corporate Seal."

ARTICLE XVIII. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Virginia Non-Stock Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of ACCET, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIX. SEPARABILITY OF PROVISIONS

If any provision of these Bylaws shall operate in contravention of, or be rendered invalid by, any overriding law or regulation, such provision shall be constructed as invalid without affecting any other provision hereof, and all remaining provisions hereof shall continue in full force and effect.

ARTICLE XX. AMENDMENTS TO BYLAWS

These Bylaws may be amended by a two-thirds majority of the members of ACCET present and entitled to vote at a regular or special meeting of the membership at which a quorum is present, provided that at least thirty (30) days advance written notice is given of the proposed amendments to the Bylaws at such meeting. Any member may propose an amendment to the Bylaws and such proposal shall be submitted to the members at the next regular meeting of the membership. The Bylaws also may be amended by a two-thirds vote of the Commission at a meeting at which a quorum is present.