

BY - LAWS
OF
BLUE AND GRAY EDUCATION SOCIETY
(hereinafter "the Corporation")

ARTICLE I.

PURPOSES

The purposes of the Corporation are as set forth in the Articles of Incorporation. The Corporation shall be and remain a non-stock, nonprofit corporation with no voting members and its functions and affairs shall be conducted solely for educational and charitable purposes by the board of directors.

ARTICLE II.

BOARD OF DIRECTORS

1. Election. The Board of Directors shall consist of those persons named as initial Directors in the Articles of Incorporation and such other individuals who from time to time may be elected by the Board of Directors to fill any vacancies which occur thereon or who are elected as additional members of the Board of Directors.

2. Number and Terms The affairs of the Corporation shall be conducted solely under the management and control of its Board of Directors which shall be composed of a minimum of three (3) and a maximum of twelve (12) directors, which numbers may be changed from time to time by amendment of these by-laws. A director shall be at least 21 years old, and shall, in the opinion of the Board, have some substantial connection to or interest in the purposes of the Corporation. Terms of directors shall be three years, and shall be staggered so that roughly one-third . of the seats will be elected each year, at the annual meeting.

3. Meetings. The Board of Directors shall hold its meetings at such times and places as it may from time to time prescribe or, if and when not fixed by the Board, then as may be prescribed by the President. Meetings of the Board of Directors may be called at any time by the President or at the request of a majority of the Directors, upon no fewer than twenty-four (24) hours written notice. Meetings may also be conducted by conference call or other positive control technological means.

4. Leadership. The President shall preside over all meetings of the Board of Directors. In the absence of the President, the Vice-president shall preside. In the absence of both the President and Vice-president, the Board of Directors shall designate a Director to preside.

5. Quorum. A quorum at any meeting of the Directors shall consist of a majority of the entire qualified membership of the Board. A majority of such quorum shall decide any question that may come before the meeting, except that a two-thirds (2/3) majority vote of all directors present at a duly called meeting of the Board shall be necessary to remove a director from office. Directors may only be removed because of non-attendance at one or more Board meetings or an unwillingness or failure to comply with the terms of the written Statement of Understanding concerning Board service. If there is less than a quorum, those present may adjourn the meeting to another time and/or date, for which no additional notice need be given.

6. Rules. No form or order of business need be followed in any meeting of the Directors.

ARTICLE III.

ANNUAL MEETING

1. Date. The annual meeting of the Board of Directors shall be held in the spring of each year or at such other time and date as may be determined by the Board.

2. Election of Officers. The Board of Directors at the annual meeting thereof shall elect a President, a Vice-president, a Secretary and a Treasurer. The President and Vice-president shall be elected from the Board of Directors and it shall not be requisite that any other officers, agents or employees be members of the Board of Directors; however, they may be. One person may hold several offices and act in several capacities except that no one person may serve as both President and Vice-president

3. Term for Officers. The President, Vice-president, Secretary and Treasurer shall be elected for a term of one year (with no limit on successive terms) or until their successors are elected and qualify, and shall have and exercise the rights, duties and authority usually applicable to such corporate officers and as hereinafter more specifically provided for.

4. Authority. All other officers, agents and employees of the Corporation elected by the Board of Directors shall be elected for such terms and with such rights, duties and authority *as* may be fixed and prescribed by the Board of Directors.

5. Removal. All officers, agents and employees elected by the Board of Directors may be removed by the Board at any time, with or without cause.

6. Compensation. Except as may be provided for in a written employment agreement approved by the Board of Directors, the officers and Directors shall serve without compensation, but reasonable expenses incurred may be reimbursed when expended for and in the interest of the Corporation and approved by the Board of Directors prior to reimbursement.

ARTICLE IV.

POWERS AND DUTIES OF OFFICERS

1. President. The President of the Corporation shall be its chief executive officer. He or she

shall preside over all meetings of the Board of Directors. In the absence of an Executive Director, he or she shall have the responsibility for general management and supervision of all of the affair's and business of the Corporation, be responsible for carrying into effect all orders and directions of the Board of Directors, execute all instruments in behalf of the Corporation as may be ordered by the Board of Directors and perform all duties and functions and have and exercise all of the rights, powers and authority usually and by law vested in such officer. The execution of such duties may be delegated to a paid Executive Director, who will also serve as the Chief Operating Officer.

2. Vice-president. In the event of the absence, incapacity or death of the President, the Vice-president shall have all of the rights, powers and authority and perform all of the duties of the President.

3. Secretary. The Secretary shall issue notices for, attend and keep minutes of all meetings, have charge of the records and papers of the Corporation and perform such other duties and have such other powers and authority as may be delegated to him or her by the Board of Directors or the President.

4. Treasurer. The Treasurer shall have charge and custody of all funds, securities and other like property of the Corporation and shall have authority to collect the funds of the Corporation and deposit them in such bank or banks as the Board of Directors may designate and to withdraw funds from such accounts upon checks of the Corporation to be signed in the manner designated by the Board of Directors. The Treasurer shall keep and maintain books and accounts for the Corporation, together with all vouchers, receipts, records and other papers relative to the business affairs of the Corporation, and shall submit them to the Directors for their examination and approval as often as they may request and, immediately upon application, shall exhibit such books and accounts to any - Director or the Board of Directors of the Corporation at the principal or registered office of the

Corporation during normal business hours and shall perform such other duties as are incident to the office or which are required of him or her by the Board of Directors or the President.

5 Other. Any or all of the foregoing rights, duties, powers and authority of the Secretary and Treasurer may by the Board of Directors be delegated to and vested in such other officers, agents or employees as it may from time to time prescribe. All employees will be accountable to the Executive Director/Chief Operating Officer.

ARTICLE V.

COMMITTEES

1. The following committees shall, to the extent activated by the Board of Directors, be standing committees of the Board and shall make regular reports to the Board, unless abolished or suspended by resolution of the Board:

a. Executive Committee. This Committee shall be composed of the President, Vice-president and two other Board members elected by the Board from time to time. It shall perform all the functions of the Board that require action between meetings of the Board, and any other functions not specifically reserved by resolution of the Board, except it shall not approve a merger, consolidation, reorganization, dissolution, or conveyance of all or substantially all of the assets of the Corporation.

b. Finance Committee. This Committee shall consist of members (who may or may not be Board members) appointed by the President to make decisions, subject to Board approval, regarding the investment of any monies and management of any assets of the Corporation, shall ensure that all tax returns are timely filed, and shall monitor the activities of the Corporation to ensure that its tax-exempt status is preserved. In addition, this Committee shall insure that the Corporation shall distribute its income for each taxable year at such time and in such manner as not to subject it to tax

under Section 4942 of the Code, and that the Corporation shall not (a) engage in any act of self-dealing as defined in Section 4941 (d) of the Code; (b) retain any excess business holdings *as* defined in Section 4943 (c) of the Code; (c) make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code; or (d) make any taxable expenditures as defined in Section 4945 (d) of the Code.

c. Development Committee. This Committee shall consist of members (who may or may not be Board members) appointed by the President to plan and oversee all solicitation and fund-raising activities, including annual campaigns, solicitations of individuals, corporations, foundations and governmental agencies, special events, capital and program campaigns, and if appropriate, endowment campaigns.

d. Strategic Planning Committee This Committee shall consist of members (who may or may not be Board members) appointed by the President to plan, execute and monitor a strategic plan that sets objectives and timetables for a period of at least five years; after initial adoption of a long-range plan, this Committee shall periodically review progress under the plan and propose modifications as appropriate.

e. Budget Committee. This committee shall consist of Board members appointed by the President to develop an annual budget which provides the resources necessary to execute the annual operations and maintenance expenditures of the organization. The upcoming annual budget will be reported for board action by the first Monday in October preceding. The Committee will provide an annual assessment of the year ending budget no later than the first Monday in April. The Committee recommends budget adjustments as circumstances require.

2. In addition, the President or the Board may appoint such other committees as may be deemed necessary or appropriate.

ARTICLE VI.

INDEMNIFICATION AND LIMITATION OF LIABILITY

1. Indemnification of Directors and Officers. The Corporation shall indemnify each director, officer and employee against liabilities, including judgments, awards, fines, amounts paid in settlement and reasonable attorney's fees, costs and other expenses and liabilities, incurred by him or her in connection with any actual or threatened action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative (a "proceeding") to which he or she may be made a party by reason of being or having been a director, officer or employee of the Corporation if: (i) he or she conducted himself or herself in good faith; (ii) he or she believed, in his or her official capacity with the Corporation, that his or her conduct was in the best interests of the Corporation or was not opposed to the best interests of the Corporation; and (iii) he or she had no reasonable cause to believe, in the case of any criminal proceeding, that his or her conduct was unlawful.

2. Determination. Except as specifically provided herein, the termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth above or that the conduct of such individual constituted a knowing violation of a criminal law. Unless ordered by a court of competent jurisdiction, any indemnification hereunder shall be made by the Corporation upon a determination that indemnification of the individual is permissible in the circumstances because he or she met the standard of conduct set forth herein and the conduct of the individual did not constitute a knowing violation of criminal law.

3. Method of Determination. Such determination shall be made: (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to such proceeding; or (ii) if such quorum cannot be obtained, by majority vote of a committee, consisting of two or more Directors not at the time parties to the proceeding, designated by the Board of Directors, including Directors who are parties to the proceeding; or (iii) by independent legal counsel selected by the Board of Directors who are parties to the proceeding, or its committee designated in the manner heretofore provided for, or, if such a quorum of the Board of Directors cannot be obtained and such a committee cannot be designated, independent legal counsel selected by a majority of the Board of Directors who are parties to the proceeding. The Board of Directors, in making any such determination or referring any such determination to independent legal counsel, must act with reasonable promptness when indemnification is sought by any director, officer or employee.

4. Advance for Expenses. Expenses incurred in defending any proceeding may be paid or reimbursed by the Corporation in advance of the final disposition of such proceeding, if authorized in the manner set forth in Section 3 of this Article, upon receipt of a written statement that such director, officer or employee in good faith believes that his or her conduct permits indemnification hereunder and an undertaking by such director, officer or employee to repay such amount unless it shall ultimately be determined that he or she is entitled to indemnification.

5. Indemnification of Agents. The Corporation may, but shall not be required to, indemnify and advance expenses to agents of the Corporation to the same extent as indemnification and advances of expenses are herein provided for with respect to directors, officers and employees.

6. Provisions Not Exclusive. As authorized by the Virginia Non-stock Corporation Act, the provisions of this By-law are in addition to and not in limitation of the specific powers of a

corporation to indemnify directors, officers, employees and agents set forth therein. If any provision of this By-law shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Corporation may have under the Virginia Non-stock Corporation Act or other laws of the Commonwealth of Virginia.

7. Limitation on Liability of Directors and Officers. In any proceeding brought by or in the right of the Corporation, the liability of and damages assessed against a director or officer of the Corporation arising out of or resulting from a single transaction, occurrence or course of conduct shall be limited and shall not exceed the lesser of (i) the amount of cash compensation paid to such director or officer, if any, or (ii) the sum of Five Hundred Dollars (\$500.00). However, the liability of a director or officer of the Corporation shall not be limited as provided herein if the director or officer engaged in willful misconduct or a knowing violation of the criminal law.

8. References to Directors and Officers. Every reference in this Article to a director or officer of the Corporation shall include every director or officer or former director or officer of the Corporation, any predecessor corporation or any corporation which shall have been merged into or consolidated with the Corporation and every person who may have served at the request of the Corporation as a director or officer or in a similar capacity of another corporation, partnership, joint venture, trust or other enterprise and, in all such cases, the heirs, executors, and administrators of such director or officer.

9. Directors & Officers Liability Insurance. The Corporation shall maintain a D&O policy with a minimum liability coverage as determined by the Directors. Such amount to be fixed by July 15th each year. Members of the Board are expected to share the cost of such premiums as part of their annual financial support for the Corporation.

ARTICLE VII

AMENDMENTS

These By-Laws may be amended, repealed or altered, in whole or in part, at any time or from time to time, or new By-Laws adopted, by a majority vote of the Board of Directors of the Corporation upon not fewer than three (3) days prior written notice of a meeting called for such purpose.

SECRETARY'S CERTIFICATION

This is to certify that the foregoing By-laws of Blue and Gray Education Society have been duly adopted by the Board of Directors at a meeting held on June 25, 2008.

Elizabeth Cromwell
Secretary, Pro-Tem