

Bylaws of the Law Committee
of the
American Financial Services Association

With Amendments adopted October 28, 2008, February 2, 2010,
January 21, 2013 and January 27, 2016

Article I. Mission and Purpose. The Law Committee is a committee of professional interest created by the Board of Directors pursuant to Article VIII, Section 3, of the Bylaws of the Association. The mission and purpose of the Law Committee are to further the purposes of the Association stated in Article I of the Bylaws of the Association, as follows:

Section 1.01 Maintain an environment in which Committee members may remain current on issues that confront the financial services industry or Association Members; and promote informed debate and consideration of the legal, legislative and regulatory issues important to the financial services industry and the membership of the Association; and

Section 1.02 Create and develop judicial, legislative and regulatory policies and strategies for effectively dealing with the legal, legislative and regulatory issues important to the financial services industry and the membership of the Association.

Section 1.03 Effectively coordinate with other committees of professional interest, and when requested or appropriate, provide the Board of Directors, the Executive Committee, Officers, Advisory Boards, other committees of professional interest, and the membership of the Association, with articulated and thoughtful guidance and recommendations on policy and strategy that addresses the timely business and legal issues of the financial services industry and membership of the Association.

Section 1.04 Provide membership of the Association with timely and important information on the current business, legislative, regulatory, and judicial developments affecting the financial services industry and lending practices.

Section 1.05 The Association's Antitrust Policy in its entirety shall be in force and observed by the Committee at all times. No person who is a Primary Member, Member, or *ex officio* member of the Committee may use the Association, the Committee, a Subcommittee or any other member of the foregoing to directly or indirectly discuss or attempt to bring about an understanding or agreement, formal or informal, express or implied, among competitors with regard to current or future prices, terms or conditions of sale, distribution, volume of loan originations, allocation of territories or customers, pricing methods, loan origination quotas or other limitation on either the timing, cost or volume of loan originations or sales, prevent or inhibit any person or business entity from gaining access to any market or customer for goods or services, or inhibit or prevent any person or business entity from purchasing or obtaining a supply of products or services freely in the market, or to refrain from obtaining funding or purchasing any equipment, service, or other supplies from any person or business entity.

Article II. Definitions.

Section 2.01 "Active Member" has the meaning provided in Article II, Section 1A of the Association Bylaws of the Association, as amended from time to time and shall be in "good standing" as that term is defined in Article II, Section 3 of the Association Bylaws.

Section 2.02 “Association” means the American Financial Services Association.

Section 2.03 “Committee” means the Law Committee of the Association.

Section 2.04 “Primary Member” means general counsel or the designee of an Active Member of the Association who is a member of the Committee, is licensed to practice law in a state, commonwealth, or territory of the United States, and qualifies for membership pursuant to Article VIII, Section 3 of the Association Bylaws.

Section 2.05 “Member” means a member of the Committee who is not a Primary Member or an *ex officio* member who is a licensed to practice law in a state, commonwealth, or territory of the United States, who is designated for membership by a Primary Member, and qualifies for membership pursuant to Article VIII, Section 3 of the Association Bylaws.

Article III. Committee Membership.

Section 3.01 Primary Members. General counsel or the designee of an Active Member who qualifies for Committee membership pursuant to Article VIII, paragraph 3 of the Bylaws of the Association, and who is a licensed attorney at law that is qualified to practice law in any federal or state jurisdiction, is eligible to be admitted as a Primary Member of the Committee by the AFSA Staff Liaison to the Committee.

Section 3.02 Member. A licensed attorney at law in the employ of any of the Classes of Members described in Article II, Section 1, of the Bylaws of the Association and who qualifies for Committee membership pursuant to Article VIII, paragraph 3 of the Bylaws of the Association, is eligible to be admitted as a Member of the Committee by the AFSA Staff Liaison to the Committee.

Section 3.03 The Chair of the Association or his designee is an *ex officio* member of the Committee.

Section 3.04 The President of the Association is an *ex officio* member of the Committee.

Section 3.05 Outside counsel for the Committee, for all Subcommittees, and for the designee of an Active Member are *ex officio* members of the Committee.

Section 3.06 AFSA Staff Liaison to the Committee are *ex officio* members of the Committee.

Article IV. Organization of the Committee.

Section 4.01 **Committee Chair.** The Committee shall have a Chair who: (i) is the presiding officer of the Committee, and of any subcommittee on which the Committee Chair serves; (ii) shall preside at all Committee meetings, and is responsible for the timely, fair and reasonable conduct of the business of the Committee; (iii) is responsible for the Committee carrying out its mission and purpose; (iv) shall approve the appointment of outside counsel for the Committee and for any Subcommittee, with the advice and consent of the Committee or Subcommittee, as the case may be; (v) shall assign responsibility for drafting comments to federal agencies on matters that affect the financial services industry and Association members.

Section 4.02 **Vice-Chair.** The Committee shall have a Vice-Chair who shall preside in the absence of the Committee Chair, or the failure or inability of the Committee Chair to act. The

Vice-Chair shall be a Primary Member, and shall be appointed by the Committee Chair with the advice and consent of the Committee.

Section 4.03 **Secretary.** The Committee shall have a Secretary who shall be a Member of the Committee, including an *ex officio* member, and shall serve at the pleasure of the Committee Chair with the advice and consent of the Committee.

Section 4.04 **General Jurisdiction Subcommittees.** The Committee may create, dissolve, merge or separate subcommittees of general jurisdiction from time to time. The subcommittees of general jurisdiction on the date these bylaws are first adopted are listed in Subsections 4.04(a)-(b), and shall have the responsibilities stated here and elsewhere in these bylaws:

- (a) Administrative. The members of the Administrative Subcommittee shall be the Committee Chair, the Vice-Chair, the Chairs and Vice-Chairs of the Vehicle Finance, Payment Card, Emerging Issues, Mortgage Lending, Litigation, and Personal Loan Subcommittees. In addition to the responsibilities elsewhere described in these bylaws, the Administrative Subcommittee shall have such other responsibilities assigned by the Committee Chair from time to time.
- (b) Litigation, which shall have a Chair, and may have a Vice-Chair, and such members of the Law Committee as may from time to time be appointed by the Committee Chair, and Staff Liaison to the Committee. The Litigation Subcommittee shall: (i) review requests for and recommend to the Committee instances in which the Association should commence litigation, and supervise such litigation once approved; (ii) review requests that the Association file *amicus curiae* briefs in accordance with the policies of and the potential for advancing the Association's mission, recommend to the Committee whether the Association should participate as *amicus curiae* or not, and with the Legal/Regulatory Department coordinate the approach, development and presentation of an *amicus curiae* brief consistent with the Association's mission; (iii) have such other responsibilities as may be assigned by the Committee Chair from time to time. (iv) Staff Liaison to the Committee shall prepare a written report on the litigation in which the Association has or is participating as a party or *amicus curiae* since the last prior meeting, which report shall be submitted by the Staff Liaison to the Subcommittee for approval no fewer than five business days before the commencement of each Committee meeting, and approved by the Subcommittee no fewer than two business days before the commencement of each Committee meeting.

Section 4.05 **Subject Matter Subcommittees.** The Committee may create, dissolve, merge or separate subject matter subcommittees from time to time. The subject matter subcommittees on the date these bylaws are first adopted are listed in Subsections 4.05(a)-(e) and shall have the responsibilities stated here and elsewhere in these bylaws:

- (a) Vehicle Finance, which shall have a Chair, and may have a Vice-Chair, and members appointed by the Committee Chair. The Vehicle Finance Subcommittee shall (i) prepare a written report on selected legislative, regulatory, judicial and industry developments within the vehicle financing segment of the financial services industry, which written report shall be received by the Staff Liaison to the Committee no fewer than two business days before the commencement of each Committee meeting; (ii) if approved by the Administrative Subcommittee, at a meeting make a presentation to the Committee on selected legislative, regulatory, judicial and industry developments in the vehicle finance

segment of the financial services industry; (iii) have such other responsibilities as may be assigned by the Committee Chair from time to time.

- (b) Payment Card, which shall have a Chair, and may have a Vice-Chair, and members appointed by the Committee Chair. The Payment Card Subcommittee shall (i) prepare a written report on selected legislative, regulatory, judicial and industry developments within the revolving open end credit segment of the financial services industry, which report shall be received by the Staff Liaison to the Committee no fewer than two business days before the commencement of each Committee meeting; (ii) if approved by the Administrative Subcommittee, at a meeting make a presentation to the Committee on selected legislative, regulatory, judicial and industry developments in the revolving open end credit segment of the financial services industry; (iii) have such other responsibilities as may be assigned by the Committee Chair from time to time.
- (c) Emerging Issues, which shall have a Chair, and may have a Vice-Chair, and members appointed by the Committee Chair. The Emerging Issues Subcommittee shall (i) prepare a written report on selected recent legislative, regulatory, judicial and industry trends or developments in the financial services industry, which report shall be received by the Staff Liaison to the Committee no fewer than two business days before the commencement of each Committee meeting; (ii) if approved by the Administrative Subcommittee, at a meeting make a presentation to the Committee on trends or developments in the financial services industry; (iii) have such other responsibilities as may be assigned by the Chair from time to time.
- (d) Mortgage Lending, which shall have a Chair, and may have a Vice-Chair, and members appointed by the Committee Chair. The Mortgage Lending Subcommittee shall (i) prepare a written report on selected legislative, regulatory, judicial and industry developments within the mortgage lending segment of the financial services industry, which report shall be received by the Staff Liaison to the Committee no fewer than two business days before the commencement of each Committee meeting; (ii) if approved by the Administrative Subcommittee, at a meeting make a presentation to the Committee on selected legislative, regulatory, judicial and industry developments in the mortgage lending segment of the financial services industry; (iii) have such other responsibilities as may be assigned by the Committee Chair from time to time.
- (e) Personal Loan, which shall have a Chair, and may have a Vice-Chair, and members appointed by the Committee Chair. The Personal Loan Subcommittee shall (i) prepare a written report on selected legislative, regulatory, judicial and industry developments that may affect extensions of consumer credit generally by the financial services industry, as well as collection and enforcement of such extensions of credit, which written report shall be received by the Staff Liaison to the Committee no fewer than two business days before the commencement of each Committee meeting; (ii) if approved by the Administrative Subcommittee, at a meeting make a presentation to the Committee on selected legislative, regulatory, judicial and industry developments that may affect extensions of consumer credit by members of the Association; (iii) have such other responsibilities as may be assigned by the Committee Chair from time to time.

Section 4.06 **Ad Hoc Subcommittees**. The Committee Chair may, in its discretion appoint from time to time such other *ad hoc* subcommittees composed of one or more Members, one of

whom shall Chair such subcommittee, with responsibilities designated by the Committee Chair. Upon completion of the task assigned by the Committee Chair an *ad hoc* subcommittee shall cease to exist.

Section 4.07 Liaisons, Representatives, Working Groups, and Similar Compositions. The Committee Chair may, with the advice and consent of the Committee, appoint from time to time such liaisons, representatives, working groups, and similar compositions of one or more members of the Law Committee with responsibilities designated by the Committee Chair. Upon completion of the task assigned by the Committee Chair any such appointment shall cease.

Section 4.08 Staff Liaison to the Committee. AFSA staff shall: (i) meet regularly with the Committee Chair, Subcommittee Chairs and the Administrative Subcommittee to assist in planning meetings, identify opportunities to further the mission and purpose of the Association and the Committee, assist the Committee in improving its effectiveness and efficiency; (ii) foster optimal communication on Law Committee goals among Committee members and to the Association; (iii) give guidance on and communicate policies the Committee may recommend to the Board of Directors; (iii) review requests by federal agencies for comments and participation in agency events, and coordinate actions with the Committee where appropriate; (iv) monitor and advise the Committee of potential changes in federal, state and local laws that may affect the financial services industry; (v) circulate among the Committee the reports of the Legal/Regulatory Department on current and upcoming projects and activities; (vi) encourage expanded participation on the Committee among current and prospective members of the Association; (vii) maintain lists of the members of the Committee and subcommittees; (viii) coordinate activities and communications where appropriate between the Committee and other committee's of the Association.

Section 4.09 Parliamentarian. The Committee Chair may, in its discretion, appoint from time to time a Parliamentarian who shall be a Primary Member, a Member, or an *ex officio* member, to advise the Committee Chair and the Committee on all Parliamentary procedures according to Robert's Rules of Order.

Section 4.10 Qualifications for and Terms of Office.

- (a) The Committee Chair shall be a Primary Member, and shall be appointed by the Chair of the Association with the advice and consent of the Board of Directors of the Association. The term of the Chair is two years which commences on the first day of the meeting of the Committee that is closest to January 1 in a year and concludes at the close of business on the day before the first day of the meeting of the Committee closest to January 1, that is two years hence. The Committee Chair may serve consecutive terms, and may be removed for cause by the Chair of the Association, with the advice and consent of the Board of Directors of the Association.
- (b) The Vice-Chair shall be a Primary Member, shall be appointed by the Committee Chair with the advice and consent of the Committee, and shall hold office for a term that commences with commencement of the term of the Committee Chair, and ends when the term of the Committee Chair concludes. The Vice-Chair may serve consecutive terms.
- (c) A Subcommittee Chair shall be a Primary Member or a Member, shall be appointed by the Committee Chair, shall serve at the pleasure of the Committee Chair and hold office

for a term of two years. A Subcommittee Vice-Chair shall be a Primary Member or a Member, shall be appointed by the Committee Chair with the advice and consent of the Chair of such Subcommittee, and shall hold office for two years. The terms of Subcommittee Chairs and Vice-Chairs commence with commencement of the term of the Committee Chair, and end when the term of the Committee Chair concludes. Any Chair or Vice-Chair of a Subcommittee may serve consecutive terms.

- (d) The Parliamentarian may be a Primary Member, a Member or an *ex officio* Member, shall be appointed by the Committee Chair with the advice and consent of the Committee, and serves at the pleasure of the Chair.
- (e) The Committee Chair, Vice-Chair, Secretary, Chair of any Subcommittee, or Parliamentarian, may resign from office at any time on ten days prior written notice. Such notice from the Committee Chair shall be directed to the Chair of the Association, and such notice from all others shall be addressed to the Committee Chair.
- (f) A vacancy in any office shall be filled for the unexpired term of such office.

Article V. Meetings.

Section 5.01 The Committee shall have three in person meetings each calendar year.

- (a) One meeting each year shall be held at the location of, and scheduled concurrently with, the annual meeting of the Association. The other two meetings shall presumptively be located and scheduled to coincide with the Association's annual Vehicle Finance Conference and SGA Forum, respectively. However, as to these latter two meetings, the Committee Chair may, with the advice and consent of the Administrative Subcommittee, direct otherwise. In such a case, the location and schedule of that meeting shall be selected by the Chair in consultation with Staff Liaison.
- (b) Notice of each in person meeting shall be given by Staff Liaison to the Committee to all Members no fewer than 60 days before the commencement of such meeting.
- (c) A quorum at any meeting of the Committee shall consist of one-third of the Primary Members of the Committee, including their proxies. The Secretary shall determine the presence of a quorum at each meeting.
- (d) Attendance. A Primary Member of the Committee may send to a meeting as many licensed attorneys who are on the staff of such Primary Member's General Counsel as it wishes.
- (e) Agenda. The Committee Chair, with the advice and consent of the Administrative Subcommittee, shall approve the agenda for each Committee meeting.
- (f) Reports. The Chair of each Subcommittee, except the Administrative Subcommittee, shall prepare and submit to the Staff Liaison to the Committee no fewer than two business days prior to the commencement of each in person meeting a written report on the subject matters approved as part of the agenda for such meeting.
- (g) The rules in the then current edition of Robert's Rules of Order Newly Revised shall govern the Committee in all instances to which they apply and in which they are not inconsistent with these bylaws, and any special rule of order the Committee may adopt.

(h) Minutes. Minutes of meetings of the Association shall be recorded by or at the direction of the Secretary, and be submitted for approval at the next meeting of the Committee.

Section 5.02 The Committee may meet by telephone or video conference at the call of the Committee Chair upon reasonable notice of such meeting and its subject matter(s) to members of the Committee.

Section 5.03 Subcommittees may meet formally or informally, from time to time upon reasonable notice to the members of such subcommittee to carry out their responsibilities and duties. Such meetings may be in person, by telephone, or any electronic means, and may have the assistance of Staff Liaison to the Committee.

Article VI. Voting.

Section 6.01 **Voting.** Each Primary Member of the Committee who is present in person or by proxy shall have one vote on any issue requiring or put to a vote by the Committee Chair. No Member or *ex officio* member of the Committee shall have a right to vote on any issue except as a proxy.

Section 6.02 **Methods of Voting and Ballots.** The Committee Chair shall decide the means by which a vote shall be taken on any issue requiring a vote.

- (a) Ballots Taken at Meetings. The Committee Chair shall determine whether a vote on any issue brought up at a meeting shall be taken by voice, by hand or by written ballot.
- (b) Ballots Taken Between Meetings. Votes taken on issues between meetings may be by mail, electronic means including voice vote during telephone or video conference meetings, by facsimile, electronic mail, or such other means as will assure an accurate count of the ballots cast on a matter put to a vote.

Section 6.03 **Rule By Simple Majority.** All matters put to a vote at a Committee meeting shall carry by a simple majority of those present of a quorum, as defined in Section 5.01(c), unless otherwise provided in these bylaws.

Section 6.04 **Proxies.** A Primary Member may designate as his or her proxy one of the staff of such Primary Member who is a Member.

Article VII. Miscellaneous.

Section 7.01 **Adoption.** These bylaws shall take effect immediately upon adoption by affirmative vote of the Committee, unless another effective date is stated in the motion adopting the bylaws.

Section 7.02 **Amendments.** A copy of any proposed amendment to these bylaws shall be sent to each Primary Member no fewer than three days, including weekends and holidays, before the commencement of the Committee meeting at which an amendment will be voted upon, and shall take effect immediately upon adoption by affirmative vote of the Committee, unless another effective date is stated in the motion adopting such amendment.

Section 7.03 **Repeal.** These bylaws may be repealed by the affirmative vote of two-thirds of the Committee.

Section 7.04 **Notices.** Any notice given pursuant to these bylaws may be given by mail, electronic means, or such other means as will assure delivery.

Section 7.05 **Construction.** These bylaws shall be construed consistently with the Bylaws of the Association, and in the event the Committee Chair determines there is a conflict, the Bylaws of the Association shall control.

<End of Bylaws>