

**THE BYLAWS
OF THE
CREDIT AND FINANCIAL DEVELOPMENT DIVISION
OF THE NATIONAL ASSOCIATION OF CREDIT MANAGEMENT**

*Revision adopted on June 8, 2014 by the CFDD National Board of Directors
Revision ratified by the NACM Board of Directors on ____*

**ARTICLE I
PURPOSE AND OBJECTIVES**

The purpose and objectives of the National Association of Credit Management's (NACM) Credit Financial Development Division (CFDD) shall be to promote an active interest in the credit and financial profession and to be a viable force within the NACM network.

**ARTICLE II
CHAPTERS**

Section 1. General. The CFDD shall be composed of Chapters, operating as individual entities.

Section 2. Chapter Membership. Chapter Memberships will be available to individuals who are employed by firms holding membership in NACM.

Section 3. Chapter Governance. Chapters will be governed by and have Bylaws that are in compliance with these CFDD Bylaws.

Section 4. Chapter Fiduciary Requirements. Chapters will assume independent responsibility for all Chapter financial activity including obtaining an Internal Revenue Department Tax ID number (EIN) and nonprofit, tax-exempt group status as organized under section 501(c)6 of the Internal Revenue Code. CFDD Chapters will use their funds only to accomplish the objectives and purposes of CFDD.

Section 5. Chapter Dissolution. Upon the dissolution of a CFDD Chapter, any remaining funds will be distributed exclusively for the common business interests of its members or to qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Chapter Board of Directors.

**ARTICLE III
MEMBERSHIP CLASSIFICATIONS**

Section 1. General. Membership in CFDD shall be composed primarily of individuals engaged in fields related to credit, collections, and finance. Membership will be denied to any individual employed by, or who owns, or serves as consultant to a collection or credit-reporting agency who was not already a member as of October 20, 2005.

Section 2. Active Membership. Active Membership shall be available to those persons actively engaged in fields related to credit, collections, or financial work for a company or entity which holds membership in NACM.

Section 3. Interim Membership. Interim membership shall be available to former Active Members who are no longer actively engaged in fields related to credit, collections or finance or to those whose employers are no longer members of NACM. Interim Membership may continue for a one year period. An Interim Member may complete an elected or appointed Chapter position term, but is ineligible for re-election or re-appointment to a Chapter position.

Section 4. Honorary Membership. Honorary Membership shall be available to a member who has, in the opinion of the Chapter Board of Directors, rendered distinguished service to the Chapter or to NACM. Upon the recommendation of a Chapter Board of Directors, a member may be designated as an Honorary Member. Chapter Privileges of Honorary Members shall be determined by each Chapter.

Section 5. Direct National Membership. Direct membership shall be available to those individuals employed by NACM member firms

and who are located in areas where there are no organized CFDD Chapters. Direct Members shall be entitled to all rights and benefits of regular membership in CFDD National.

Section 6. Past National Chairmen Direct Members. Membership shall be available to any member who has served as a CFDD National Chairman, without the NACM membership requirement, so long as the individual meets the membership eligibility requirements in Section 1 of this Article. The eligibility requirements shall apply to any Chairmanship completed after June 30, 2009. These past CFDD National Chairmen shall be entitled to all rights and benefits of regular membership. They shall not be eligible to serve on the CFDD National Board of Directors.

Section 7. Chapter Past Presidents. Membership shall be made available to any member who has served as President of a CFDD Chapter and who is no longer employed by a NACM member firm, or is retired. They shall be entitled to all rights and benefits of regular Chapter members except they are ineligible for service on the CFDD National Board of Directors.

Section 8. Student Membership. Student Membership shall be available to any full time (at least 12 hours) college student approved by the CFDD Chapter Board of Directors. Student members will not be eligible for CFDD National Scholarships or service on the CFDD National Board. Chapter Privileges of Student Members shall be determined by each Chapter.

ARTICLE IV FISCAL MATTERS AND DUES

Section 1. Fiscal Period. The fiscal period of the CFDD shall be the same as NACM.

Section 2. National Membership Dues. National dues for all categories of members shall be established by the CFDD National Board of Directors.

Section 3. National Membership Dues to Chapters and Members. Chapters and direct members will be invoiced according to the Standing Rules.

Section 4. National Scholarship Fund. The NACM-CFDD Scholarship Fund will be invested in

accordance with the NACM-CFDD Scholarship Fund investment policy under the guidance and supervision of the NACM's investment advisor and according to IRS rules and regulations governing charitable foundation activities. The CFDD National Board of Directors will serve as the sole administrator of CFDD Scholarship Fund Awards, independently deciding the number, amount and recipients made from the NACM-CFDD Scholarship Fund.

ARTICLE V BOARD OF DIRECTORS

Section 1. Authority and Responsibility.

The CFDD National Board of Directors shall determine the current and future direction of CFDD through its strategic planning, and shall determine its policies or changes therein, and shall actively pursue those objectives.

Section 2. Composition. The CFDD National Board shall consist of elected Officers and Directors and two (2) ex-officio members.

The elected Officers are a Chairman, ~~and~~ two Vice Chairmen and the Immediate Past Chairman. There shall be a minimum of seven (7) and a maximum of fourteen (14) elected Directors, from various areas of the United States. The NACM President shall serve as an ex-officio member, with the right to vote.

The CFDD Administrator shall serve as an ex-officio member, without the right to vote.

All Past National Chairmen and Executive Directors shall be privileged to attend and participate, without the right to vote, in all meetings of the CFDD National Board.

Section 3. Quorum of the Board. At any meeting of the CFDD National Board of Directors, a majority of the voting members of the Board present shall constitute a quorum for the transaction of the business. Any such business thus transacted shall be valid providing it is affirmatively passed by a majority of those present and voting.

Section 4. Meetings of the Board. Meetings of the CFDD National Board of Directors shall be held at least two times in a leadership year.

Section 5. Special Meetings. Special Meetings may be called by the CFDD Chairman or upon written request, signed by two-thirds of all voting Board members. Any written request must state the purpose of the meeting and the matters to be acted on at the meeting. The time and place for such special meetings shall be set by the CFDD Chairman or CFDD Administrator. Special meetings may be held in person, by telephone conference call, video conferencing, or similar means.

Section 6. Vacancies. The CFDD National Board of Directors shall fill all vacant elected Director or Officer positions. In its discretion, the Board may elect to waive the term completion constraint in Article VII, Section 2 when filling a vacancy.

Section 7. Removal. The CFDD National Board of Directors may remove any Director for cause including, but not limited to, failing to fulfill the duties, responsibilities, and obligations of the office, failing to abide by the code of conduct or conflict of interest policy of the Board, or any like policy so adopted, by an affirmative two-thirds vote of the Board present at any regular or special meeting.

ARTICLE VI OFFICERS

Section 1. Officers. The elected officers are a Chairman, two (2) Vice Chairmen and the Immediate Past Chairman. The Senior Vice Chairman Education and Programs shall also be the Chairman Elect.

Section 2. Term of Office. The term of office for Officers shall be for one (1) leadership year.

Section 3. Eligibility. In order to be eligible to apply for the position of Vice Chairman, the candidate must have completed one (1) leadership year of a two (2) year term as a Director and meet the eligibility requirements as defined in the Standing Rules.

Section 4. Concurrent Service. Members of the Executive Committee may not concurrently hold an Officer position on a CFDD Chapter Board unless circumstances warrant an exception. All exceptions will be discussed and voted upon by the Executive Committee, with the requesting Officer excused from the vote.

Section 5. Duties of the Chairman. The Chairman, having served as a CFDD National Director and at least one (1) term as Vice Chairman, shall preside at all regular or special meetings of the CFDD National Board. The Chairman shall perform such other duties as pertain to the office. The term of office shall be for one leadership year.

Section 6. Duties of the Chairman-Elect. In the absence of the Chairman, the Chairman-Elect shall perform the duties of and have the same authority as the Chairman. The Chairman-Elect shall assume the office of Chairman upon the expiration of the current Chairman's term.

Section 7. Duties of the Vice Chairmen. The Vice Chairmen will be assigned an area of responsibility such as Education/Program or Member Services. The Vice Chairmen shall work with the CFDD National Board and the CFDD membership in furthering the purposes and objectives of CFDD. They shall also perform such other duties as may be designated by the Chairman.

ARTICLE VII DIRECTORS

Section 1. Directors. Each Director shall act as liaison to assigned Chapters, Members or others and one (1) shall act as the liaison to the NACM National Board. Responsibilities will include the guidance and support of Chapter activities as well as compliance to NACM and CFDD National requirements.

Section 2. Term of Office. The term of office for a CFDD Director shall be for two (2) leadership years. A Director may serve for no more than two (2) consecutive terms. At the completion of two terms, an elected Director will be ineligible to apply for reelection to the same office until one full year has elapsed. The CFDD Director on the NACM Board will serve a term as prescribed in the NACM National Bylaws.

Section 3. Director Candidate Eligibility. Candidates must meet the eligibility requirements as defined in the Standing Rules.

**ARTICLE VIII
OFFICER AND DIRECTOR
NOMINATING AND ELECTION PROCEDURES**

Section 1. Officer Nomination Procedures.

All eligible candidates will complete an Officer Candidate application which will be received by the CFDD Administrator by the prescribed deadline.

Provided that the candidate's application is in good order, meeting all of the eligibility requirements set forth in Article VI, Section 3, the CFDD Administrator will announce the candidates to the CFDD National Board of Directors and Past National Chairmen who serve on the Nominating Committee in advance of the Annual Meeting.

If there are any questions about a candidate's eligibility, the application will be sent to the Nominating Committee for discussion, review and a final decision regarding eligibility.

Section 2. Officer Election Procedures. The officers will be elected by the CFDD National Board of Directors and Past National Chairmen who serve on the Nominating Committee at the Annual Meeting. Nominations for qualified Officer Candidates, in accordance with Article VI, Section 3, may be made from the floor by any member of the CFDD National Board of Directors at the time that the election is held.

Section 3. Officer Election Ballot. The CFDD National Board of Directors and Past National Chairmen who serve on the Nominating Committee will elect the Officers by ballot vote. The Chairman of the CFDD Nominating Committee along with the CFDD Administrator will count the votes. The CFDD Nominating Committee Chairman will announce the results of the election.

Section 4. Director Nomination Procedures. All interested candidates must complete a Director Candidate Application form which will be timely received by the CFDD Administrator by the prescribed deadline. To be eligible for nomination, all candidates must meet all of the eligibility requirements described in Article VII, Section 3.

Section 5. Director Election Procedures. The election of Directors will follow the election of

Officers. In the event that any director candidate is running unopposed, the Chairman of the Board, as a member of CFDD, will cast the vote to elect that candidate to the position sought, fulfilling the requirement that directors be elected by a Board vote. When two or more candidates are seeking the same director position, the CFDD National Board of Directors and the Past National Chairmen who serve on the Nominating Committee will hold an election by ballot.

Section 6. Director Election Ballot. The CFDD National Board of Directors and Past National Chairmen who serve on the Nominating Committee will elect the Directors by ballot vote. The Chairman of the CFDD Nominating Committee along with the CFDD Administrator will count the votes. The CFDD Nominating Committee Chairman will announce the results of the election.

Section 7. Office. The newly elected Board will take office at the Annual Awards and Installation Luncheon at the NACM Credit Congress.

**ARTICLE IX
CFDD ADMINISTRATOR**

Section 1. Administrator. An Administrator shall be employed by the National Association of Credit Management. The CFDD Administrator may have other duties to perform on behalf of NACM.

Section 2. Authority and Responsibility. The Administrator shall have operational control of the business and affairs of the Division, shall serve as Secretary to the CFDD National Board of Directors and to the Executive Committee and shall perform other duties as may be assigned by the CFDD National Board of Directors. The CFDD Administrator shall report operationally to the NACM President and strategically to the CFDD National Board of Directors.

Section 3. Annual Review. The NACM President shall seek input from the CFDD Executive Committee in reviewing the performance of the CFDD Administrator.

ARTICLE X COMMITTEES

Section 1. Committees. The CFDD National Board of Directors may designate standing and special committees which shall be constituted and act in accordance with the Standing Rules.

Section 2. Appointment of Committees. The Chairman shall appoint the members to all standing and special committees and shall serve as an ex-officio member, with voting rights, of all committees. The CFDD Administrator shall serve as an ex-officio member, without the right to vote, of all Committees.

Section 3. Executive Committee. The Executive Committee shall be composed of the Chairman, the Vice Chairmen, immediate Past National Chairman, the Director elected to serve on the NACM National Board and the NACM President. The Executive Committee shall act on behalf of the CFDD National Board of Directors when or if it is impossible for the CFDD National Board of Directors to meet.

ARTICLE XI PARLIAMENTARY AUTHORITY

Section 1. Rules of Order. The rules contained in the newly revised edition of *Robert's Rules of Order* shall govern the conduct of meetings of CFDD in all cases to which they are applicable and in which they are not inconsistent with the Bylaws, policies, and any special rules CFDD may adopt.

ARTICLE XII AMENDMENTS

These CFDD Bylaws may be altered, amended or repealed by a two-thirds vote of the members present at a meeting of the CFDD National Board of Directors and subsequently ratified by the NACM National Board. The CFDD Administrator shall send a copy of any such proposals to the Board members at least thirty (30) days before the meeting at which such proposal is to be voted upon.

**Standing Rules
of the
Credit and Financial Development Division
of the
National Association of Credit Management**

Section 1. Quarterly Membership Reports

A. Quarterly Membership Reports are due by the 10th of the month following the end of the calendar quarter. A penalty of \$1.00 per member may be assessed if the Quarterly Membership Report is not received by CFDD National by the 25th of the reporting month.

B. Any CFDD Chapter submitting a Quarterly Membership Report with fewer than 8 members may be placed on probationary status. A Chapter that is placed on probationary status must submit a Quarterly Membership Report with 8 or more members within a twelve (12) month period in order to re-establish Chapter status. If membership remains below 8 at the end of the 12 month period, Chapter status may be revoked and individual members will be offered CFDD Direct Membership.

Section 2. National Membership Dues to Chapters and Members

A. Chapters will be invoiced annually in January for their members reported on their December 31 Quarterly Membership Report. Chapter members who are resigned on the December 31st Membership Quarterly Report and then reported on the March 31 Membership Quarterly Report as new members will be considered as reinstated members and will be billed to the Chapter for a full year at the full annual dues rate. New members admitted to a CFDD Chapter will be invoiced on a pro-rated quarterly basis. Any individual chapter with multiple members from the same company will be invoiced at \$15.00 less per member than the regular CFDD National annual dues rate, beginning with the seventh (7th) member from that same company. Each Chapter shall be responsible for payment, in full, of all CFDD Quarterly Dues Invoices. The amount shall be based on the Quarterly Membership Reports submitted.

B. Dues are payable upon receipt of invoice. After sixty (60) days, a Chapter will be notified of any delinquency and will be given thirty (30) days from date of notification to bring its membership dues account current. If the Chapter is delinquent after ninety (90) days, it may be either suspended or expelled at the discretion of the CFDD National Board of Directors. A Chapter shall have the right to appeal the decision of the CFDD National Board of Directors within thirty (30) days of the date of notification of suspension or expulsion. The appeal must be made in writing and submitted to the CFDD National Office.

C. Direct Members will be billed on the anniversary of their join date.

D. An amount equal to one-half (½) of the prevailing regular membership dues will be charged to Student members annually for CFDD National dues, pro-rated quarterly.

Section 3. National Awards

A. National Membership awards are calculated on percentage of growth from January 1st through December 31st of each year. In order for a chapter to be eligible for consideration of a membership award, its fourth quarter membership report must be received by January 10th

by CFDD National.

B. In recognition of outstanding chapter programs, CFDD National presents one award in each membership size classification in the categories of Regular Monthly Meeting and Special Seminar/Workshop. Applications must be completed and signed by an authorized representative of the Chapter. Each Chapter may submit one entry per category per year. In order for an application to be eligible for consideration, it must receive an average score of 65. Awards are presented at the CFDD Annual Awards and Installation Luncheon held during the NACM Credit Congress.

C. In recognition of outstanding chapter publicity, CFDD National presents one Publicity Award in each membership classification. Applications must be completed and signed by an authorized representative of the Chapter. Each Chapter may submit one entry per year. In order for an application to be eligible for consideration, it must receive an average score of 65. Awards are presented at the CFDD Annual Awards and Installation Luncheon held during the NACM Credit Congress.

D. The Distinguished Member Achievement (DMA) Award was established in 1988 to recognize outstanding individual achievement in the NACM Credit and Financial Development Division. Each Chapter may nominate one candidate each year. The application must be accompanied by a letter of recommendation from the Chapter Board of Directors. In order for an application to be eligible for consideration, it must receive an average score of 75. One award may be presented in each membership size classification at the CFDD Annual Awards and Installation Luncheon held during the NACM Credit Congress.

E. The Marilyn Daugherty Spirit Award was established in 2001 to honor the memory of Marilyn Daugherty. Applications will be judged annually but an award will only be made when the judging committee feels an individual merits such an honor. One award may be presented at the CFDD Annual Awards and Installation Luncheon held during the NACM Credit Congress. Any member in good standing may submit a candidate for the Marilyn Daugherty Spirit Award.

F. The National Mentor Award was established in 2003 to recognize participation in and promotion of the credit profession and CFDD through the mentoring process. Applications will be judged annually but an award will only be made when the judging committee feels an individual merits such an honor. One award may be presented at the CFDD Annual Awards and Installation Luncheon held during the NACM Credit Congress. Any member in good standing may submit a candidate for the National Mentor Award.

G. To be deemed as eligible, applications for all National Awards must be received by CFDD National by March 15 of each year. If March 15 is a Saturday, Sunday or legal holiday, the applications must be received on the first business day following the 15th.

H. A chapter must be in compliance with CFDD National Bylaws and Standing Rules in order to be eligible for any CFDD National Awards. Chapters will be ineligible to receive any CFDD National awards should there be any delinquent balances owed to CFDD National or NACM-National at the time of award presentation.

Section 4. National Scholarships

A. CFDD will award scholarships annually. Scholarship awards may be funded with proceeds (interest, dividends, and asset appreciation) from the Scholarship Fund and/or by contributions made and received by March 31st.

B. In order to be eligible to receive a CFDD National scholarship fund award, the applicant

must be a CFDD member in good standing for at least six months at the time of submission and at the time of disbursement.

C. All scholarship applications must be received by CFDD National by March 15th of each year to be considered. If March 15th is a Saturday, Sunday or legal holiday, the applications must be received on the first business day following the 15th.

D. An application must receive an average score of 65 in order to qualify for a CFDD National Scholarship.

E. Any recipient of a CFDD Regional Conference registration award must submit proof of attendance at a minimum of three (3) conference educational sessions. A copy of a signed CEU form must be submitted to the CFDD Administrator within 30 days of Regional Conference. Failure to attend a minimum of three (3) conference educational sessions and submit a copy of a signed CEU form may eliminate any future eligibility for CFDD National Scholarship Awards.

F. Any recipient of a CFDD National Conference or a NACM Credit Congress registration award must attend a minimum of 80% of available conference educational sessions. Attendance will be verified using the system in place to record and document Continuing Education Units with the NACM-National Education Department. CFDD National Conference scholarship recipients are also required to attend the CFDD Business Meeting held at the CFDD National Conference for which the scholarship is awarded. Failure to attend a minimum of 80% of available conference educational sessions or the CFDD Business Meeting at the CFDD National Conference may eliminate any future eligibility for CFDD National Scholarship Awards.

G. Self Study Scholarship Award recipients must complete the awarded course within 12 months of the date of receipt of course material. Non-completion within 12 months may disqualify the member from future eligibility for National Scholarship awards.

H. A member is not eligible to receive a CFDD National Scholarship in the same category for two consecutive years.

I. A scholarship recipient must redeem their scholarship within 12 months of the award.

Section 5. Chapter Meetings and Programs

A. No CFDD Chapter shall present a program in direct conflict with services offered by the local NACM Affiliate. Exception to this shall be the responsibility of the local CFDD Chapter in conjunction with the local NACM Affiliate.

B. Guests who are not eligible for CFDD membership due to a direct conflict with NACM or NACM Affiliate services (i.e. collection agency, credit reporting agency, etc.) may attend no more than two chapter meetings per year.

Section 6. Expense Reimbursement

A. The CFDD National Chairman shall be reimbursed for expenses to attend the CFDD National Conference only. An itemized expense report must be submitted within (30) days for reimbursement.

Section 7. Use of the CFDD Name, Acronym or Logo

A. Any use of the name, acronym, or logo of the NACM Credit and Financial Development Division for any purpose not in the normal course of business, such as letterhead or business

cards, must be approved in advance by the CFDD Administrator. Written requests must be submitted to CFDD National.

Section 8. Sponsorships

A. Sponsorship of any CFDD Chapter activity (conference, seminar, workshop, etc.) by a non-NACM member must be approved by the CFDD Administrator prior to acceptance.

Section 9. CFDD National Board Eligibility

A. Candidates for the NACM Credit and Financial Development Division Board of Directors must be employed by a firm holding membership in NACM, be actively engaged in the credit or financial field, and be an active member of a CFDD Chapter or a Direct National Member.

Section 10. Standing Committee Composition and Charge

A. Nominating Committee. The Nominating Committee shall be comprised of the Immediate Past National Chairman, who will serve as the Chairman of the Committee, the CFDD National Chairman, the Chairman-Elect and up to five (5) of the most recent eligible Past National Chairmen. All members of the Committee will serve as voting members. The Nominating Committee will meet to discuss recruitment efforts and to review any applications needing an eligibility decision. In addition, the Nominating Committee will meet if there are more than two (2) candidates for any one Director opening to reduce the pool of candidates to only two (2). Once each candidate's eligibility has been verified by the CFDD Administrator and the Nominating Committee, if required, the CFDD Administrator will notify each candidate and the Board of Directors. If no candidates come forward, the Nominating Committee has the right to recruit a candidate and accept that candidate's application after the prescribed deadline.

B. Scholarship Award Selection Committee. The Scholarship Award Selection Committee reviews the applications received and selects the recipients of all CFDD National Scholarship Awards. The Scholarship Award Selection Committee shall be composed of the CFDD Vice Chairman-Education and a minimum of fourteen (14) CFDD members.

C. Program Award Selection Committee. The Program Award Selection Committee reviews the applications received and selects the recipients of the CFDD National Program Awards. The Program Award Selection Committee shall be composed of the CFDD Vice Chairman-Program and a minimum of seven (7) CFDD members.

D. Publicity Award Selection Committee. The Publicity Award Selection Committee reviews the applications received and selects the recipients of the CFDD National Publicity Awards. The Publicity Award Selection Committee shall be composed of the CFDD Vice Chairman-Member Services and a minimum of seven (7) CFDD members.

E. Distinguished Member Achievement Award Selection Committee. The Distinguished Member Award Selection Committee reviews the applications received and selects the recipients of the CFDD Distinguished Member Achievement Award. The Distinguished Member Award Selection Committee shall be composed of the CFDD Vice Chairman-Member Services and a minimum of four (4) CFDD members.

F. Marilynn Daugherty Spirit Award Selection Committee. The Marilynn Daugherty Spirit Award Committee reviews the applications received and selects the recipient, if any, of this award. The Marilynn Daugherty Spirit Award Committee shall be composed of the Immediate CFDD Past National Chairman and a minimum of four (4) CFDD members.

G. National Mentor Award Selection Committee. The National Mentor Award Selection Committee reviews the applications received and selects the recipient, if any, of this award. The Committee shall be composed of one (1) CFDD Past National Chairman and a minimum of four (4) CFDD members.