



BYLAWS

THE ILLINOIS COLLECTORS ASSOCIATION, INCORPORATED

**ORGANIZED JANUARY 24, 1945
EVANSTON, ILLINOIS**

These Bylaws include amendments made through October 2010.

ARTICLE I

NAME and LOCATION

SECTION 1 – NAME

The name of this Association shall be THE ILLINOIS COLLECTORS ASSOCIATION, INCORPORATED, and it shall be incorporated as a nonprofit corporation without capital stock.

SECTION 2 – LOCATION

The principal office of the Association shall be located at the address of the Executive Secretary of the Association or such location that the Board of Directors may determine from time to time.

ARTICLE II

OBJECTS and PURPOSES

The objects and purposes of this Association shall be to further and promote the general welfare of the credit collection profession in the State of Illinois and elsewhere; to regulate practices, prescribe ethics, and enforce proper conduct as defined by the ACA code of ethics, among its members; promote the adoption of legislation favorable to the rights of collectors and credit grantors, and to gather and disseminate material relative to the collection profession which may be valuable to members of this Association.

ARTICLE III

MEMBERSHIP

Section 1 – Classes

There shall be two classes of members in this Association: Active Members and Affiliate Members. Active members shall include Special Membership categories with rights and benefits as further described herein. Affiliate Members also shall have rights and benefits as further described herein.

For active members, the collection agency must have a contingent membership between ACA International and the Illinois Collectors Association. This means that in order to be a collection agency member of ACA, the agency must join the state unit, Illinois Collectors Association and in order to join the state unit, the agency must join ACA International.

ACTIVE MEMBERS

Any person, firm or corporation substantially engaged in debt collection in the State of Illinois may become an active member of this Association and the ACA International if compliance is made with the following:

- a) The Code of Ethics and Rules of conduct adopted by the members of this Association and the ACA International.
- b) The State of Illinois Collection Agency Act and furnishing the Illinois Collectors Association with a copy of the agency's state license and statutory bond receipt if applicable
- c) The Fair Debt Collection Practices Act (P.L. 95-109 15USC 1692 et seq.) and any other applicable governmental statutes and ordinances for the regulation of collection agencies.

If it is found that the applicant had ever been in violation of any of the above statutes, written evidence must be submitted that the applicant or his/her agency has satisfied the complaint and is currently in compliance.

Each Active Member shall be entitled to all benefits and responsibilities of membership. Membership shall be construed by this Association to mean that the agency itself holds the membership, and the agency may designate its particular representative to act on its behalf in Association affairs.

SPECIAL MEMBERSHIP CATAGORIES

This Association shall recognize Special Membership Categories.

There shall be a special category of membership known as Honorary members. Any person who has retired as owner, partner, corporate officer or manager of a member agency in good standing at the time of retirement shall be eligible for membership in this category upon letter of intent and payment of an annual fee to be established by the Board of Directors. Membership in this category shall not confer the right to vote in any matters of business of this Association upon the member.

AFFILIATE MEMBERS

There shall be a special category of membership in this Association known as Affiliate to include MAP Attorney Members, Creditors International Members, Asset Debt Buyers and Vendor Members. They may become a member by making application and abiding to Association By-Laws. The Board of Directors will review those applications and set dues. The guidelines for membership will parallel those of ACA. An Affiliate Member may attend all meetings of the Association and participate in the discussion, he/she will be entitled to a vote and shall be eligible to hold an elective or appointive office in this Association. At no time shall there be more than 1 affiliate member in each category seated on the Executive Board of Directors and the majority of the Executive board must consist of the Active Member classification.

SECTION 2 – APPLICATIONS

Application forms, processing procedures and schedule of annual dues for each membership category are prescribed in the Standard Operating Procedures (SOP).

SECTION 3 – MULTIPLE OFFICES

Any agency with two or more collection agency offices under the same ownership (holding majority stock or greater than 50 percent ownership) and which wishes to hold membership for at least fifty percent of those offices may make application through the company's "main" office. Upon approval of the "main" office application, all other offices applying for membership will automatically be granted membership. Each parent member and each of its associated branches shall be entitled to one vote each, provided that a representative from each parent and each branch is registered at that meeting and has fully paid the member registration fee for each parent and for each branch membership for the Annual Convention held in conjunction with said meeting of the membership.

SECTION 4 – TERMINATION OF MEMBERSHIP

A. TERMINATION FOR CAUSE Any member may be placed on probation, suspended or expelled for cause, which shall include but not be limited to: violation of any of the Bylaws or Code of conduct of the Illinois Collectors Association, Inc., the rules, regulations or Code of Ethics of ACA International, or for conduct prejudicial to the best interests of the Illinois Collectors Association, Inc., or ACA International. In the event that a member is subject to probation, suspension or expulsion for any of the foregoing reasons, the Association shall adhere to the procedures set forth in these Bylaws.

Any member, whose dues or assessments or other monetary obligations owed to this Association remain unpaid for sixty or more days, may be placed on probation, suspended or expelled by the Executive Committee of this Association. Any such decision of the Executive Committee shall be final.

B. LOSS OF LICENSE OR BOND Membership in this Association is terminated upon cancellation or revocation of a member's license by the State of Illinois or cancellation or revocation of its statutory surety bond. Termination is effective upon receipt of written notice of cancellation or revocation by the Executive Secretary from the licensing authority for the State of Illinois or the underwriter of the surety bond. It will be the duty of the Executive Secretary to notify in writing any member so terminated as well as ACA International.

C. TERMINATION BY ACA INTERNATIONAL The termination of a member's membership in ACA International shall cause the immediate termination of that member's membership in this Association. The Secretary of this Association shall provide any such member with written notice of termination and the effective date thereof, within 30 days of receipt of this information from ACA International.

D. GRIEVANCE PROCESS Probation, suspension or expulsion due to a member's violation of any of the Bylaws or Code of Conduct of the Illinois Collectors Association, Inc., the rules, regulations or Code of Ethics of ACA International, or for conduct prejudicial to the best interests of the Illinois Collectors Association, Inc. or ACA International shall be the responsibility of the Grievance Committee. Refer to SOP for grievance procedures.

SECTION 5 – CHANGE OF OWNERSHIP

Membership in this Association shall not be transferable. Change of ownership of any member firm shall automatically terminate its membership. Membership may be conferred upon the new owner only by application in conformity with the Bylaws of the Association as hereinbefore set forth. It shall not be deemed a change of ownership or a change in the controlling interest if a member office

continues to be operated by the spouse or children, immediately following the death, retirement or incapacitation of the family member who previously held controlling interest in the business.

In all cases, where a member is a sole proprietor, a change in ownership shall be deemed to have occurred when the control, management, and/or assets of the proprietor shall be vested in one or more persons other than the individual to whom they previously belonged, or by whom they had previously been controlled.

In all cases where a member is a partnership a change of ownership shall be deemed to have occurred when the control, management and/or assets of the partnership shall be vested in one or more persons other than the original partners or either of them. The acquisition by one partner of the share of ownership previously held by one or more of the original partnership shall not be construed, for purposes of this section, as a change of ownership, except in those cases where the partner who acquires the control, management and/or assets of the partnership was, in fact, a silent or inactive member of the partnership which had held a membership in this Association.

Transfer or sale of a business from one spouse to another shall, for purposes of this section, be considered as a change of ownership unless that spouse who acquires the business shall have been a partner in fact, or unless his/her previous association with the business has been on a management level. Acquisition of a collection business by a spouse through estate administration or inheritance will not, ipso facto, qualify the surviving spouse for membership in this Association unless the requirements of partnership or previous management, as set forth above, shall have been met.

Membership may be conferred upon the new owner or upon a change in the controlling interest only by application as provided above. It shall not be deemed a change of ownership or a change in the controlling interest if a member office continues to be operated by the spouse or children, immediately following the death, retirement or incapacitation of the family member who previously held controlling interest in the business.

In the case of a corporation, a change of ownership shall be deemed to have occurred when there is a transfer of greater than 50% of the shares of said corporation.

ARTICLE IV

DUES

SECTION 1 – ACTIVE MEMBERS

The fiscal year of this Association shall begin on the first day of January of each year and end on the 31st day of December of the same year. Dues will be collected by ACA International starting in the 4th quarter prior to the new fiscal year. Refer to SOP for active member dues schedule.

Dues of Active Members shall be fixed by the Board of Directors subject to ratification of the general membership. Dues statements shall be mailed to all members by December 1st of the current year for the upcoming year, as is practical and shall be payable upon presentation. In addition to the dues payable to this Association, every active member shall remit dues covering his/her membership in the ACA International.

Dues for all new members in their first year of membership shall be assessed on a pro-rata basis as outlined by ACA International.

SECTION 2 – AFFILIATE MEMBERS

Dues for Affiliate Memberships shall be fixed, billed and collected as prescribed by the Board of Directors. This membership will be based on calendar year. Affiliate Members are Vendor, MAP, Creditor International and Asset Buyers.

SECTION 3 – HONORARY MEMBERSHIPS

There shall be no dues charged for Honorary Memberships.

SECTION 4 – REFUND OF DUES

Dues shall not be refundable to any member whose membership is terminated for any reason including but not limited to sale, merger, death, closing of the agency, loss or lapse of license, lack of bond or resignation.

SECTION 5 – PAYMENT OF DUES

Dues shall be payable annually in advance. Any member whose dues remain unpaid for sixty (60) or more days after the fiscal year begins may be placed on

probation, suspended or expelled from this Association by the Executive Committee.

SECTION 6 – SPECIAL ASSESSMENTS

The Board of Directors, by a two-thirds majority vote, may approve a one-time special assessment per year. Special assessments include but are not limited to legislative, educational, fundraising, and lobbyists' expenses. Special assessment is defined as dues under Article III-Membership and under Article IV Section 5-Payment of Dues. All members are required to pay the special assessment.

ARTICLE V

GOVERNING BODY

SECTION 1 – BOARD OF DIRECTORS

The affairs of this Association shall be governed by a Board of Directors. The Board of Directors shall consist of the President, who shall serve as Chair, President Elect, Vice President, Treasurer, the immediate Past President, Directors seated on the ACA International Board of Directors (as non-voting board members in ICA) and at least three but no more than five members of the Association who are duly elected unit directors to the Board of Directors. The term of office shall be for three years with no more than two successive terms unless a board member has been elected to the Executive Board in which case the term of offices may be completed by extending his term. During the annual convention the Board of Directors shall meet and present a slate of officers, including a President, President Elect, Vice President and Treasurer from among its current Board members. Such officers shall hold offices for one year thereafter or until their successors are duly qualified and elected.

The Immediate Past-President of this Association shall for one (1) year following the term of his/her office becomes a member of the Board of Directors without a vote. In the event there is a tie, the immediate Past President shall be entitled to a vote.

SECTION 2 – DUTIES OF OFFICERS

President - The President shall preside at all meetings, be the executive officer of the Association and chairperson of the Board of Directors, sign all official documents, appoint all committees not otherwise provided for, and generally supervise the affairs of the Association. It shall be the direct responsibility of the

President to see that communication with members is maintained on a regular basis.

President Elect - The President Elect shall consult with and assist the President and perform all the duties of the President when the latter is absent or in any manner unable to serve. He/she shall assist the President in the supervision and coordination of the programs, projects and affairs of the Association as directed by the President. He/she shall become the President in the event the President's office is vacated by death, resignation or any other event which makes it impossible for the President to carry out his/her responsibilities. In the event an appointment is not made by the President the President Elect shall serve as Co-Chair of the Convention Committee.

Vice President - The Vice President shall consult with and assist the President and perform all the duties of the President when the President and President Elect are absent or in any manner unable to serve. He/she shall assist the President in the supervision and coordination of programs, projects and affairs of the Association as directed by the President. In the event an appointment is not made by the President, the President Elect shall serve as the Chairman of Education and Advertising.

He/she shall become the President in the event the President's office is vacated by death resignation or any other event that makes it impossible for the President or the President-Elect to carry out his/her responsibilities.

Treasurer -The Treasurer shall pass on all expenditures of this Association, authorizing payments by the Executive Secretary over the amount specified by the Budget. He/she shall perform the duties of the President in the event of the absence, disqualification or inability of the President, President Elect or Vice President to perform such duties. It shall be the duty of the Treasurer to attend the Unit Leaders meeting held by ACA. The treasurer shall serve as Chairman of Audit, Budget & Finance Committee. In the event an appointment is not made by the President, the Treasurer shall serve as Chairman of Membership and Public Relations.

Immediate Past President – The Immediate Past President shall serve as counsel for all areas of need in the Association. In the event an appointment is not made by the President, the Immediate Past President shall serve as Chairman of the Ethics & Grievance Committee and Co-Chair the Convention Committee.

In the event an appointment is not made by the President to Legislative and Technology Committees, a director shall be named chair by the Board of Directors

SECTION 2 – CONDUCT OF BUSINESS

Refer to SOP for Conduct of Business.

SECTION 3 – POWERS & DUTIES

Refer to SOP for Powers & Duties

ARTICLE VI

OFFICERS

SECTION 1 – DESIGNATION OF OFFICERS

The officers of this Association shall be:

PRESIDENT	TREASURER
PRESIDENT ELECT	IMMEDIATE PAST PRESIDENT
VICE PRESIDENT	

No officer of this Association is to be paid any salary or compensation. Eligibility of elective and/or appointive officers of the Board of Directors shall be limited to bona-fide members of an Active Member office. Individuals who are deemed by the Board of Directors to not be involved primarily in the business of collection agency management would be ineligible for elective and/or appointive offices of the Board of Directors.

SECTION 2 – ACA DIRECTORS

ACA INTERNATIONAL BOARD MEMBER QUALIFICATION Members of this Association who shall be qualified to serve on the ACA International Board of Directors shall be limited to those persons who shall be a member in good standing under the ACA governing documents, and whose business or any portion thereof, is substantially related to the collection industry and who have served the Association in the office of President for at least one service year. Terms of service and reimbursement shall be found in the Illinois Collectors Association Standard Operating Procedure's.

ARTICLE VII

ELECTIONS

SECTION 1 - NOMINATIONS

Any person actively involved in a managerial role in a collection service in the State of Illinois and if the persons' company is a member of the Illinois Collectors Association, Incorporated, currently licensed and bonded by the State of Illinois, may be a candidate for an ICA Director. The Executive Secretary must be notified in writing by fax, email or standard mail forty-five (45) days prior to the annual convention to place a candidate's name in nomination.

All interested parties must meet the standards and ethics of the Illinois Collectors Association. All candidates' names will be published on the ballot after his/her eligibility is verified by the Board of Directors. Therefore, floor nominations will not take place.

In the event that there are not sufficient candidates to fill all vacancies for that year, the President shall appoint a Nominating Committee of not less than three (3) members whose duties shall be to nominate candidates for each Director's office to be vacated or for the unexpired term of the resigned Director, and report to the convention.

If there is an unexpired term due to a resignation of a Unit Director or there is a vacancy that was never filled, during the interim until the next annual meeting, the ICA Board of Directors can appoint such person(s) to each Unit Director position. Such person is defined as a member in good standing from Illinois and is currently not on the Board of Directors for the Illinois Unit. There can be no appointment to an executive Board of Director vacancy. In this case, the ICA Board of Directors will decide how to handle the vacancy.

During the annual convention there shall be a business session of the membership to elect Directors so nominated. Voting for Directors shall be conducted by secret ballot, provided that such secret ballot may be waived where any given nominee is unopposed.

SECTION 2 – ELECTION PROCEDURES

Every active member agency represented at the annual meeting shall be eligible to cast one vote per agency. If an owner, partner or officer of a member corporation is not able to attend the business meeting, he/she may designate a representative of his/her firm by written proxy, to be filed with the Executive Secretary, to vote in his/her place.

The vote shall be cast by the person who has been registered to cast the vote of the membership or group as defined in Article III – Membership, Section 3 – Multiple Offices, paragraph 1.

Any person actively involved in the managerial operation of an agency holding Active Membership shall be eligible to hold an office of Director of the Illinois Collectors Association. However, not more than one person from any particular agency or organization shall be elected to a voting position on the Board of Directors.

SECTION 3 – ENDORSEMENTS FOR CANDIDACY AS AN ACA INTERNATIONAL OFFICER

Any person who is an owner, partner or corporate officer of a collection service may seek endorsement to be a candidate for ACA Treasurer, if he/she presents a resolution to that effect to the ICA Board of Directors, requesting endorsement. Approval and ratification by a majority of the ICA Board of Directors and ICA's Directors who serve the Board of the ACA International, followed by approval and ratification of the ICA members present at the annual meeting, will constitute an endorsement by this Association.

ARTICLE VIII

MEETINGS

The annual meeting of the Association shall be held at a time and place to be determined by the Board of Directors. It shall be held at approximately the same time each year. Notice of the annual meeting shall be distributed to each member at least 30 days prior to the date of the meeting. Notice of the meeting may be in the form of postal mail, email, website or any other electronic form of communication. No ICA member will be permitted to attend any ICA general session or function at any ICA state convention without a confirmed paid registration by the Executive Secretary.

Special meetings of the membership of this Association may be called at such time and place as may be fixed by the Board of Directors. The Executive Secretary shall give each member at least 15 days' notice of the time and place of such special meeting, setting out the purpose for which said meeting is called. Notice of the Special Meeting may be in the form of: postal mail, email, website, or any other electronic form of communication available.

ARTICLE IX

VOTING RIGHTS AND QUORUM

The voting rights stated in Article III- Membership and Multiple Offices and in Article VII- E Elections, shall apply to all matters coming before the members of this Association.

The majority of the membership registered and voting at the annual meeting shall constitute a quorum.

Any association business that requires a vote by its members shall be conducted at the annual convention General Meeting of the Membership of the association. In the event a vote by its members is required during the calendar year absent of the annual convention, a quorum will be established and voting will be permitted by electronic means established under notice to its membership as deemed by the ICA Board of Directors.

ARTICLE X

AMENDMENTS

These bylaws may be amended at the annual convention General Meeting of the Membership by an established quorum and by the majority of members of the association who meet the eligibility requirements to vote as stated under Article IX-Voting Rights and Quorum. Amendments passed by the Board of Directors between conventions shall be effective only until voted on by the members at the next convention, who shall either approve or disapprove said amendments.

All amendments must be submitted to the Executive Secretary of the Association at least forty-five (45) days before the annual convention. The Executive Secretary shall distribute full copies of the amendments to all members of the Association at least thirty (30) days prior to the convention.

ARTICLE XII

PARLIAMENTARY PROCEDURE

In all questions of order and parliamentary procedure not covered by these Bylaws, ROBERT'S RULES OF ORDER shall govern. The President may appoint any person as Parliamentarian, who is well versed in recognized parliamentary law, to advise the presiding officer on these matters at any annual convention or special conference

October 2010