



CAMBRIDGE
CREDIT COUNSELING CORP.

BY-LAWS

Revised August 5, 2010

SECTION 1

ARTICLES ORGANIZATION, LOCATION, CORPORATE SEAL, AND FISCAL YEAR

- 1.1 Articles of Organization. The name and purposes of the corporation shall be as set forth in its Articles of Organization. Cambridge Credit Counseling Corp. is organized as a charitable 501(c)(3) Not-For-Profit debt-counseling agency. These By-Laws, the powers of the corporation and of its directors and officers and all matters concerning the conduct and regulation of the affairs of the corporation shall be subject to such provisions thereto, if any, as are set forth in the Articles of Organization as from time to time in effect.
- 1.2 Location. The principal office of the corporation in the Commonwealth of Massachusetts shall initially be located at the place set forth in the Articles of Organization of the corporation. The directors may change the location of the principal office in the Commonwealth of Massachusetts effective upon filing a certificate with the Secretary of the Commonwealth.
- 1.3 Corporate Seal. The directors may adopt and alter the seal of the corporation.
- 1.4 Fiscal Year. The fiscal year of the corporation shall end on December 31 in each year unless the directors change the fiscal year by filing a certificate with the Secretary of the Commonwealth.
- 1.5 Corporate Mission. The corporation annually reviews and approves any changes to the statement of the company's mission and goals. This statement serves as the basis for all changes to the corporation and helps to provide direction to the management team. Cambridge's Mission Statement is:

“Cambridge is dedicated to promoting a more knowledgeable and financially responsible America: by teaching sound money management practices; by assisting financially distressed individuals and families through appropriate counseling, education and advice; and by providing people with information and resources needed to obtain, maintain and sustain housing.”

SECTION 2

MEETINGS

- 2.1 Annual Meeting. The annual meeting of the corporation shall be held in August of each year or at such other earlier or later date and time as shall be determined from time to time by the directors.
- 2.2 Regular Meetings. The Board of Directors shall hold at least four meetings per year. The directors will be given ample notice of the dates and times of these meetings, as well as a meeting agenda and all relevant documentation.
- 2.3 Special Meetings. The Board of Directors shall meet when involvement of the Board of Directors is required and cannot be delayed until the next regular meeting. Special

meetings of the Board of Directors may be held at anytime and at any place when called by the Chairperson of the Board or his/her designee or by two or more directors. The directors will be given ample notice of the dates and times of these meetings, as well as a meeting agenda and all relevant documentation.

- 2.4 Notice of Meetings. Notice of the time and place of each meeting of the directors shall be given to each director by mail at least five days in advance, addressed to him or her at his or her usual or last known business or residence address, or by email, telephone or personally at least twenty-four hours before the meeting. Such notice need not specify the purposes of the meeting, unless otherwise required by law, by the Articles of Organization or by these By-Laws.
- 2.5 Quorum. At any meeting of the directors a majority of the directors then in office shall constitute a quorum. Any meeting may be adjourned by a majority of the votes cast, whether or not a quorum is present, and the meeting may be held as adjourned without further notice.
- 2.6 Action By Vote. When a quorum is present at any meeting, a majority of the directors present and voting shall decide any question, including election of directors or officers, unless otherwise provided by law, by the Articles of Organization or by these By-Laws.
- 2.7 Action By Writing. Any action required or permitted to be taken at any meeting of the directors may be taken without a meeting if all the directors' consent to the action in writing and the written consents are filed with the records of the meetings of the directors. Such consents shall be treated for all purposes as a vote at a meeting.
- 2.8 Presence Through Communication Equipment. Unless otherwise provided by law or the Articles of Organization, members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.
- 2.9 Waiver of Notice. Whenever any notice is required to be given by law, the Articles of Organization or these By-Laws, a waiver thereof in writing signed by the person entitled thereto, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

SECTION 3 **BOARD OF DIRECTORS**

- 3.1 Responsibilities and Duties. The Board of Directors' responsibilities are to approve policies, management, planning, finances, use of resources, and service delivery. The Board will also establish and maintain Cambridge's corporate direction, guide organizational development, and ensure accountability to the public.
- 3.2 Powers. The affairs of the corporation shall be managed by the directors who shall have and may exercise all the powers of the corporation. In addition to and without

limiting the foregoing, the directors shall have and may exercise all powers, rights and privileges given to members of a corporation organized under Chapter 180 of the Massachusetts General Laws, as the same exists or may hereafter be amended, and as to any actions taken by the directors pursuant to any such powers, rights and privileges, the directors shall constitute the members of the corporation.

- 3.3 Number, Election, and Qualifications. At each annual meeting of the corporation, the number of directors shall be fixed and that number ratified. If the number of directors shall not be fixed at any annual meeting, the number in effect at the commencement of such meeting shall remain in effect. At no time shall Cambridge Credit Counseling Corp's Board of Directors be comprised of a majority of directors who are not Independent (see definition of "Independent Director" in section 3.3.1). At any special or regular meeting the directors may increase the number of directors, and elect new directors to complete the number so fixed, by a vote of a majority of directors then in office; or they may decrease the number of directors, but only to eliminate vacancies existing by reason of the death, resignation, removal or disqualification of one or more directors. New members of Cambridge's Board of Directors must be at least 18 years of age and possess a resume with qualifications that are commensurate with the Board positions' responsibilities.
- 3.3.1 Independent Director. A member of the Board of Directors who is not a current employee of Cambridge Credit Counseling Corp, nor conducts a significant amount of direct business with Cambridge Credit Counseling Corp. The determination of what shall constitute an "independent director" shall be the sole responsibility of the Board of Directors.
- 3.4 Term of Office. Each director shall hold office until the next annual meeting of the corporation or until he or she sooner dies, resigns, is removed or becomes disqualified.
- 3.5 Chairperson of the Board. The Chairperson of the Board shall preside at all meetings of the Board and shall be appointed by the Board of Directors. The Chairperson may appoint or designate a member of the Board to preside in his or her absence.
- 3.6 Committees. The Board shall appoint one or more committees and may delegate to any such committee or committees any or all of its powers. The Board shall make appointments to the standing committees. Each standing committee shall elect a Chair. Committee members and the committee Chair shall serve at the discretion of the Board of Directors. Unless the directors otherwise designate, committees shall conduct their affairs in the same manner as is provided in these By-Laws. The members of any committee shall serve at the pleasure of the Board of Directors. In the event that any member of a committee shall cease to be a director of the corporation for any reason, he or she shall forthwith cease to be a member of such committee.
- 3.6.1 Audit and Finance Committee. The Board of Directors shall establish an Audit and Finance Committee consisting exclusively of Independent Directors of the corporation, which shall be responsible for oversight of the independent audit of the corporation's financial statements and have primary oversight of the financial operations of the corporation.

3.6.2 Executive Compensation Committee. The Board of Directors shall establish an Executive Compensation Committee which shall be responsible for setting the compensation levels and benefits packages for all officers, executives, and directors of the corporation. No director shall serve on this committee who is also an employee of the corporation.

3.6.3 Governance Committee. The Board of Directors shall establish a Governance Committee, which shall be responsible for establishing appropriate corporate governance policies. No director shall serve on this committee who is also an employee of the corporation.

SECTION 4 **OFFICERS AND AGENTS**

4.1 Number and Qualification. The officers of the corporation shall be a President, Treasurer, Clerk and such other officers, if any, as the directors may determine. The corporation may also have such agents, if any, as the directors may appoint. An officer may but need not be a director. The Clerk shall be a resident of the Commonwealth of Massachusetts unless the corporation has a resident agent duly appointed for the purpose of service of process. A person may hold more than one office at the same time. If required by the directors, any officer shall give the corporation a bond for the faithful performance of his or her duties in such amount and with such surety or sureties as shall be satisfactory to the directors.

4.2 Election. The President, Treasurer and Clerk and other officers shall be elected annually by the directors at a meeting of the Board of Directors.

4.3 President. The President shall be the chief executive officer of the corporation and, subject to the control of the directors, shall have general charge and supervision of the affairs of the corporation. If no Chairperson of the Board of Directors is elected, the President shall preside at all meetings of the directors, except as the directors otherwise determine.

In the event that the President is unable to act, or in the absence of the President for an extended period of time, and at the discretion of the Board of Directors, an interim or "acting" President shall be elected by the Board of Directors, and this individual shall have and may exercise all the powers and duties of the President during the absence of the President or in the event of his or her inability to act.

4.3.1 Appointment and Monitoring of the Chief Executive Officer. The Board of Directors is responsible for appointing, monitoring and evaluating the performance of the Chief Executive Officer.

4.4 Treasurer. The Treasurer shall be the chief financial officer and the chief accounting officer of the corporation. He or she shall be in charge of its financial affairs, funds, securities and valuable papers, and is responsible for maintaining full and accurate records thereof. He or she shall also be in charge of its books of account and accounting

records and of its accounting procedures and controls. It shall be the duty of the Treasurer to prepare or oversee all filings required by the Commonwealth of Massachusetts, the Internal Revenue Service and other federal or state agencies. He or she shall have such other duties and powers as designated by the directors or the President.

4.5 Clerk. The Clerk shall record and maintain records of all proceedings of the directors in a book or series of books kept for that purpose, which book or books shall be kept within the Commonwealth at the principal office of the corporation or at the office of its Clerk or of its resident agent and shall be open at all reasonable times to the inspection of any director. Such book or books shall also contain the records of all meetings of incorporators and the originals, or attested copies, of the Articles of Organization and the By-Laws, and the names of all directors and the address of each.

SECTION 5

RESIGNATIONS, REMOVALS, AND VACANCIES

5.1 Resignations. Any director or officer may resign at any time by delivering his or her resignation in writing to the Chairperson of the Board, the President or the Clerk or to the corporation at its principal office. Such resignation shall be effective upon receipt unless specified to be effective at some other time.

5.2 Removals. A director or officer may be removed with or without cause by the vote of a majority of the directors then in office in the case of a director or two-thirds vote in the case of an officer. Such removal shall be without prejudice to contract rights of the officer, if any.

5.3 No Right to Compensation. No officer separating from employment by either resignation or termination, shall have any right to continued compensation as such officer for any period following his or her resignation or removal, nor shall such officer have any right to damages on account of such removal or resignation, unless the directors provide for such compensation or where a right to receive additional compensation is expressly provided in a duly authorized written agreement with the corporation.

5.4 Vacancies. Any vacancy in the Board of Directors, including a vacancy resulting from the enlargement of the Board, may be filled by the directors by vote of a majority of the directors then in office. The directors shall elect a successor if the office of the President, Treasurer or Clerk becomes vacant and may elect a successor if any other office becomes vacant. Each such successor shall hold office for the unexpired term and in the case of the President, Treasurer and Clerk until his or her successor is chosen and qualified, or in each case until he or she sooner dies, resigns, is removed or becomes disqualified. The directors shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number.

SECTION 6

EXECUTION OF PAPERS

- 6.1 Except as the directors may generally or in particular cases authorize the execution thereof in some other manner, all deeds, leases, transfers, contracts, bonds, notes, checks, drafts and other obligations made, accepted or endorsed by the corporation shall be signed by the President and/or by the Treasurer.
- 6.2 Any recordable instrument purporting to affect an interest in real estate, shall be executed in the name of the corporation by the President and the Treasurer, who may be one and the same person, and shall be binding on the corporation in favor of a purchaser or other person relying in good faith on such instrument notwithstanding any inconsistent provisions of the Articles of Organization, By-Laws resolutions or votes of the corporation.

SECTION 7

COMPENSATION AND PERSONAL LIABILITY

- 7.1 Director and Officer Compensation. Directors and officers shall be compensated based upon a schedule recommended by the Executive Compensation Committee and approved by the Board of Directors. Directors and officers shall receive no other honoraria, except as stipulated above and permitted by law. Reimbursement for out-of-pocket expenses resulting from governing body service is not considered an honorarium.
- 7.2 No Personal Liability. The directors and officers of the corporation shall not be personally liable for any debt, liability or obligation of the corporation. All persons, corporations or other entities extending credit to, contracting with or having any claim against the corporation may look only to the funds and property of the corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree or of any money that may otherwise become due or payable to them from the corporation.

SECTION 8

AMENDMENTS

- 8.1 These By-Laws may be altered, amended or repealed at any meeting of the directors, notice of which shall specify the subject matter of the proposed alteration, amendment or repeal or the sections to be affected thereby, by vote of a majority of the directors then in office.

SECTION 9

INDEMNIFICATION

9.1 Definitions. For purposes of this Section 9, the following terms shall have the following meanings:

- (i) "Indemnitee" means any person who serves or has served as a member of the Board of Directors of the corporation, any person who serves or has served as an officer of the corporation or in any other office filled by election or appointment by the Board of Directors and any person who serves or has served as an employee of the corporation;
- (ii) "Proceeding" means any action, suit or proceeding, whether civil, criminal or investigatory, brought or threatened in or before any court, tribunal or administrative or legislative body or agency;
- (iii) "Expense" means any liability fixed by a judgment, order, decree or award in a Proceeding, any fine or penalty, any liability reasonably incurred in connection with the settlement of a Proceeding and any professional fees and other expenses reasonably incurred in connection with a Proceeding or the settlement thereof;
- (iv) "Enforcement Proceeding" means a Proceeding initiated by an Indemnitee or by his or her heirs or legal representatives in which he or she successfully enforces his or her rights to indemnification under this Section 9.

9.2 General. Except as otherwise expressly provided by this Section 9, the corporation shall indemnify each Indemnitee and his or her heirs and personal representatives, to the extent legally permissible, against all Expenses incurred by such Indemnitee in connection with any Proceeding in which he or she is involved as a result of serving or having served as a director, officer or employee of the corporation or, at the request of the corporation, as a director, officer, employee or other agent of any other organization or in any capacity with respect to any employee benefit plan.

No indemnification shall be provided to an Indemnitee or his or her heirs or personal representatives with respect to any matter as to which it shall have been adjudicated in any Proceeding that (i) such Indemnitee did not act in good faith in the reasonable belief that his or her action was in the best interest of the corporation or, to the extent that such matter related to service with respect to an employee benefit plan, in the best interest of the participants or beneficiaries of such employee benefit plan, or (ii) such Indemnitee derived an improper personal benefit.

Notwithstanding any other provision of this Section 9, an Indemnitee and his or her heirs and personal representatives shall not be entitled to indemnification under this Section 9 with respect to acts or omissions occurring during any period in which such Indemnitee was not a director of the corporation except to the extent expressly approved by vote of the Board of Directors of the corporation.

To the extent authorized by a majority of the directors, indemnification under this Section 9 shall include payment by the corporation of Expenses incurred by an Indemnitee or his or her heirs or personal representatives in defending a Proceeding in advance of the final disposition of such Proceeding; provided, however, that the corporation has first received an undertaking from such Indemnitee, or such heirs or personal representatives, to repay to the corporation all such advance payments if

such Indemnitee, heirs or personal representatives shall be adjudicated in any Proceeding to be not entitled to such indemnification.

An Indemnitee and his or her heirs and personal representatives shall be entitled to indemnification under this Section 9 against all Expenses incurred by him or her in connection with any Enforcement Proceeding.

An Indemnitee and his or her heirs and personal representatives shall not be entitled to indemnification under this Section 9 against Expenses incurred by any of them in connection with any Proceeding initiated by any of them other than an Enforcement Proceeding unless the initiation of such Proceeding was expressly approved in advance by vote of the Board of Directors of the corporation.

In any Enforcement Proceeding, and in any other Proceeding which involves, or in which is sought, a determination as to whether or not an Indemnitee or any of his or her heirs or personal representatives is entitled to indemnification under this Section 9, the party or parties seeking a determination that he or she is not so entitled shall bear the burden of proving the same.

Nothing in this Section 9 shall limit any lawful rights to indemnification existing independently of this Section 9. Nothing in this Section 9 shall be construed as limiting in any manner the power of the Board of Directors of the corporation to provide indemnification to any person who is not a director of the corporation and who serves as an officer, employee or other agent of the corporation, who serves at the corporation's request as a director, officer, employee or other agent of another organization or who serves at the corporation's request in any capacity with respect to any employee benefit plan.

This Section 9 shall be deemed for all purposes to constitute a written agreement between the corporation and each Indemnitee which may be altered, amended or repealed in accordance with Section 8 of these By-Laws, provided that no alteration, amendment or repeal of this Section 9 shall adversely affect the rights and protection afforded to an Indemnitee and his or her heirs and personal representatives under this Section 9 for acts or omissions occurring before such alteration, amendment or repeal.

SECTION 10

DISSOLUTION CLAUSE

- 10.1 Dissolution Clause. Disposition of assets upon the corporation's dissolution shall be in keeping with the organization's purpose, and shall comply with all applicable legal requirements, as stipulated in Chapter 180, Sections 11A and 11B of the General Laws of Massachusetts.