

Arkansas Bar Association
Minutes
Executive Committee of the Board of Governors
Meeting By E-mail, July 21, 22, 2008

1. Background.

Chair of the Board of Governors, Steve Quattlebaum, convened an E-Mail meeting of the Executive Committee of the Board of Governors of the Arkansas Bar Association on July 21, 2008. The members of the Executive Committee had been copied in a July 15, 2008, E-mail to the Investment Committee which discussed the need to move money from a Metropolitan National Bank Money Market Fund into FDIC insured certificates of deposit, or accounts backed by U. S. Treasury Securities. The Investment Committee then met by E-mail and decided where it funds should go.

2. Action.

Mr. Quattlebaum requested the Executive Director, Karen Hutchins, send the following information to the Committee:

Steve Quattlebaum, Chair of the Board of Governors, has requested an email vote of the Executive Committee to approve opening accounts and moving up to \$100,000 from Metropolitan National Bank into an FDIC insured CD in Community First Bank and another \$100,000 from Metropolitan National Bank into an FDIC insured CD in First Security Bank. These two banks are currently offering the best rates available with Community First offering a 12 months CD at 3.25% and First Security offering an 11 months CD at 3.00%. The Investment Committee further approved the transfer of \$273,135 from the Metropolitan Money Market Fund to a Federated Treasury Cash Reserve. This will allow the investment fund to be more secure and diversified. The Investment Committee approved each of these investments on Friday, July 18th, following extensive E-mails among members of the Investment Committee.

The motion approved by the Investment Committee reads:

"The Investment Committee of the Arkansas Bar Association, pursuant to authority granted to it in the Investment Policy adopted by the Board of Governors on August 24, 2007, authorizes and approves the following actions pertaining to the Association's Metropolitan National Bank Money Market Fund account in the amount of \$473,136:

"The Association shall open an FDIC insured one year certificate of deposit account in the amount of \$100,000.00 with the Community First Bank of Harrison, Arkansas;

"The Association shall open an FDIC insured eleven month certificate of deposit account in the amount of \$100,000.00 with the First Security Bank, Markham Street office, Little Rock, Arkansas; and

"The Association shall transfer the remaining \$273,236.00 in the Money Market Fund account in Metropolitan National Bank to a Federated U.S. Treasury Cash Reserves account held by Metropolitan National Bank. If this action requires opening a new account with Metropolitan National Bank, opening such an account is approved.

The Treasurer, Bill Martin, who is also a member of the Investment Committee, was consulted during the preparation of this message. He recommends a very similar motion be passed by the Executive Committee to avoid any conflict in instructions and he moves:

The Executive Committee of the Arkansas Bar Association, pursuant to authority granted to it in the Investment Policy and related motions adopted by the Board of Governors on August 24, 2007, authorizes and approves the following actions pertaining to the Association's Metropolitan National Bank Money Market Fund account in the amount of \$473,136:

"The Association shall open an FDIC insured one year certificate of deposit account in the amount of \$100,000.00 with the Community First Bank of Harrison, Arkansas;

"The Association shall open an FDIC insured eleven month certificate of deposit account in the amount of \$100,000.00 with the First Security Bank, Markham Street office, Little Rock, Arkansas; and

"The Association shall transfer the remaining \$273,236.00 in the Money Market Fund account in Metropolitan National Bank to a Federated U.S. Treasury Cash Reserves account held by Metropolitan National Bank. If this action requires opening a new account with Metropolitan National Bank, opening such an account is approved."

Please respond by a "reply to all" E-mail vote on this motion or request additional discussion.

By 2:00 p.m. July 22, 2008, 4 members except the Chair of the Executive Committee had voted "yes." Therefore the motion passed.

Respectfully submitted,

William A. Martin, Secretary-Treasurer