

BYLAWS
OF
DALLAS AREA COMPLIANCE ASSOCIATION, INC.

ARTICLE I. Offices

The principal offices of the Association in the State of Texas shall be located in the County of Dallas. The Association may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Association may require from time to time.

The Association shall have and continuously maintain in the State of Texas a registered office, and a registered agent whose office is identical with such registered office, as required by the Texas Not-for-Profit Corporation Act. The registered office may be, but need not be, identical with the principal office in the State of Texas, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II. Purpose of Existence

(a) This Association is organized exclusively for lawful purposes not for pecuniary profit, as no part of the income shall be distributable to its members, directors or officers. This Association is intended to qualify as an exempt business league organization within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States Internal Revenue law.

(b) Without limiting the generality of the foregoing, the specific purposes for which this Association is exclusively organized and operated are:

- (1) To improve financial institution compliance with federal and state regulatory laws, rules and regulations of the banking industry.
- (2) To encourage and combine the ideas and experience of its members for the promotion of the free and proper flow of bank federal and state regulatory compliance information among its membership.
- (3) To provide its members educational programs on regulatory compliance and related topics.
- (4) To provide a forum for the gathering of its members for the purposes of education and the exchange of ideas.

ARTICLE III. Membership

Section 1. Classes of Members. The Association shall provide for two classes of members; Corporate and Individual.

Section 2. Corporate Members. Corporate Membership shall be open to any financial institution, industry related service organization, and federal or state regulatory agency. The Corporate Membership belongs to the institution, organization, or agency. It does not follow the person designated as the Corporate Member's primary representative should he/she leave that institution, organization, or agency. In that event, the Corporate Member institution, organization, or agency must name a new designee.

Financial institutions, industry related service organizations, or federal or state regulatory agencies desiring Corporate Membership shall submit a membership application accompanied by the designated membership fee which shall be reviewed by the Board of Directors or designated committee. The Board of Directors or designated committee shall review each such application and have the sole authority to determine an applicant's qualifications for Corporate Membership. To be qualified, a Corporate Member must have a significant interest in the field of regulatory compliance.

Corporate Members shall have voting privileges in matters brought before the general membership. At the time of its election to membership each Corporate Member shall designate in writing one individual who shall be privileged to vote that member's vote. Any change of designated representatives shall be in writing and shall be effective upon receipt by the Secretary of the Association.

Section 3. Individual Members. Individual Members shall consist of individuals who are employed by a financial institution, industry related service organization, or federal or state regulatory agency. The Individual Membership belongs to the individual, not the institution, organization, or agency with which he or she is employed.

Individual Membership shall be secured by submission of a membership application accompanied by the specified membership fee. The Board of Directors or designated committee, who shall have authority to determine if an applicant possesses the necessary qualifications for membership, shall review each such application. To be qualified, an Individual Member must have a significant interest in the field of regulatory compliance. Individual Members shall have all privileges of membership, including but not limited to membership on the Board of Directors.

Section 4. Membership in Good Standing. The Board of Directors shall be authorized to set membership fees, annual dues and other special assessments which may vary in amount from year to year. The amount of any fees, dues or assessment may also vary between the two categories of members.

Members in good standing are those whose membership application has been approved by the Board of Directors and who have paid in full all dues, fees and assessments levied as of that date including luncheon fees for reservations made, whether or not the meeting was attended.

A member not in good standing is deprived of all privileges of membership in the Association.

Section 5. Voting Privileges. Each Corporate Member and Individual Member in good standing shall be entitled to one vote on each matter which comes up for a vote at any non-Board meeting of the Association. Ordinarily, only the designated individual may cast the vote of any Corporate Member.

Each member entitled to vote shall have the right to do so either in person or by written proxy executed by its designated representative and filed with the Secretary of the Association. A proxy is not valid after the expiration of eleven (11) months from the date of its execution unless the member executing it specifies therein the length of time for which such proxy is to continue in force, which in no case shall exceed two years from its date of execution. Any duly executed proxy is not revoked, and continues in full force and effect, until expired by time or an instrument is filed with the Secretary of the Association revoking a filed proxy or a duly executed proxy bearing a later date is filed with the Secretary of the Association. Notwithstanding that a valid proxy is outstanding, the powers of the proxy holder are suspended if the general member executing the proxy is present at the meeting and elects to vote in person through its duly designated individual.

Section 6. Esteemed Colleague. In addition to the membership categories above, the board may recognize certain individual persons for his or her long-term service and dedication to DACA by approving them for an “Esteemed Colleague” designation. Those awarded this designation may attend any and all regular monthly meetings, excluding the annual conference or other DACA events, at no cost to them and without any additional membership requirements or privileges, such as voting.

The award of this “Esteemed Colleague” designation is due to long-term service and dedication to DACA and is recognition of that service.

ARTICLE IV. Meetings of Members

Section 1. Bi-monthly and Annual Meetings. The members shall endeavor to hold regular meetings at such times and location as called by the Board of Directors. The annual meeting shall be held during the month of

November immediately preceding the annual meeting of the Board of Directors at a time and place selected by the Board. The annual meeting of membership for any year shall be held no later than thirteen months after the last preceding annual meeting of the membership. Business transacted at the annual meeting shall include the election of the Board of Directors of the Association. All directors shall be elected at the November meeting, for a one-year term commencing the succeeding January 1st.

Section 2. Time, Notice and Call of Meetings. Written notice of the time and place of the annual, bi-monthly and special meetings of the members shall be given to each member by email, at least two days before the meeting or by notice mailed at least five days before the meeting. Special meetings of the membership may be called by the President or any five (5) members in good standing upon notification of each member as set forth herein.

Notice of the meeting of the members will not be given to any member who signs a waiver of notice before or after the meeting. Attendance of a member at a meeting shall constitute a waiver of notice of such meeting, the time of the meeting, or the manner in which it has been called or convened.

Section 3. Informal Action by Members. Any action required by law to be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of members entitled to vote with respect to the subject matter thereof.

Section 4. Quorum. The presence, in person or by written proxy, of not less than a voting majority of the members shall constitute a quorum and shall be necessary to conduct the business of the Association, but a lesser number may adjourn the meeting until a quorum can be assembled, but in no event more than thirty (30) days from the prior meeting which lacked a quorum.

Section 5. Parliamentary Rulings. When necessary to make a technical parliamentary ruling, the authority shall be the then current edition of "Robert's Rules of Order."

Section 6. Agenda for Meeting. During each meeting, the Board of Directors shall report upon any special officers' meetings held since the last meeting of the members.

ARTICLE V. Board of Directors

Section 1. General Powers. The powers of this Association shall be exercised, its properties controlled, and its affairs conducted by a Board of Directors.

Section 2. Number, Tenure and Qualifications. The Association shall have six (6) Directors initially. The number of Board members may be either increased or decreased from time to time by the membership but shall be

no less than three nor more than fifteen and shall be set annually by the membership. Board members shall serve for a term of one (1) year. Replacements for resigned Directors shall be for the balance of their respective terms. Qualification to serve as a Director of the Association requires an individual to be in the full employ of a general member throughout his or her term of office and must attend a minimum number of board meetings and general meetings (including the annual conference). No financial institution, industry related service organization, or federal or state regulatory agency may employ more than two (2) members of the Board of Directors concurrently during any fiscal year. This limit includes Corporate or Individual classes of membership as well as those who have been awarded the Esteemed Colleague designation.

Section 3. Vacancy and Removal. Any vacancy occurring in the Board of Directors, including any vacancy created by reason of an increase of the number of Directors, may be filled by an affirmative vote of a majority of the remaining Directors. A Director elected to fill a vacancy shall hold office only until the next election of Directors by the membership.

Any member of the Board of Directors may be removed by a majority vote of the Board at any time with or without cause at any regular meeting or at any special meeting of the Board called for that purpose. At such meeting the Board, by a majority vote, may elect a new Director to serve until the next election of Directors by the membership.

Any Director elected by the members may be removed with or without cause, by a majority of the voting membership at a meeting called for that purpose.

Section 4. Quorum and Voting. A majority of the number of Directors fixed by these Bylaws and then elected shall constitute a quorum for the transaction of business. The acts of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater vote is required by the charter, the Bylaws, or the statutes of the State of Texas for a particular act.

Section 5. Place of Meetings. Regular and special meetings by the Board of Directors may be held within or without the State of Texas.

Section 6. Time, Notice and Call of Meetings. The Board of Directors shall meet each year in November or December, following the November annual meeting of the members, at the place determined by the President and consider other business, and at least bi-monthly thereafter, including the annual meeting. Written notice of the time

and place of special meetings of the Board of Directors shall be given to each Director by either email at least two business days before the meeting or by notice mailed to the Director at least five days before the meeting.

Notice of the meeting of the Board of Directors need not be given to any Director who signs a waiver of notice either before or after the meeting. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all obligations to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when a Director states, at the beginning of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board of Directors to another time and place. Notice of any such adjourned meeting shall be given to the Directors who were not present at the time of the adjournment and, unless the time and place of the adjourned meeting are announced at the time of the adjournment, to the other Directors.

Meetings of the Board of Directors may be called by the President of the Association, or by any three Directors.

Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment which allows all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 7. Action Without a Meeting. Any action required to be taken at a meeting of the Directors of the Association, or any action which may be taken at a meeting of the Directors or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so to be taken, signed by all of the Directors, or all of the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board or of the committee. Such consent shall have the same effect as a unanimous vote.

Section 8. Compensation. Directors as such will not receive salaries for their services. A Director may receive travel and per diem expense reimbursement when attending meetings preapproved at the discretion of the Board of Directors and, after disclosure of any financial or beneficial interest, may (or the Director's company may) receive compensation for services rendered or merchandise sold to the Association.

ARTICLE VI. Committees

All committees of this Association shall be appointed by the Board of Directors and their term of office shall be for a period of one (1) year or less if sooner terminated by the action of the Board of Directors. The Association shall have one permanent committee. The Nominating Committee chaired by the outgoing President and shall be further composed of at least two non-Board members of his or her selection. The Board of Directors shall appoint a firm to audit or review the books of the previous year.

ARTICLE VII. Officers

Section 1. Officers. The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer, each of whom shall be a duly elected member of the Board of Directors. The Board of Directors may elect or appoint such other officers, as it shall deem necessary, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. No one person may hold two or more offices at one time.

A Board member must be on the Board for one year before being nominated for President. A Board member elected as President of the Association may serve no more than two (2) consecutive years in that officer position. A Board member elected as Treasurer of the Association may serve two (2) unrestricted consecutive years, however, each subsequent consecutive term is contingent upon an audit of the Association's financials to be conducted by a review committee chaired by the President and composed of at least two (2) additional members of the Board of Directors, excluding the Treasurer. Alternatively, the Board may engage an independent audit/accounting firm to conduct the review. A Board member elected to any other officer position may serve in that officer position at the pleasure of the Board.

Section 2. Election and Term of Office. The officers of the Association shall be elected at the annual meeting of the Board of Directors. The notice of the annual meeting shall specifically state that one item of business to come before the meeting will be to set the number of, and to elect officers for, the coming year.

Section 3. Removal. Any officer appointed by the Directors may be removed by the Directors whenever in their judgment the best interest of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. Duties. All officers must attend a minimum number of board meetings and general meetings (including the annual conference) as described within their job responsibilities.

(a) President. The President shall be responsible for holding regular meetings of the Board of Directors, at such date, place and time as the President may determine, but at least bi-monthly. It is the President's responsibility to preside over all Board meetings.

The President shall be the principal executive officer of the Association and shall be general supervisor and control all of the business and affairs of the Association. He or she shall preside at all meetings of the members, and shall perform all duties incident to his or her office and advise such action as may be deemed likely to increase the usefulness of the Association. He or she may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Association and in general he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

(b) Vice President. The Vice President shall, in the absence of the President, fulfill the duties of the President. It shall be the duty of the Vice President to coordinate the program for each membership meeting and perform such other duties as may be assigned to them by the President.

(c) Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board of Directors; and in general perform all duties incident to the office of Treasurer. The Treasurer shall make all payments as directed by the Directors and officers. All payments must be from the corporate checking account and all checks shall require one of the following signatures: President, Vice-President, Secretary, or Treasurer. The Treasurer shall make a written report of financial position of the Association at the regular meetings of the Board of Directors and at least annually at a meeting of the members. All financial records of the Association shall be available for inspection by any members in good standing, after due notice and request.

(d) Secretary. The Secretary shall keep the minutes and records of the Association in appropriate books. It shall be his or her duty to file any certificate required by any statute, federal or state. He or she shall be the official custodian of the records and seal of this Association. In addition, the Secretary shall give all notices required by the bylaws and cause appropriate minutes of the meetings of the Board of Directors and members to be permanently transcribed in records maintained for that purpose.

Section 6. Waiver of Notice. Whenever any notice is required to be given to any Director or other person under the provisions of these Bylaws, the charter of the Association or by applicable law, a waiver thereof in writing, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 7. Bond. The Board of Directors may by resolution require any or all officers, agents or employees of the Association to give bond to the Association with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board. The cost of any such surety bond shall be a proper expense of the Association.

Section 8. Fiscal Year. The Association may adopt any fiscal year for tax purposes by filing an appropriate tax return with the Internal Revenue Service.

Section 9. Indemnification. Each Director and officer of the Association now or hereafter serving as such, shall be indemnified by the Association against any and all claims and liabilities, costs and attorneys' fees to which he or she have or shall become subject by reason of serving or having served as such Director or officer, or by reason of any action alleged to have been taken, omitted, or neglected by them as such Director or officer; and the Association shall reimburse each such person for all legal expenses reasonably incurred by them in connection with any such claim or liability; provided, however, that no such person shall be indemnified against or be reimbursed for any expense incurred in connection with any claim or liability arising out of his or her own willful misconduct or illegal act.

ARTICLE VIII. Amendments to Bylaws

Amendments to the Bylaws may be made by an affirmative vote of a majority of those present and voting at any regular meeting of the members or a special meeting called for that purpose.