

LOUISIANA COLLECTORS ASSOCIATION, INC.

BYLAWS

ARTICLE I

The name of this association shall be the LOUISIANA COLLECTORS ASSOCIATION, INC.

ARTICLE II - OBJECTIVE

The object and purposes of this Association shall be to further and promote the general welfare of the Collection profession in the state of Louisiana, to regulate practices, prescribe ethics and to enforce proper conduct among its members, to encourage and promote the adoption of legislation favorable to the rights of collectors and to the Credit Granting public 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. QUALIFICATIONS:

Any person, firm or corporation engaged in the collection agency business may become a member of this Association provided:

- A. That their collection activity is sufficient to properly identify them as part of the collection agency industry, which includes, collection attorneys, child support collections and factoring as it pertains to the purchasing and subsequent collection of accounts receivable.
- B. That they have complied with all Federal, State, Parish, and Municipal statues and ordinances for regulation of those engaged in the collection agency business, including but not limited to licensing and bonding.
- C. That persuasive evidence of such compliance is attached to and made part of their applications for membership.
- D. Must have a physical office with a street address for debtor interview and a business telephone number.
- E. That they must become a member of and pay dues to ACA International in order to become a member of this association.

Section 2. ELECTION OF MEMBERS:

All applications for membership in this Association shall be referred to the Chairman of the Membership Committee. All data will be submitted to all members of the Membership Committee by mail. Any objections to an application by any member shall be made to the Membership Chairman and the application shall then be held in abeyance until the Association's next Board of Directors meeting, who by two thirds (2/3) vote may accept or reject said applicant.

Section 3. HONORARY MEMBERS:

The Board of Directors, at a duly organized meeting, may elect individual persons to honorary membership by a two thirds (2/3) vote of the members present. Candidates for Honorary Membership may not be active in the

collection industry. Honorary members shall be exempt from payment of any fees whatsoever, and shall be entitled to all the privileges of regular members, except the right to vote or hold office.

Section 4. RESIGNATION:

Any member may withdraw from the Association after fulfilling all obligations to it, by giving written notice of such intention to the Board of Directors, which notice shall be published and circulated by the Secretary.

Section 5. CHANGE OF OWNERSHIP:

Membership in this Association shall not be transferable. Upon change of ownership or controlling interest, the membership shall automatically terminate. All ownership transfers must be reported to Louisiana Collectors Association. Membership may be conferred on the new owner only by application as herein above provided.

A Membership application may be waived by a majority vote of the Board of Directors in a minority ownership change (less than 50% ownership) when the transfer of ownership is to:

1. A person known to the Louisiana Collectors Association through active management of the agency or:
2. 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.

An ownership change of more than 50% and changes in ownership not provided for in this Section may be conferred upon the new owner only by application as provided in these bylaws.

Section 6. PROBATION OR EXPULSION:

A member may be placed on probation for a period or expelled for cause such as a violation of any of the Bylaws Rules and Regulations or Code of Ethics of the Association or for nonpayment of dues, assessments and/or charges due the Association, for conduct prejudicial to the best interests of the Association.

Expulsion for nonpayment of dues shall be automatic. Expulsion for failure to pay charges due the Association may be made by majority vote of the Board of Directors. Expulsion for failure to pay assessments may be affected by majority vote of the Board of Directors.

If a person is expelled and he wishes to reapply, he must first pay the initiation fee plus any unpaid dues or assessments.

Probation or expulsion may be effected by the Grievance Committee or the Ethics Committee in matters of Grievance or Ethics and if appealed, shall be ratified upon a majority vote of the Board of Directors provided that a statement of the charges shall have been mailed by certified mail to the member under charges at his last recorded address, at least fifteen (15) days before final action is taken thereon. This statement shall be accompanied by a notice of the time when and the place where the Board of Directors is to take action. The member shall be given an opportunity to present a defense at the time and place mentioned in such notice.

Section 7. SPECIAL MEMBERS

1. RETIRED COLLECTORS

There shall be a special division of this Association known as Retired Collectors. 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 division upon letter of intent and payment of an annual fee to be established by the Board of Directors with the approval of the General Membership.

The purpose of this division shall be to make available the experience and expertise of its members in support of and assistance to the overall goals of this association. Membership in the division shall not confer the right of vote in any matters of business of this Association.

2. CREDIT REPORTING COMPANIES

There shall be a special division of this Association known as Credit Reporting Division.

Any person, firm or corporation engaged in the business of providing consumer and/or commercial credit reports to the credit granting public, but not engaged in the collection of past due accounts, may become a member of this Division by making application in conformity with Article III, Section 2 and:

1. That their reporting activity is sufficient to properly identify them as part of the credit reporting industry and
2. That they have complied with all Federal, State, Parish and Municipal statutes and ordinances for regulation of those engaged in the credit reporting business.

Application may be made in the same fashion by any credit reporting office under the same ownership as a regular member whether located at the same address or at a separate address, provided it is within the same unit. Continued membership in this Division shall be governed in the same fashion as described in Article III, Section 5.

The purpose of this Division shall be to provide its members with such suitable and desirable services as the Directors may decide and to broaden the store of knowledge in the credit and collection field for all members. Membership in this Division shall not confer the right to vote in any matters of business of this Association or hold office.

3. AFFILIATE MEMBERS:

There shall be a special category of membership in the Association for suppliers of goods and services to the collection industry. Any such person firm or corporation with a valid and sincere interest in the welfare of this Association shall be eligible for membership upon application and payment of an annual fee to be established by the Board of Directors and approval of the General Membership.

The purpose of this membership shall be to enhance the exchange of information and ideas between collectors and suppliers. Said membership does not confer the right of vote in matters of business of this Association or hold office.

4. COMMERCIAL MEMBERS.

There shall be a special membership in the Association for IAAC affiliate members in good standing. Any such person, firm or corporation, with a valid and sincere interest in the welfare of this Association, shall be eligible for membership upon application and payment of an annual fee to be established by the Board of Directors and the approval of the General Membership.

The purpose of this membership shall be to enhance the exchange of information and ideas between collectors. Said membership gives the right to vote, but does not include the right to hold office.

ARTICLE IV - DUES AND ASSESSMENTS

Section 1. BASIS

Dues and assessments of members shall be fixed by the Board of Directors whose decisions thereon may become effective immediately but shall be submitted to the Membership for ratification at its next General Membership Meeting.

Section 2. PAYMENT OF DUES.

Dues shall be payable in advance on the first day of January in each fiscal year. New members shall pay one full year's dues with their application. At the next renewal date following the effective date of membership, new members shall pay an adjusted amount based on effective date. Those that became effective during the first

quarter shall then be charged at the rate of 75% of the regular dues, memberships that became effective during the second quarter shall be charged 50% of the regular dues; memberships that became effective during the third quarter shall be charged at the rate of 25% of the regular dues and memberships that became effective during the last quarter shall be deemed fully paid for the ensuing year.

Section 3. PAYMENT OF ASSESSMENTS.

Any member whose assessment remains unpaid sixty (60) days after billing shall be notified by certified mail that his membership may be terminated unless the assessment is paid within thirty (30) days from receipt of said notice, after which time the Board shall make final determination of the matter.

Section 4. DEFAULT AND TERMINATION OF MEMBERSHIP.

Any member whose dues remain unpaid sixty (60) days after billing shall be notified by certified mail that this membership shall be terminated unless his dues are received within thirty (30) days from receipt of said notice after which time his membership in this Association shall automatically be terminated.

ARTICLE V - OFFICERS, DIRECTORS AND DUTIES

Section 1. The Officers of this Association shall be the President, President-Elect, Vice President, Secretary and Treasurer.

Section 2. The affairs of this organization shall be managed by its Board of Directors, which shall consist of the Elected Officers, the National Director, the Legislative Director and the Immediate Past President.

Section 3. If any office, excepting that of President, becomes vacant during the year, the unexpired term shall be filled by appointment by the Board of Directors. If the office of President becomes vacant, the unexpired term shall be filled by the President-Elect.

Section 4. The PRESIDENT

shall preside at all meetings of the Unit, appoint all committees, be ex-officio member of all committees, except nominating, attend to such other duties as pertain to this office and receive reports on committees. The President shall be one of the three designated officers to sign all checks.

Section 5. The PRESIDENT-ELECT

shall in the absence of the President or in the event of the President's inability or refusal to act, perform 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, shall perform such other duties as from time to time may be assigned by the President or Board of Directors.

Section 6. The VICE PRESIDENT

shall advise with the President and the President-Elect and perform all the duties of the President when both the President and the President-Elect are absent or in any manner unable to serve. Also the Vice President shall serve as membership Chairman and handle all matters pertaining to membership, including new applications.

Section 7. The SECRETARY

shall keep a complete record of all Business Meetings and Board Meetings, send copies of proposed Bylaw amendments to all members at least twenty (20) days prior to the Annual Meeting or Special Conference and send notice of all General Membership Meetings to all members, committees, and directors of the Unit. The Secretary shall send copies of the annual business meeting or special conference minutes to all members, committees and directors. The Secretary shall also be one of the three (3) designated to sign checks and, upon retirement from office, shall turn over all records to his/her successor.

Section 8. The TREASURER

shall collect and deposit all monies and pay all bills, reporting to the Unit at its annual meeting and at such other times as prescribed by the Board of Directors. In making the report, the Treasurer shall produce all bills and canceled checks. The Treasurer shall upon retirement from office, turn over all records to the Audit Committee and all funds to his/her successor. The Treasurer shall be bonded in an amount to be fixed by the Board of Directors. The premium will be paid by the Unit. The Treasurer shall be responsible for filing all State and Federal forms.

Section 9. The NATIONAL DIRECTOR

shall attend the American Collectors Association Board of Directors meeting as decided by majority vote by the LCA Board of Directors and will be entitled to reimbursement of his/her expenses as specified in the Budget. Should the Director be unable to attend the American Collectors Association Board of Directors meeting, the Board of Directors will appoint an alternate to serve as Director of the Association. He/she will also be entitled to the same allowance as the elected Director.

Section 10. The LEGISLATIVE DIRECTOR

shall keep itself informed on matters involving legislation which is proposed for passage by the State Legislature; make recommendations to the members of the Association as to the position that should be taken in connection with proposed legislation and recommend any proposals for legislation which he/she feels are in the best interest of the Association and its members. He/she will be entitled to reimbursements of expenses as specified in the budget.

Section 11. The Officers, National Director and Legislative Director

shall be elected to serve for one year or until their successors are elected, and their term of office shall begin at the close of the meeting, at which they are elected.

Section 12.

Not more than one person from an agency shall be elected to any office.

Section 13. The Board of Directors

shall be limited to the amount of \$2001.00 per occurrence that can be spent without the approval of the General Membership, not included in the budget.

ARTICLE VI - NOMINATIONS AND ELECTIONS

Section 1. The Nominating Committee

shall consist of three (3) members in good standing to be appointed by the Board of Directors. It shall be the duty of this Committee to nominate candidates for the offices to be filled at the annual Meeting and presented to the membership in general. Before the election, nominations from the floor shall be permitted. No nominee may be named by the Nominating Committee or from the floor until they have been consulted and are willing to serve. If more than one name is submitted for any office the election will be by secret ballot. A majority vote shall elect.

ARTICLE VII – GENERAL MEMBERSHIP BUSINESS MEETINGS

There shall be a General Membership Business Meeting each year set by the Board of Directors.

Twenty-five (25) percent of the Members of this Association in good standing at the time of the meeting shall constitute a quorum.

Each agency represented that is present is entitled to one vote. No proxies are permitted and no one person may cast votes for more than one office.

Special meetings may be called by written request of the President, Board of Directors, or five (5) members of the Association. A twenty (20) day notice must be given and no business may be transacted except that specified in the call to the meeting.

ARTICLE VIII - STANDING COMMITTEES

Section 1. Ethics Committee
shall handle all grievances affecting the Unit.

Section 2. Audit Committee
will audit the Financial records.

Section 3. Budget Committee
will prepare a budget, based on the estimated expenditures allocated to the various purposes.

Section 4. Nominating Committee
duties are set forth in Article VI, Section 1.

Section 5. Bylaws Committee
shall study the existing Bylaws and the Standard Operating Procedures, with a view to recommending deletion of obsolete portions and addition of new items as required.

Section 6. Membership Committee
duties are set forth in Article V, Section 6.

Section 7. Education Committee
will coordinate all schools with ACA, handle Educational matters pertaining to the Unit.

Section 8. Public Relations Committee Chairman
shall plan, select goals, and guide a program that would enhance the image of the collection industry and keep the public informed of the valuable services rendered by collection agencies.

ARTICLE IX - SPECIAL COMMITTEES

A Special Committee may be appointed by the President, naming the Chairman first, and presented to the Board of Directors for approval. The committee cannot act before such an announcement of its membership is made. Since it is appointed for a specific purpose-on presentation of its final report to the assembly-it automatically ceases to exist.

ARTICLE X - BANKING

Our banking institution shall be selected by the majority of the members present at a regular business meeting and can only be changed by action of the majority of the members present at a regular business meeting.

ARTICLE XI – MEETING RULES

The rules in the current edition of Robert's Rules of Order Newly Revised, shall govern this Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Association may adopt.

ARTICLE XII - STANDARD OPERATING PROCEDURES

Section 1. The Standard Operating Procedures shall be a supplement to the Bylaws and used for interpreting the Bylaws.

Section 2. The Standard Operating Procedures may be amended and additions or deletions made at any LCA meeting. All changes are to be proposed by the Board of Directors and approved by a vote of the membership.

ARTICLE XIII - AMENDMENTS TO BYLAWS

Amendments to these Bylaws shall be made only at the annual General Membership Business Meeting of this Association or at a Special Meeting called for that purpose. Two-thirds (2/3) vote of the members present and voting is necessary to change the Bylaws. Proposed amendments shall be submitted to the Secretary at least thirty (30) days prior to the date of the Meeting or Special Meeting. The Secretary shall send a copy of all proposed amendments to each member of the Association not less than twenty (20) days prior to the date of the Meeting or the Special Meeting.

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