

BYLAWS OF ARKANSAS CREDITORS BAR ASSOCIATION
ADOPTED:

ARTICLE I
OFFICES AND ORGANIZATION

Section 1.00 Name. The name of this Corporation is Arkansas Creditors Bar Association (hereafter referred to as the “Corporation”).

Section 1.01. Registered Office and Registered Agent. The corporation shall continuously maintain a registered office in the State of Arkansas and a registered agent whose business office or residence is identical with the registered office. If the location of the registered office is changed, or if the registered agent is changed, dies, resigns or becomes disqualified, the Board of Directors shall, as applicable, determine the address of a new registered office, designate a successor registered agent, or both. To effect the change in registered office or registered agent, the board shall cause the officers of the Corporation to file the required documents with the proper state agency.

Section 1.02. Principal Place Of Business. The principal place of business of the Corporation will be the location of the President’s office. The Board of Directors has full power and authority to change the principal place of business at any time to another location inside or outside the State of Arkansas.

Section 1.03. Purpose Of The Organization. The purpose of this Corporation is as follows:

- a. To further and promote the image and function of the legal profession engaged in the collection of commercial or consumer debt, creditor rights, creditor representation in bankruptcy and related areas of the laws pertaining to commercial or consumer credit.
- b. To educate the public and members of the credit and collection industry as to all aspects of the commercial or consumer collection industry.
- c. To provide an interchange of ideas for the members.
- d. To provide meetings, seminars and publications to further the purposes of the Corporation.
- e. To encourage and promote the adoption of legislation in the various states and in the United States favorable to the collection industry, the attorney engaged in debt collection and the rights of the credit-granting public.
- f. To gather and disseminate information and material relative to consumer and commercial credit which may be valuable to the members of the Corporation and the general public.
- g. To elevate the standards and improve the practice and ethics of consumer and commercial collection law.

h. To foster among its members a feeling of fraternity and mutual confidence.

i. To encourage, foster and advance professional practices and ethical conduct among its members.

Section 1.04. Object. The Corporation shall be a not-for-profit business organization and in no event is any part of the assets to be distributed to any member of the corporation.

Section 1.05. Governing Law. The Corporation shall be governed by the laws of the State of Arkansas.

Section 1.06. Fiscal Year. The fiscal year of the Corporation shall begin on January 1 of each year and end on December 31 of the same year.

Section 1.07. Meetings. Meetings of the Corporation will be held at times and places decided by the Board of Directors and at least once per year.

ARTICLE II MEMBERSHIP

Section 2.00. Application. The members of this Corporation are those persons having membership rights in accordance with the provisions of these bylaws.

Section 2.01. Certificate. On admission of a person to membership, the Corporation will issue a certificate of membership to the person evidencing membership in this Corporation. The certificate of membership will designate the member as being a full member or associate member.

Section 2.02. Qualifications. To qualify for and be admitted to full membership in this Corporation, a firm shall have a primary member who is licensed to practice law in the State of Arkansas and who is a member in good standing in the State Bar of Arkansas, and who regularly engages in the practice of Creditors' Rights. To qualify for and be admitted to associate membership, a candidate shall be in good standing and must be approved by the Board of Directors.

Section 2.03(A). Firm. Corporate or governmental employees, professional corporation of attorneys, partnerships of attorneys, or attorney sole practitioners are defined as a firm under these bylaws.

Section 2.03(B). Non-Voting Member. Associate members, sponsors, individuals, businesses or corporations are defined as nonvoting members under these by-laws.

Section 2.04. Classes. The Corporation shall have one voting class of membership, which shall be the full member, i.e. firm of the qualified attorney. The Corporation shall have one non-voting class of membership, which shall be the Associate members.

Section 2.05. Dues. Annual dues payable to the Corporation by members will be in the amount of \$1,5000.00 or other amount to be determined by the Board of Directors in advance at the time of membership (prorated for the first year) and the subsequently due on the 1st of January. The amount of dues may be determined from time to time by resolution of the board of directors. The first annual dues must be submitted with the application for membership.

Section 2.06. Assessments. Members are subject to assessment on resolution of the Board of Directors declaring a particular project extraordinary and specifying the particular assessment for its support. The assessment may become effective after 30 days notice to the membership and will not be effective as to any member resigning or terminated within that period. Any member subsequently resigning or terminated will not be relieved of liability for the full amount of assessment, except to the extent provided by the board of directors on the basis of a policy applied equally to all members. Non-voting members shall not be subject to assessment.

Section 2.07. Meetings. Written notice, stating the day, place, and hour of the meeting, and purpose if a special meeting, shall be delivered personally, faxed, emailed, or mailed to each member entitled to vote at the meeting by not fewer than ten nor more than sixty days preceding the meeting. Mailed notices shall be regularly processed through the United States mail and sent to each member at the last address appearing on the Corporation register for the member.

Section 2.08. Voting.

- a. Each full member firm will be entitled to one vote per firm cast by the attorney member or members.
- b. A full member may cast a vote by proxy executed in writing by the member or a duly authorized attorney-in-fact, but no proxy will be recognized as valid three years after the date of its execution unless expressly provided otherwise in the proxy.
- c. Associate members shall not have the right to vote.

Section 2.09. Quorum. The number or percentage of members entitled to vote represented in person or by proxy that constitutes a quorum at a meeting of members is a majority of the members.

Section 2.10. Transfer. Membership in this Corporation is nontransferable and nonassignable.

Section 2.11. Termination. Membership will terminate in this Corporation on either of the following events:

- a. The attorney member is no longer a member in good standing of the Arkansas Bar Association.
- b. Receipt by the board of directors of the written resignation of a member, executed by the member or a duly authorized attorney-in-fact.

- c. The failure of a member to pay dues or assessments.
- d. For any other cause, consistent with membership after due notice, hearing and determination by the board or a duly delegated committee.

ARTICLE III BOARD OF DIRECTORS

Section 3.00 General Powers. The property, affairs and business of the Corporation shall be managed by the Board of Directors. The Board of Directors may exercise all the power of the Corporation whether derived from law or the Certificate of Incorporation.

Section 3.01. Number and Term of Office. The Board of Directors shall consist of all the Officers of the Corporation together with three (3) members. Additional directors may be elected as the membership shall deem necessary.

Section 3.02. Election of Directors. Except as otherwise provided, the Directors shall be elected annually at the annual meeting of the members unless a term of more than one (1) year shall be prescribed, in which event at least one-third (1/3) as near as may be, of the members of the Board shall be elected each year. At the annual meeting of the members for the election of Directors, provided a quorum is present, the Directors shall be chosen and elected by a majority of the votes validly cast at the election.

Section 3.03. Annual and Regular Meetings. The annual meeting of the Board of Directors for the transaction of business as may come before the meeting, shall be held each year as soon as possible after the annual meeting of the members on the same day and place as the annual meeting of the members. Notice of the annual meeting of the Board of Directors shall not be required. Notice of regular meetings if set by resolution of the Board of Directors need not be given; provided, however, that in case the Board of Directors shall change the time or place of regular meetings, notice of this action shall be mailed or faxed promptly to each Director who shall not have been present at the meeting at which the action was taken.

Section 3.04. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by any Director, at such time and place as may be specified in the notices or waivers of notice. Special meetings of the Board of Directors may be called on at least twenty-four (24) hours notice to each Director, personally or by telephone, telegram, email, or faxed on five (5) days notice by mail. Notice of any special meeting need not be given to any Director who shall be present at the meeting, or to any Director who shall waive notice of the meeting, in writing, whether before or after the time of the meeting. No notice need be given of any adjourned meeting.

Section 3.05. Quorum. At all meetings of the Board of Directors, the presence of a majority of the total number of Directors shall constitute a quorum for the transaction of business. Except when otherwise required by statute, the act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. In the absence of a quorum, a majority of the Directors present may adjourn the meeting until a

quorum shall be present. A Director shall be present at the meeting if he and all other persons participating in the meeting can hear one another by means of conference telephone or similar communications equipment.

Section 3.06. Consent of Directors in Lieu of Meeting. To the extent provided by any statute at the time in force, whenever the vote of Directors at a meeting is required or permitted to be taken for or in connection with any corporate action, by any statute, by the Certificate of Incorporation or by these Bylaws, the meeting and vote of Directors may be dispensed with. However, it may be dispensed with only if not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Directors entitled to vote thereon were present and voted shall consent in writing to such corporate action taken. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those Directors who have not consented in writing.

Section 3.07. Manner of Acting. The Directors shall act only as a Board, and the individual Directors shall have no power as such.

Section 3.08. Resignation. Any Director may resign at any time by delivering a written resignation to the President, or the Secretary. Unless otherwise specified, the resignation shall take effect upon delivery.

Section 3.09. Reliance on Accounts and Reports. A Director, or a member of any Committee designated by the Board of Directors, in the performance of his duties, shall be fully protected in relying in good faith on the books of account and reports made to the Corporation by any of its officials, or by an independent certified public accountant, or by an appraiser selected with reasonable care by the Board of Directors, or by any such committee, or in relying in good faith upon other records of the Corporation.

ARTICLE IV OFFICERS

Section 4.00 Number. The officers of the Corporation shall be chosen by the members at their annual membership meeting and shall consist of a President, a Vice President, Secretary, and a Treasurer who shall hold office until their successors are chosen and qualify.

Section 4.01. Term. The officers of the Corporation shall hold their office for a two year period. Officers shall be elected for the June 1 to May 31 period.

Section 4.02. Additional Officers. Additional officers and agents may be approved by a majority vote of the members at their meeting as they shall deem necessary. Such additional agents or officers may be appointed to the Board of Directors through a majority vote of the Board of Directors.

Section 4.03. Election. The members at their first meeting or subsequent meetings as shall be held prior to their first annual meeting, shall choose the officers of the Corporation. If any

officers are not chosen at an annual meeting, such officers may be chosen at any subsequent regular or special meeting.

Section 4.04. Salaries. The officers of the Corporation shall not receive a salary but will be entitled to their out of pocket expenses as approved by the Board of Directors.

Section 4.05. Removal and Vacancies. Any officer elected by the members may be removed at any time, by the affirmative vote of two third vote of the members, either for or without cause, whenever, in the judgment of the members, the business interests of the Corporation would be served by such removal. Any vacancy occurring in any office of the Corporation shall be filled by the members of Corporation by a majority vote.

Section 4.06. Duties of the President. The President shall have direct charge of the business of the Corporation, subject to the general control of the Board of Directors, and shall be the chief executive officer of the Corporation.

Section 4.07. Duties of the Vice President. In the event of the absence or disability of the President, the Vice President, or in case there shall be more than one Vice President, the Vice President designated by the Board of Directors, shall perform all the duties of the President and when, so acting, shall have all the powers of and be subject to all the restrictions upon, the President.

Section 4.08. Duties of the Secretary. The Secretary shall, if present, act as Secretary of, and keep the minutes of, all the proceedings of the meetings of the members and of the Board of Directors and of any Committee of the Board of Directors in one or more books to be kept for that purpose; shall perform other duties as shall be assigned by the President or the Board of Directors; and, in general shall perform all duties incident to the office of Secretary.

The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors, and shall perform other duties as may be prescribed by the Board of Directors.

Section 4.09. Duties of Treasurer. The Treasurer shall keep or cause to be kept full and accurate records of all receipts and disbursements in the books of the Corporation and shall have the care and custody of all funds of the Corporation. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all of his transactions as Treasurer and shall perform other duties as may be assigned to him by the President of the Board of Directors, and in general, shall perform all duties incident to the office of Treasurer.

Section 4.10. Delegation of Duties. In the absence of any officer of the Corporation, or for any other reason the Board of Director may deem sufficient, the Board of Directors may delegate, for the time being, any of the powers or duties of such officer to any other officer or to any director, provided that a majority of the Board of Directors concurs therein.

ARTICLE V EXECUTION OF INSTRUMENTS AND OTHER DOCUMENTS

Section 5.00. General. Subject to the provisions of Section 5.01 and 5.02, hereof, documents, transfers, contracts, agreements and other instruments requiring execution by the Corporation shall be signed by the President and by the Treasurer or Secretary, or as the Board of Directors may otherwise from time to time authorize.

Section 5.01. Corporation Indebtedness. No loan shall be contracted on behalf of the Corporation, and no evidence of indebtedness shall be issued in its name, unless authorized by the Board of Directors. Authorization may be general or confined to specific instances. All bonds, debentures, notes and other obligations or evidence of indebtedness of the Corporation issued for loans shall be made, executed and delivered as the Board of Directors shall authorize.

Section 5.02. Checks and Drafts. All checks, drafts, bills of exchange or other orders for the payment of money, issued in the name of the Corporation shall be signed only by such person or persons and in such manner as may from time to time be designated by the Board of Directors, and unless so designated, no person shall have any power or authority thereby to bind the Corporation or to pledge its credit or to render it liable.

Section 5.03. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select. For the purpose of deposit and for the purpose of collection for the account of the Corporation, checks, drafts and other orders for the payments of money which are payable to the order of the Corporation shall be endorsed, assigned and delivered by such person or persons and in such manner as may from time to time be designated by the Board of Directors.

ARTICLE VI INSURANCE

Section 6.00. Insurance. By action of the Board of Directors, notwithstanding any interest of the Directors in the action, the Corporation may purchase and maintain insurance, in such amounts as the Board of Directors may deem appropriate, on behalf of any person who is or was a Director, officer, employee or agent of the Corporation.

ARTICLE VII INDEMNIFICATION OF OFFICERS, DIRECTORS AND EMPLOYEES

Section 7.00. Indemnification as to Third-Party Suits. The Corporation shall have power to 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, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a Director, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee or agent of the Corporation, or is or

was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgment, fines and amounts paid in settlement actually and reasonable incurred by him in connection with such action, suit or proceedings if he acted in good faith and in a manner he reasonable believed to be in and not opposed to the best interests of the Corporation or its members, and with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful.

The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or it equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation.

ARTICLE VIII AMENDMENTS

Section 8.00. Amendments. These By-Laws may be altered, amended or repealed by the affirmative vote of a majority of the members at any regular or special meeting of the membership called for that purpose.

ARTICLE IX DISSOLUTION

Section 9.00. Dissolution. The Association shall use its funds only to accomplish their objectives and purposes specified in these Bylaws, and no part of said funds shall be distributed to members of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organization(s) to be selected by the Board of Directors.