

NINTH AMENDED BYLAWS OF
ACFE MEMBERSHIP, INC.

ARTICLE ONE

OFFICES

Section 1.01 Principal Office. The principal office of the Corporation shall be 716 West Avenue, Austin, Texas 78701.

Section 1.02 Registered Office. The registered office of the Corporation shall be 716 West Avenue, Austin, Texas 78701. The address of the registered office of the Corporation may be changed from time to time by the Board of Regents without amendment of these By-Laws. Upon a change in the address of the registered office of the Corporation, the Corporation shall file the appropriate statements with the Secretary of State of the State of Texas as may be required by the Texas Business Organizations Code, as amended.

Section 1.03 Other Offices. The Corporation may also have offices at other places within or without of the State of Texas where the Corporation is qualified to do business as the Board of Regents may from time to time designate or the business of the Corporation may require.

ARTICLE TWO

BOARD OF REGENTS

Section 2.01 Board of Directors. The Board of Directors of the Corporation shall be called the Board of Regents. The Board of Regents shall have all of the powers, rights, and duties assigned to the Board of Directors under the Texas Business Organizations Code.

Section 2.02 Duties of Regents. A Regent shall not have the duties of a trustee of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.

Section 2.03 Authority and Number. The affairs of the Corporation shall be managed by a Board of Regents, consisting of not less than three (3) and not more than five (5) members who are Certified Fraud Examiners but who need not be a resident of any particular state.

Section 2.04 Chairman. The Board of Regents shall elect its own chairman and vice-chairman. The chairman and vice-chairman of the Board of Regents shall have such powers and shall perform such duties as shall be designated by the Board of Regents. The chairman and

vice-chairman of the Board of Regents shall serve until their successors are chosen and qualified but may be removed at any time by the affirmative vote of a majority of the Board of Regents.

Section 2.05 Vacancies. Any vacancy occurring in the Board of Regents (by death, resignation, removal or otherwise) may be filled by an affirmative vote of the remaining Regents at a meeting specially called for that purpose. A Regent elected to fill a vacancy shall be elected for the remaining unexpired term in office.

Section 2.06 Meetings. The Board of Regents shall meet twice a year. One meeting shall occur in Austin, Texas no later than March 31 of each year. A second annual meeting shall be held at the Annual Conference of the Association of Certified Fraud Examiners at such time and place as is appointed for the Annual Conference. Each Regent shall receive proper notice of the time and date of each meeting.

Section 2.07 Quorum; Majority Vote. At meetings of the Board of Regents, a majority of the total number of Regents then in office, excluding advisory and *ex-officio* Regents, shall constitute a quorum for the transaction of business. The act of a majority of the Regents present at any meeting at which a quorum is present shall be the act of the Board of Regents. In the event of a tie vote, the most senior Advisory member of the Board who is present at the meeting shall cast the tie-breaking vote. Any regular meeting of the Board of Regents may be adjourned from time to time without notice other than announcement at the meeting whether a quorum is present or not and reconvened to transact any business which might have been transacted at the original meeting noticed.

Section 2.08 Amendment of Bylaws. The Board of Regents shall have the power to alter, amend or repeal these Bylaws or adopt new Bylaws. The Board of Regents may exercise this power at any regular meeting at which a quorum is present and notice of the action to be taken with respect to the Bylaws having been contained in the notice of waiver or notice of such meeting.

Section 2.09 Compensation. Regents shall not receive any stated salary for their services; however, by resolution of the Board of Regents, the Regents may be paid their expenses, if any, for attendance at each meeting of the Board of Regents and may be paid a fixed sum for attendance at each meeting of the Board of Regents. No such payment shall preclude any Regent from serving the Corporation in any other capacity and receiving compensation therefor.

Section 2.10 Removal. Any Regent may be removed either with or without cause at any annual or special meeting of the Board of Regents, by an affirmative vote of a majority of Regents.

Section 2.11 Terms of Office of Regents. The Board of Regents shall be elected by the members. All Regents must be members of the Corporation and must be Certified Fraud Examiners. All Regents elected shall serve staggered terms and shall hold office until their

successors are duly appointed or elected and qualified. All Regents shall serve a two-year term. A Regent may serve only one term, and is not eligible for re-election.

Section 2.12 Elections. Elections for the Board of Regents shall be held annually before the first meeting of the Board. Each member who is entitled to vote under the provisions of these By-Laws shall receive notice of the election and shall be allowed to submit an application to have his or her name placed on the ballot. The Nominations Committee shall nominate the members of the Corporation who are to run for election to the Board. At least two people must be nominated for each open position. The ballot shall be mailed to all eligible members. The candidates with the most votes shall be elected.

Section 2.13 Advisory Members. The Association of Certified Fraud Examiners, Inc. (“ACFE, Inc.”) may appoint up to three (3) Advisory Members to the Board of Regents. Advisory Members shall receive all notices of meetings, shall be entitled to attend all meetings, and shall be allowed to engage in discussion and offer advice at meetings; however, they shall not have any voting power except as specifically set forth in these By-Laws.

ARTICLE THREE

OFFICERS

Section 3.01 Officers. The officers of the Corporation will be a President, one or more vice Presidents (the number to be determined by the Board of Regents), a Secretary, a Treasurer, and such other officers as may be elected in accordance with the provisions of this article. The Chairman of the Board of Regents shall serve as President of the Corporation. The Board of Regents may elect or appoint such other officers, including one or more assistant secretaries, and one or more Assistant Treasurers, as it may deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Regents. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 3.02 Election and Term of Office. The officers of the Corporation will be elected annually by the Board of Regents at the first annual meeting of the Board of Regents. If the election of officers is not held at such meeting, such election must be held as soon thereafter as is convenient. New offices may be created and filled at any meeting of the Board of Regents. Each officer will hold office until his or her successor has been elected and qualified.

Section 3.03 Removal. Any officer elected or appointed by the Board of Regents may be removed by the Board of Regents whenever in its judgment the best interests of the corporation would be served by such action, but such removal will be without prejudice to the contract rights, if any, of the officer so removed.

Section 3.04 Vacancies. A vacancy in any office, because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Regents for the unexpired portion of the term.

Section 3.05 President. The Chairman of the Board of Regents shall serve as the President of the Corporation. The President will be the principal executive officer of the Corporation and will, in general, supervise and control all of the business and affairs of the Corporation. The President may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Regents, any contracts or other instruments that the Board of Regents are required to authorize for execution by a party to the transaction or have authorized to be executed, except in cases where the signing and execution thereof will be expressly delegated by the Board of Regents or by these By-Laws or by statute to some other officer or agent of the Corporation. In general, the President will perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Regents from time to time. In the absence of the Secretary and/or the Treasurer, the President may perform the duties of the Secretary and/or the Treasurer.

Section 3.06 Vice-President. In the absence of the President, or in the event of the President's inability or refusal to act, the Vice President, or in the event there is more than one Vice-President, Vice-Presidents in the order of their election, will perform the duties of the President, and when so action, will have all the powers of and be subject to all the restrictions on the President. Any Vice-President must perform such other duties as from time to time may be assigned by the President or by the Board of Regents.

Section 3.07 Treasurer. If required by the Board of Regents, the Treasurer will 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 Regents may determine to be appropriate. The Treasurer will have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for money due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies, or other depositories as may be selected by the Board of Regents, and, in general, perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Board of Regents.

Section 3.08 Secretary. The Secretary will keep the minutes of the meetings of the members and of the Board of Regents in one or more books provided for that purpose; see that all notices are given in accordance with the provisions of these By-Laws or as may be required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each person who is a friend and/or supporter of the Corporation which will be furnished to the Secretary by such person; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Regents.

Section 3.09 Assistant Treasurers and Assistant Secretaries. If required by the Board of Regents, the Assistant Treasurers will give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Regents may determine to be appropriate. The

Assistant Treasurers and assistant secretaries, in general, will perform such duties as may be assigned to them by the Treasurer or the Secretary or by the President or the Board of Regents.

Section 3.10 Two or More Offices Held by the Same Person. Any two or more offices may be held by the same person except the offices of President and Secretary.

ARTICLE FOUR

COMMITTEES

Section 4.01 Executive Committees. Internal management and conduct of the business of the Corporation may, either by resolution adopted by a majority of the Board of Regents in office or by appointment of the President, be vested in an executive committee composed of at least two persons. Members of the committee need not be Regents of the Corporation and will be appointed by resolution of the Board of Regents. At least one member of the committee will be a Regent of the Corporation. A designated committee may perform the functions of any officer and the functions of any two or more officers may be performed by a single committee.

Section 4.02 Other Committees. Other committees not having and exercising the authority of the Board of Regents in the management of the Corporation may be designated by a resolution adopted by a majority of the Regents present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee will be members of the Corporation, and the Board of Regents of the Corporation will appoint the members. Any committee member may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation will be served by such removal.

Section 4.03 Term of Office. Each member of a committee will continue as such until the next annual meeting of the members of the Corporation and until a successor is appointed, unless the committee is sooner terminated, unless such member is removed from such committee, or unless such member ceases to qualify as a member of such committee.

Section 4.04 Chair. One member of each committee will be appointed or elected chair by the person or person authorized to appoint the committee members, or by such other persons as the Board of Regents may designate.

Section 4.05 Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 4.06 Quorum. Unless otherwise provided in the resolution of the Board of Regents designating a committee, a majority of the whole committee will constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present will be the act of the committee.

Section 4.07 Rules. Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Regents.

ARTICLE FIVE

MEMBERS

Section 5.01 Classes of Membership. There shall be two classes of members: (1) certified members and (2) non-certified members. "Certified members" are those members who have been awarded the designation "Certified Fraud Examiner," who are members in good standing, and whose designation has not been revoked by action of the Board of Regents. Certified members are entitled to full membership including voting rights. Non-certified members shall have no voting rights. Membership is a privilege and not a right; the qualifications of membership are subject to the discretion of the Board of Regents.

Section 5.02 Qualification for Membership. The Board of Regents shall set forth the educational, experience, and testing requirements to become and remain a Member of the Corporation. Candidates for admission or readmission to membership shall be certified under those criteria through a process administered by ACFE, Inc. ACFE, Inc. will, at least annually provide the Board of Regents with a statistical status report of persons certified for admission or readmission to membership. Only Members in good standing shall be designated a "Certified Fraud Examiner," or "CFE" and, subject to the licensing arrangements with ACFE, Inc., use such designation.

Section 5.03 Authority of Members. Only members of the Corporation who hold a valid Certificate shall have authority to vote for the election of the Board of Regents. Each such member shall be entitled to one (1) vote on all matters submitted to the membership. Except as is otherwise provided, all action shall be decided by a majority vote of the members.

Section 5.04 Meetings. Meetings of members shall be called and held at such times, places and at the intervals as determined solely in the discretion of the Board of Regents. No member shall have any voting rights other than as may be specifically set out in these Bylaws as they may be amended from time to time.

Section 5.05 Continuing Professional Education. The Board of Regents shall set forth the Continuing Professional Education requirements for Members

Section 5.06 Member Resignation. A member may resign from membership in the Corporation at any time. Resignation shall be in writing and may be offered to the Board of Regents. Actions on such resignations, as well as actions on applications for reinstatement, shall be undertaken by the Board of Regents under such provision as may be prescribed in these Bylaws.

Section 5.07 Suspension and Expulsion. The Board of Regents may suspend, expel, or discipline any member if the member is found guilty by a court of competent jurisdiction of a crime punishable by imprisonment for more than one year, a felony, or any crime involving moral turpitude. A crime of moral turpitude is one that calls into question the integrity and judgment of the offender and includes but is not limited to offenses such as bribery, fraud, corruption, solicitation, embezzlement, theft by a fiduciary or trustee, or theft by trick, deceit or false pretenses.

The Board of Regents may also, in its sole discretion, expel, suspend, or discipline a Member if, under such procedures as the Board of Regents may establish, it determines that a Member:

- A. Failed to abide by the Corporation's governing rules (including these By-Laws) or the Corporation's Code of Professional Ethics.
- B. Has committed any act discreditable to the Corporation or its membership.
- C. Has been declared by a court of competent jurisdiction to be insane or to lack legal capacity.
- D. Failed to cooperate with a disciplinary investigation of the Corporation.
- E. Failed to use the "Certified Fraud Examiner" or "CFE" designations in accordance with the licensing agreement with ACFE, Inc.

If a member fails to pay the required membership dues or is found to have falsified any information submitted to the corporation, such member shall be automatically expelled without the necessity of a vote by the Board of Regents.

Any member who becomes delinquent in non-dues payments owed to the Corporation for ninety (90) days shall be suspended for ninety (90) days or until such time as the member's account is paid in full or resolved to the satisfaction of the Corporation. If at the end of the ninety-day suspension the member's account has not been paid in full, the member shall be expelled without the necessity of a vote by the Board of Regents.

Any member who fails to meet or prove compliance with the established Continuing Professional Education requirements shall be suspended indefinitely until such time as the member demonstrates that he or she has complied.

The Board of Regents may provide the conditions and procedures under which the Board of Regents may reinstate a member who has been suspended or expelled or whose membership was otherwise terminated. Notice of a disciplinary action, together with the reasons for such action, may be published in any manner as the Board of Regents may prescribe.

Section 5.08 Payment of Fees and Dues. All member services shall be rendered by the ACFE, Inc. Annual fees for such services shall be set by ACFE, Inc. ACFE, Inc. may refuse to

certify as a member in good standing any person who is delinquent in the payment of his/her annual fees.

ARTICLE SIX

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 6.01 Authority to Contract and Collect Funds. The Board of Regents may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-Laws, to enter into any necessary contracts or to execute documents in the name of and on behalf of the Corporation. However, such authority is limited to the ability to contract with parties to provide member services. Neither the Board of Regents nor any officer or agent of the Corporation may borrow money on behalf of the Corporation.

Section 6.02 Checks, Drafts, or Orders for Payment. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation will be signed by such officer or officers, agent or agents of the Corporation and in such manner as is from time to time be determined by resolution of the Board of Regents. In the absence of such determination by the Board of Regents, such instruments must be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-President of the Corporation.

Section 6.03 Deposits. All funds of the Corporation must be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Regents may select.

ARTICLE SEVEN

LOCAL CHAPTERS

Members may voluntarily join together to form local chapters of the Corporation in a manner prescribed by the Board of Regents. In the event the Board of Regents establishes conditions or requirements for establishing a local chapter, as well as provide for payment of dues or other requirements, such conditions and requirements shall be incorporated into the charter of the local chapter.

ARTICLE EIGHT

CORPORATE SEAL AND TRADEMARK

The Seal of the Association of Certified Fraud Examiners and the mark "Certified Fraud Examiner" are trademarks of ACFE, Inc. The use of any and all such marks by the Corporation

shall be in accordance with the Licensing Agreement executed by both corporations, and the Board of Regents shall take no action in contravention of the Licensing Agreement and the terms thereof. The use of any and all such marks by members of the Corporation shall be subject to the payment by the member of his/her annual fees to ACFE, Inc. The use of any and all such marks by the Local Chapters shall be in accordance with the requirements and conditions set forth by the Board of Regents of the Corporation, ACFE, Inc., and the Licensing Agreement.

ARTICLE NINE

GENERAL PROVISIONS

Section 9.01 Conference Telephone Meetings. Any meetings of Regents or any committee thereof may be held by means of conference telephone or similar communications equipment so long as all persons participating in the meeting can hear each other. Participation in a telephone conference meeting shall constitute presence in person at such meeting except when a person participates for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.02 Action by Written Consent. Any action which may be taken, or which is required by law, the Corporation's charter or By-Laws to be taken, at a meeting of Regents or of any committee may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all the members of the Board of Regents entitled to vote on such matter, or all of the members of such committee as the case may be.

Section 9.03 Legal Construction. The By-Laws shall be construed in accordance with the laws of the State of Texas. All references in the By-Laws to statutes, regulations or other sources of legal authority shall refer to the authorities so cited, or their successors, as they may be amended from time to time. If any By-Law provision is held to be invalid, illegal or unenforceable in any respect, the invalidity, illegality or unenforceability of such provision shall not affect any other provision of these By-Laws and these By-Laws shall be construed as if such invalid, illegal or unenforceable provision had not been adopted or included in these By-Laws.

Section 9.04 Books and Records. The Corporation will keep correct and complete books and records of account and will also keep minutes of the proceedings of its members, Board of Regents, and committees having any of the authority of the Board of Regents, and will keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Corporation may be inspected by any member, or his or her agent or attorney, for any proper purpose at any reasonable time.

Section 9.05 Fiscal Year. The fiscal year of the Corporation will begin on the first day of January and end on the last day of December in each year.

Section 9.06 Waiver of Notice. Whenever any notice is required to be given under the provisions of the Texas Business Organizations Code or under the provisions of the articles of

incorporation or the By-Laws of the Corporation, a waiver of such notice, in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, will be deemed equivalent to the giving of such notice.

ARTICLE TEN

AMENDMENTS TO BY-LAWS

The Board of Regents may alter, amend, or repeal, or enact new By-Laws, subject to the limitations of the articles of incorporation, these By-Laws, and the Texas Business Organizations Code.

ARTICLE ELEVEN

INDEMNIFICATION OF REGENTS, OFFICERS AND EMPLOYEES

The Board of Regents of the Corporation shall, and hereby does, authorize the payment of expenses incurred by, or satisfy a judgment or fine rendered or levied against, a present or former Regent or officer of the corporation, or the estate, executor, administrator, heirs, legatees, or devisees of such person, in an action brought by a third party against such person (whether or not the Corporation is joined as a party defendant) to impose a liability or penalty on such person for an act alleged to have been committed by such person while a Regent or officer, or by the Corporation, or by both. Such person may also be reimbursed for amounts paid and expenses reasonably incurred in settling any such action or threatened action; provided, that the Board of Regents determines in good faith that such Regent or officer was acting in good faith within what he or she reasonably believed to be the scope of his or her authority and for a purpose which he or she reasonably believed to be in the best interests of the Corporation or its members.

The Board of Regents may, in its sole discretion, authorize the payment of expenses incurred by, or satisfy a judgment or fine rendered or levied against, a present or former employee of the Corporation, or the estate, executor, administrator, heirs, legatees, or devisees of such person, in an action brought by a third party against such person (whether or not the Corporation is joined as a party defendant) to impose a liability or penalty on such person for an act alleged to have been committed by such person while an employee, or by the Corporation, or by both. Such person may also be reimbursed for amounts paid and expenses reasonably incurred in settling any such action or threatened action; provided, the Board of Regents determines in good faith that such employee was acting in good faith within what he or she reasonably believed to be the scope of his or her employment or authority and for a purpose which he or she reasonably believed to be in the best interests of the Corporation or its members.