

BY-LAWS
OF
CONSUMER CREDIT COUNSELING SERVICE
OF FORSYTH COUNTY, INCORPORATED

ARTICLE I

Name and Seal

Section 1. Name. The name of the corporation shall be Consumer Credit Counseling Service of Forsyth County, Incorporated.

Section 2. Seal. The seal of the Corporation will be circular in form which shall bear the legend “Corporate Seal of Consumer Credit Counseling Services of Forsyth County, Incorporated” and words indicating that the Corporation was incorporated in North Carolina.

ARTICLE II

Purpose of the Corporation

Section 1. Purposes. The purposes for which the corporation is organized are:

- A. To operate exclusively for charitable and educational purposes within the meaning of Sections 501 (c)(3) and 170 (c)(2) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal Revenue laws (the “Code”); and
- B. To engage in any lawful activity for which corporations may be organized under Chapter 55A of the General Statutes of North Carolina so long as the Corporation does not engage in any activity or activities not in furtherance of one or more tax exempt purposes as contemplated in Section 501 (c)(3) of the Code.
- C. To develop innovative approaches and strategies and deliver professional financial education and counseling services regarding personal money management, debt reduction programs, comprehensive housing counseling, and the wise use of credit to individual and families in all segments of the community to improve their financial well being.

Section 2. Fiscal Year. The fiscal year of the corporation shall be from July 1 to June 30 of each year.

Section 3. Confidentiality. The corporate officers, board members, staff, volunteers, or agent shall respect the clients right to confidentiality, safeguard confidential and sensitive information, and adhere to the Confidentiality Policy set forth by the Board of Directors.

ARTICLE III

Membership

Section 1. Members. The corporation shall have no members.

ARTICLE IV

Offices and Registered Agent

Section 1. Offices. The Corporation shall maintain a registered office in North Carolina at such place as may be designated by the Board of Directors. The principal office of the Corporation and such other offices as it may establish shall be located at such place(s) either within or without North Carolina, as may be designated by the Board of Directors.

Section 2. Agent. The Corporation shall maintain a registered agent in North Carolina.

Section 3. Changes. Any change in the registered office or registered agent of the Corporation shall be accomplished in compliance with the North Carolina Nonprofit Corporation Act.

ARTICLE V

Board of Directors of the Corporation

Section 1. General Powers and Duties. The property and affairs of the corporation shall be managed and controlled by the Board of Directors. The Board of Directors shall have, and may exercise, any and all powers provided in the Articles of Incorporation or the North Carolina Nonprofit Corporation Act that are necessary to carry out the purposes of the Corporation and which support and foster the purposes of the Corporation as established by these Bylaws.

Section 2. Composition. The Board of Directors shall be comprised of no less than ten (10) and no more than seventeen (17) members who represent a cross section of the communities served by the organization.

Section 3. Term. Directors shall be divided into three classes, with approximately one-third to be elected each year. Board Members shall serve a term of three (3) years. Board members will be eligible to serve two terms in succession, upon which they must rotate off for a period of six months before becoming eligible to serve again. Notwithstanding the foregoing, the Chairman, and any Board Member elected as an officer of the Corporation may be re-elected to an additional three-year term after such member's original term expires. Immediate Past Chair may

be asked by the current Chair to remain on the Board as Emeritus Director. An Emeritus Director shall be a non-voting member of the Board. The retiring Chair of the Board of Directors may serve an additional two years, at a minimum one year, as immediate past chair, even if the term of the retiring Chair would otherwise expire. Full terms shall begin at the annual meeting held in September. The “board year” runs from the third Friday in September of the current year to the next third Friday in September. The board year is different from the Corporation’s fiscal year to allow the Board to exercise its fiscal and supervisory authority over the conclusion of the Corporation’s fiscal year including the annual evaluation of the President and CEO.

Section 4. Reimbursement and Compensation. Directors may receive reasonable reimbursement for travel and subsistence expenses incurred on behalf of the Corporation according to policies adopted by Board and with the approval of the Board of Directors. No further compensation shall be allowed.

Section 5. Removal. Directors may be removed from office at any time with or without cause by the Directors by an affirmative vote of two-thirds (2/3) of the Directors then in office. If a Director is removed, a new Director may be elected to fill the vacancy at the same meeting. When a director fails to appear at three consecutive meetings of the Board, his or her membership on the Board shall automatically terminate and he or she shall be notified in writing by the Secretary. The Board may overrule the removal of any director for failure to attend three consecutive meetings at its discretion.

Section 6. Resignation. A director may resign thus relinquishing all rights and privileges as a member of the Corporation at any time by giving notice thereof in writing to the Board Chair. In the event of a resignation, the vacant seat may be filled on an interim basis with the replacement completing the term of the director who resigned, or the vacant seat may be left vacant until the next election of a class of directors.

Section 7. Committees:

- a. **Executive Committee.** The Executive Committee shall consist of the Chair, Vice Chair, Secretary, Treasurer, immediate past Chair and the Chair of Standing or Other committees. The Executive Committee shall have and may exercise the authority of the Board in the management of the business and affairs of the Corporation during intervals between meetings. The Executive Committee is specifically charged with evaluating the performance and compensation of the President and CEO, though it shall seek input from all Directors. In the event of a resignation from the Executive Committee, the Chair may nominate a replacement member for approval by the Board at its next meeting. The Executive Committee shall keep minutes of its proceedings and shall report to the Board of Directors on action taken.
- b. **Standing or Other Committees.** Standing or other committees having two or more members may be designated by a resolution of the Board. The chairs of standing committees shall be nominated by the Board Chair and approved by the Board. The chairs of other committees shall be appointed by the Board Chair unless the Board’s resolution establishing the

committees states otherwise. Non-chair members of all committees shall be approved by the Board. The standing committees shall include the Board Development and Finance and Audit Committees. Vacancies in the membership of such committees shall be filled by appointment made in the same manner as provided in the case of the original appointment. Such committees shall serve in an advisory capacity to the Board of Directors unless otherwise authorized. Committees shall keep minutes of their proceedings and shall note whether a quorum is present.

- c. **Committee Authority.** No committee of the Board (including the Executive Committee) shall be authorized to take the following actions:
- A. Authorize distributions to or for the benefit of the directors or officers;
 - B. Approve the dissolution, merger or the sale, pledge, or transfer of all or substantially all of the Corporation's assets;
 - C. Elect, appoint or remove directors, or fill vacancies on the Board of Directors or any of its committees or
 - D. Adopt, amend, or repeal the Articles of Incorporation or bylaws.

Section 8. Conflict of Interest. It is the intent of the Corporation that the Directors avoid the appearance of a conflict of interest between the Corporation and themselves or entities with which they are involved. The Board of Directors shall approve and enforce a conflict of interest policy.

ARTICLE VI

Officers of the Corporation

Section 1. Officers. The Officers of the Corporation shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer and such other officers as the Board of Directors may from time to time elect to conduct the affairs of the Corporation. Individuals serving in these capacities shall be elected and approved by the Board of Directors and given powers and duties consistent with these Bylaws and adopted resolution of the Board. Other duties as deemed appropriate may be assigned by the Board of Directors. Any two or more offices may be held by the same persons except the offices of Chair and Secretary; however, no officer shall execute, acknowledge, or verify any instrument in more than one capacity if such instrument is required by law, by the Articles of Incorporation, or by the Bylaws to be executed, acknowledged, or verified by two or more officers.

Section 2. Compensation. Officers shall not receive compensation for their service, but they may be reimbursed for reasonable out-of-pocket expenses according to policies adopted from time to time by the Board.

Section 3. Removal. Any officer of the Corporation may be removed from office upon two-thirds vote of the membership of the Board then in office at any regular or special meeting called for that purpose. Any officer of the Corporation proposed to be removed shall be entitled to at least five days notice in writing by mail of the meeting of the Board of Directors at which time

such removal is to be voted upon and shall be entitled to appear before and heard by the Board at such meeting.

Section 4. Term. The normal term of the Officers, Executive Committee members and chairs and members of the other committees shall be for the board year.

Section 5. Employees. The Board shall employ a President and CEO. The President and CEO shall sign, with any other proper officer, instruments which may be lawfully executed on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution shall be delegated by the Board of Directors to some other officer or agent. In general, the President and CEO shall perform all duties incident to the position of President and CEO and such other duties as may be assigned by the Board of Directors from time to time. The President and CEO shall serve as a member of the Board of Directors without vote, but shall not serve as an officer.

ARTICLE VII

Meetings

Section 1. Annual Meeting. The Board of Directors shall conduct an Annual Meeting to be held during the month of September normally on the third Friday or a convenient date established by the Chair at such time and place as may be determined by the Board of Directors for purposes of electing Directors and Officers of the Corporation and to transact such other business as may properly be before it.

Section 2. Regular Meetings. The Board of Directors shall meet at such regular times and dates as designated by the Board Chair, through written call of the majority of Board members, or upon resolution of the Board.

Written notice of the time, date and place of Board meetings shall be given by the Chair of the Board or his/her designee to each member of the Board at least ten (10) days in advance of the meeting; or a schedule of meetings can be approved with notice to the members of the Board.

Section 3. Place of Meetings. The meetings of the Board of Directors shall be held at the principal office of the Corporation, or at such other place as the Chair of the Board of Directors may designate.

Section 4. Special Meetings. The times, dates and places of special meetings of the Board may be set at the call of the Chair, upon written call by the majority of Board Members, or upon resolution of the Board. Notice shall be given by the usual means of communication at least ten (10) days prior to a special meeting, unless waived in writing by all members. The purpose of special meetings shall be stated in the notice.

Section 5. Attendance. Attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called. Any member of the

Board of Directors who shall be absent from three (3) regularly scheduled meetings, and who is not rendering services to the Corporation, may be regarded by the Executive and Board Development Committee as having resigned from the Board of Directors.

Section 6. Notice of Intention to Attend: Attendance Required. Members of the board shall be required to notify the Chair of the Board of their inability to attend a lawfully scheduled meeting within three (3) days of the receipt of a meeting notice. Notification of extended leave of absence, due to unusual circumstances, shall be sent to the Board Chair and/or President and CEO.

Section 7. Quorum. One third of the number of directors fixed in accordance with these bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 8. Parliamentary Rules. All meetings shall be conducted in an open, orderly, and fair manner; and Robert's Rules of Order, as revised, shall apply to all deliberations.

Section 9. Manner of Acting. Except as otherwise provided by law, the Articles of Incorporation, or these Bylaws, all matters before the Board of Directors shall be decided by a majority vote of the directors present at the time the vote is taken so long as quorum is present.

Section 10. Meeting by Conference Telephone. Any one or more or all the directors or members of a committee may participate in a meeting of the Board of Directors or committee by means of a conference telephone or similar communications device that allows all persons participating in the meeting to hear each other. Participation in a meeting by means of a conference telephone or similar communications device shall be deemed presence in person at such meeting.

Section 11. Minutes. The original copy of the minutes of each Board meeting will be kept in the corporate minute books. The minutes will include written reports of board and committee meetings.

ARTICLE VIII

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors authorizes the President and CEO and/or may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. And such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All check drafts, or other orders for the payment of money, issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Funds. All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation such as banks, trust companies, or other depositories as the Board may select, or as may be designated by any officer, officers, agent or agents of the Corporation to whom the Board may delegate such power.

Section 5. Acceptance of Gifts. The Board or any officer, employee or agent to whom such authority may be delegated by the Board, may accept on behalf of the Corporation any contribution, gift, bequest or devise for the purposes of the Corporation, so long as it is consistent with the Corporation's gift acceptance policy.

Section 6. Audits. The Corporation's books shall be audited by a reputable certified public accountant at the close of each fiscal year. The auditor's report shall be submitted to each director. A copy of the audit shall be submitted to granting agencies whether public or private.

Section 7. Bond. At the direction of the Board, any officer or employee of the Corporation shall be bonded. The Corporation shall pay the expense of procuring any such bond.

ARTICLE IX

Indemnification

Section 1. General Policy of Indemnification. It shall be the policy of the Corporation to indemnify to the maximum extent permitted by Chapter 55A of the General Statutes of North Carolina any one or more of the directors, officers, employees, or agents and former directors, officers, employees, or agents of the Corporation, and persons who serve or have served at the request of the Corporation as directors, officers, partners, trustees, employees or agents of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, against judgments, penalties, settlements and other liabilities incurred by them in connection with any pending threatened or completed action, suit or proceeding, whether civil, criminal, investigative or administrative (a "proceeding") and against reasonable costs and expenses (including attorneys' fees) in connection with any proceeding, where such liabilities and litigation expenses were incurred incident to the good faith performance of their duties.

Section 2. Use of Corporate Funds. The Corporation may advance expenses in connection with any proceeding to any such person in accordance with applicable law. The use of funds of the Corporation for indemnification or for purchase and maintenance of insurance for the benefit of the persons designated in Section 1 of this Article shall be deemed a proper expense of the Corporation.

ARTICLE X

General Provisions

Section 1. Fiscal Year and Board Year. The fiscal year of the Corporation shall begin on July 1 and shall end on the next June 30. The board year shall begin on the third Friday of September and end on the next third Friday of September.

Section 2. Prohibition Against Sharing in Corporate Earnings. No director, officer, employee or member of a committee of the Corporation, or any other private individual (within the meaning of Section 501 of the Internal Revenue Code or its successor provisions), shall at any time receive any of the net earnings from the activities of the Corporation, but this shall not prevent the payment to any person of such reasonable compensation that the Board of Directors shall fix for services rendered to or for the Corporation in effecting any of its purposes; and no such person shall be entitled to share in the distribution of any corporate assets on the dissolution of the Corporation. All directors of the Corporation shall be deemed expressly to have consented and agreed that upon such dissolution or similar winding up of affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation then remaining in the hands of the Board, after satisfaction of the Corporation's liabilities, shall be transferred, conveyed, delivered, and paid over as provided in the Articles of Incorporation.

Section 3. Waiver of Notice. Whenever any notice is required to be given to any director or other person under the provisions of these Bylaws, the Articles of Incorporation, or any applicable law, a waiver thereof and writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 4. Amendments. The Bylaws may be altered, amended or repealed, or new bylaws may be adopted, at any meeting of the Board of Directors, if at least ten days written notice is given of the intention to take such action at such meeting.

THIS IS TO CERTIFY that the above bylaws of Consumer Credit Counseling Services of Forsyth County, Incorporated were duly adopted by the Board of Directors at a meeting held on

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This the 20th day of July 2012.

Board Secretary