

ARTICLES OF INCORPORATION
OF
AMERICAN VETERANS EDUCATIONAL FOUNDATION

To: The Department of Consumer and Regulatory Affairs
Business & Professional Licensing Administration
Corporations Division
941 North Capitol Street, NE
Washington, DC 20002

Each of the undersigned, being a natural person of the age of at least twenty-one years and acting as an incorporator for the purpose of organizing a corporation pursuant to the provisions of the Non-Profit Corporation Act (D.C. Code, 2001 edition, Title 29, Chapter 3), does hereby adopt the following Articles of Incorporation.

FIRST: The name of the corporation (the “Corporation”) is American Veterans Educational Foundation.

SECOND: The duration of the corporation is perpetual.

THIRD: The Corporation is hereby organized for the following purposes:

1. To operate exclusively for charitable, educational, religious, or scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law) (the “Code”); and

2. Subject to and within the limits of such purpose, to provide educational assistance grants and scholarships to Service Related Disabled American Veterans, their families, dependants and survivors.

The Corporation shall have in furtherance of the aforesaid purposes all of the powers conferred upon corporations organized pursuant to the provisions of the District of Columbia Non-Profit Corporation Act.

FOURTH: The Corporation shall have no members.

FIFTH: Except as may otherwise be provided in these Articles of Incorporation, the manner of election or appointment of the directors of the Corporation shall be prescribed by the Bylaws of the Corporation.

SIXTH: The following provisions shall apply for the regulation of the internal affairs of the Corporation and the manner in which the assets of the Corporation shall be distributed upon dissolution or final liquidation. At all times, and notwithstanding merger, consolidation,

reorganization, termination, dissolution or winding up of the Corporation, voluntarily or involuntarily, or by operation of law:

1. The Corporation shall neither have nor exercise any power, nor shall it directly or indirectly engage in any activity, that would (a) prevent it from obtaining an exemption from Federal income taxation as a Corporation described in Section 501(c)(3) of the Code, or (b) cause the Corporation to lose such exempt status.

2. The Corporation shall not be operated for the purpose of carrying on a trade or business for profit.

3. No part of the income of the Corporation shall inure to the benefit of any director or officer of the Corporation or any private individual, except that reasonable compensation may be paid for services rendered on behalf of the Corporation, and no director or officer of the Corporation or any private individual shall be entitled to share in any distribution of any of the assets of the Corporation upon its dissolution.

4. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation except as may otherwise be permitted in accordance with an election pursuant to Section 501(h) of the Code; nor shall it in any manner or to any extent participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office; nor shall the Corporation engage in any activities that are unlawful under applicable Federal, state, or local laws.

5. The Corporation shall not engage in any activity that would be an “excess benefit transaction” as defined in Section 4958 of the Code.

6. If for any period the Corporation is a private foundation as defined in Section 509 of the Code, then during such period, the Corporation shall be subject to the following restrictions and prohibitions:

- (a) The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code.
- (b) The Corporation shall distribute its income for each taxable year at such time and in such manner so as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.
- (c) The Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Code.
- (d) The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code.

- (e) The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

7. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of all the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by a court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

8. As an equal opportunity entity, the Corporation shall prohibit all discrimination based on race, color, sex, religion, national origin, age or handicap within its operations and activities. The Corporation shall seek to ensure every individual a fair and equal opportunity for participation in any and all activities it promotes, encourages, fosters or communicates.

SEVENTH: The name and address, including street and number, if any, of the initial registered agent and office of the Corporation is LexisNexis Document Solutions, Inc., 1030 15th Street NW, Suite 920, Washington, D.C. 2005.

EIGHTH: The number of directors constituting the initial Board of Directors of the Corporation is four.

The name and the address, including street and number, if any, of each of the persons who are to serve as the initial directors of the Corporation until the first annual meeting of members or until their successors be elected and qualify are as follows:

Name	Address
Walter M. Mischler	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625
Doyle L. Holmes	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625
Scott C. Kersh	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625
Larry D. Rankens	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625

NINTH: The name and the address, including street and number, if any, of each of the incorporators are as follows:

Name	Address
Walter M. Mischler	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625
Doyle L. Holmes	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625
Scott C. Kersh	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625
Larry D. Rankens	1101 Bayside Dr. Suite 201 Corona del Mar, CA 92625

Signed on _____, 2003.

Walter M. Mischler, Incorporator

Doyle L. Holmes, Incorporator

Scott C. Kersh, Incorporator

Larry D. Rankens, Incorporator

