

REVISED AND AMENDED 12-12-01

BYLAWS OF SOUTHERN ARIZONA MORTGAGE LENDERS ASSOCIATION

ARTICLE I

THE ASSOCIATION

- Section 1 NAME:** The name of the Association shall be Southern Arizona Mortgage Lenders Association, SAMLA, hereinafter referred to as the Association.
- Section 2 OBJECTIVE:** The objective of the Association shall be to promote the interests of those engaged in the business of lending money upon real estate, of those engaged in the business of buying and selling mortgages, deeds of trust, or bonds secured by real estate, and for the better safeguarding and protection of the borrower on real estate, and the investor in real estate mortgage or deed of trust transactions.
- Section 3 DURATION:** The duration of life of the Association shall be perpetual.
- Section 4 FISCAL YEAR:** The fiscal year of the Association shall begin on January 1st and end on December 31st.
- Section 5 LIABILITY:** No member of the Association shall be liable, either jointly or severally, for the debts of the Association in excess of unpaid current membership dues.
- Section 6 DISSOLUTION:** Should the Association cease to exist, the distribution of assets shall be as follows:
- a) Pay any outstanding debts, then
 - b) current annual dues will be refunded by pro-ration, based on remaining fiscal year, and finally
 - c) to be distributed to charity as determined by a majority of the remaining officers and Board Members.

ARTICLE II

MEMBERSHIP AND DUES

Section 1 CLASSIFICATION AND QUALIFICATION: The membership of the Association shall consist of Regular, Associate, and Honorary members. Unless disqualified by other provisions of these bylaws, or by custom, individuals, partnerships, firms, or corporations who conduct business in accordance with the Association's Code of Ethics, and who comply with all applicable State of Arizona bonding and licensing requirements are eligible for membership. For definition purposes, "in good standing" denotes in compliance with these bylaws. Any member who qualifies for Regular member status shall hold regular member status and shall not be eligible for Associate member status.

A. Definition of Types of Members

- 1. Regular Members:** Regular members are those that are located in and doing business in Arizona and are either:
 - a) primarily in the business of originating first lien mortgage loans ; or
 - b) a financial institution or enterprise as defined in Title 6, Chapter 1, Article 1, Arizona Revised Statutes which invests in first lien mortgage loans; or
 - c) primarily engaged in the business of servicing first lien mortgage loans.

- 2. Associate Members:** Associate Members shall include:
 - a) Title Insurance Companies, credit bureaus, credit unions, private mortgage insurance companies, appraisers, pension funds, investment trusts, investment brokers and similar institution-type organizations, active in the mortgage business, including the management companies and investment counselors for such organizations, or in the provision of services or products for business organizations or financial institutions eligible to be Regular Members.

- 3. Honorary Members: Honorary Members shall be:**
- a) Past presidents of the Association,**
 - b) The FHA Tucson Manager / Director,**
 - c) VA Loan Guarantee Officer, and**
 - d) Heads of Industry groups as determined by the Board**
 - e) By resolution of the Board of Directors, individuals that have rendered outstanding service to the Association.**

Section 2 WAIVERS: The Board of Directors may, within its sole discretion, waive any specified requirement for any classification of membership.

Section 3 VOTING: The right-to-vote is limited to regular members (or one (1) designated employee of each Regular member) of the Association.

Section 4 APPLICATION FOR MEMBERSHIP: Application for membership shall be filed with the Membership Committee on a form provided. The membership application packet will contain an application form, a copy of the Association bylaws, and a copy of the Associations Code of Ethics, with a space for the applicant to sign, pledging acceptance and support. The report to the the Board shall include, but not be limited to the signed packet, appropriate recommendations, and all investigative material. All applications shall be acted on in a timely manner. Action of the Board shall be confidential and final.

A. RECOMMENDATIONS: All applications for membership must be accompanied by at least two written recommendations from members in good standing, one of which must be a regular member.

B. NOTICE OF ADMISSION: Notice of admission to membership shall be sent by the Executive Secretary to the applicant with a statement of dues to be paid. Payment of said dues will represent acceptance of membership, and an agreement to be bound by the bylaws and Code of Ethics of the Association

C. REJECTION OF APPLICATION: Two (2) negative votes shall reject any application for membership. If an applicant is rejected, resubmission is not acceptable within six (6) months of the rejection. Notice of rejection shall be forwarded to the applicant by the Executive Secretary.

Section 5 DUES:The annual dues shall be set by the Board of Directors at the Annual Membership Meeting. All annual dues shall be due January 1st and payable no later than March 1st.

A. NEW MEMBERS: Those memberships approved during the fiscal year shall have their dues pro-rated based on the following schedule: Approved between Jan 1st and June 30th full annual dues; July 1st to September 30th, fifty percent (50%) of annual dues; October 1st to Dec 31st, twenty-five (25%) of annual dues.

B. NOTIFICATION OF DUES: The Secretary / Treasurer in conjunction with the Executive Secretary of the Association will prepare a statement indicating the amount due for each member of the Association. Statements will be mailed at the beginning of the fiscal year or earlier.

C. FAILURE TO PAY DUES OR ASSESSMENTS: Failure to pay any dues or assessments due the Association within thirty days of notification shall be sufficient cause for the Board of Directors to forfeit the membership of the delinquent member. The member may be reinstated by the Board of Directors upon payment of all amounts due the Association. A monthly report will be made to the Board of all members with an indebtedness to the Association. The Board of Directors can assess a late fee in lieu of forfeiture of membership.

D. REINSTATEMENT: If a member wishes to be reinstated after allowing membership to lapse, the Board at its sole discretion may assess a reinstatement fee.

Section 6 SPECIAL ASSESSMENTS AND FEES: The Board of Directors can enact special assessments to the membership . Notification will be forwarded by the Executive Secretary in a timely manner. Assessments and fees will be due and payable within thirty (30) days of notification.

ARTICLE III BOARD OF DIRECTORS

Section 1 GENERAL: The Board of Directors shall have the duty and power to control and manage all of the affairs of the Association shall make all purchases and contracts for the Association as a whole , provide for all expenditures for the Association as a whole, and do any and all business necessary in connection with the transaction of business of the Association in carrying out its objectives and purposes. Except where specifically restricted in these bylaws , the action of the Board of Directors shall be final, and shall not require the approval of members of the Association to be valid.

Section 2 COMPOSITION: The administration of this association shall be vested in a Board of Directors, consisting of eleven (11) members, including four (4) officers: one (1) President, One (1) President elect, one (1) Vice President , and one (1) Secretary / Treasurer, to be elected in accordance with these bylaws, of which up to three will be designated as Director(s) of AMLA.

TERM: The Directors shall be elected at each annual meeting of the members, but if any such annual meeting is not held or the Directors are not elected there at, the Directors may be elected at any such meeting of the members held for such purpose. All Directors are re-elected each year. The officers shall be elected by the Board of Directors at the first Board meeting following the annual meeting. The term of the Officers shall be for one year. At the Annual meeting of the Association to be held during the month of Nov, the Directors shall be elected for a one year term, and the immediate past president shall also serve a one year term.

Section 3 DUTIES: Each duly elected Board member shall attend and participate in all scheduled regular and special meetings of the Board. The Board member shall accept committee assignments, or any other duty as assigned by the President or the Board of Directors.

ABSENCES: Three (3) unexcused absences to attend scheduled meetings during the fiscal year shall be grounds for removal from the Board. Whether an absence is excused or unexcused will be at the discretion of the President. Any absence must be called in to the President or the Executive Secretary prior to the meeting.

REMOVAL FOR CAUSE: Failure to adequately perform the duties of a Director can result in the President requesting the director to resign. The request to resign must be approved by a two-thirds majority of the remaining board.

APPEAL: Any Board member disqualified in accordance with this Section 3 may appeal to the remaining Board for their consideration for reinstatement. The Board members vacancy shall not be filled until appeal is final, or waived by the dismissed Board member.

Section 4 RESIGNATIONS: Any Director or Officer who ceases to be a member of the Association during the term of his office shall be deemed to have resigned his or her position effective as of the date he ceases to be a member. Any Director can voluntarily resign his position by submitting a letter of resignation to the president of the Association. Such voluntary resignations shall be effective as of the date the President submits the letter of resignation to the Board of Directors.

Section 5 VACANCIES: The Board of Directors may fill any vacancy among the officers or other Directors by a vote of the majority of those present and entitled to vote at a regular Board meeting. The person so elected shall complete the term of the person being replaced.

- Section 6 ANNUAL MEETINGS:** Immediately following each Annual Membership Meeting, the newly elected Board of Directors shall hold a meeting for the purpose of organization and transition, the election of officers and the transaction of other business. Written notice is waived.
- A. REGULAR MEETINGS:** There shall be a Regular meeting of the Board of Directors at least quarterly. Meetings can be held more often at the discretion of the President
 - B. SPECIAL MEETINGS:** At any time deemed necessary, the president may call for a Special meeting of the Board of Directors. The ten (10) day prior written notice requirement may be waived.
 - C. NOTIFICATION OF MEETINGS:** The executive Secretary shall notify each Director in writing of the time, place, and agenda for each Regular or Special meeting . This notification shall be made no less than ten (10) days prior to the scheduled meeting.
 - D. ACTIONS OUTSIDE BOARD MEETINGS:** Any action that may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action taken, shall be signed by all of the Directors.
 - E. QUORUM:** A majority of the Board of Directors shall constitute a quorum for the transaction of business. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by statute, the Articles of Incorporation, or these bylaws. A director will be considered present if telephone contact is maintained.

Section 7 SPECIAL POWERS: In addition to the aforementioned general powers, the Board of Directors have special powers that shall include, but are not limited to the following:

- A. SPECIAL MEMBERSHIP MEETINGS:** Call special general membership meetings to consider specific subjects.

- B. ADDITIONAL DUTIES:** Prescribe duties for any of the officers or committees of the Association, in addition to those herein set forth.
- C. APPROVAL OF INDIVIDUAL OR COMMITTEE:** Approve the membership of the standing committees as appointed by the President.
- D. REMOVAL OF INDIVIDUAL OR COMMITTEE:** Remove any standing or special committee, or any member for failure to attend to the duties of such committee.
- E. LEGAL COUNSEL:** Retain legal counsel and employ such other persons that may be necessary for the proper conduct of the business of the Association.
- F. ASSOCIATION FUNDS:** Direct the management of the funds and properties of the Association to include designating a depository institution for the funds.

**ARTICLE IV
OFFICERS**

- Section 1** There shall be four (4) officers of the Association that are also members of the Board of Directors. These officers shall be: President, President Elect, Vice President and Secretary/Treasurer. All officers except Secretary/Treasurer shall be Regular Members (or employees of Regular Members) The Secretary/Treasurer may be either an Associate Member or a Regular Member (or an employee of either)
- Section 2** **TERM:** Each officer has a term of one (1) year.
- Section 3** **DUTIES:** The duties of each officer shall include, but not be limited to:
- A. PRESIDENT:** The president shall preside at all meetings of the membership, enforce the bylaws of the Association, and shall be ex officio member of all committees. The President shall appoint such committees and committee chairs as required. The President shall authorize all written contracts and obligations of the Association.

- B. PRESIDENT ELECT:** In the absence of the President, the President Elect shall perform the duties of the President. The President Elect shall chair the Ethics Committee. The President Elect shall succeed to the office of the President at the Annual Meeting.
- C. VICE PRESIDENT:** The Vice President shall serve on the Legislative Committee, and shall perform the duties of the President or President Elect, in their absence.
- D. SECRETARY / TREASURER:** The secretary / Treasurer shall oversee all financial aspects of the Association, including but not limited to: All Association bank accounts and certificates of deposit; annual budget and annual financial statements.

- Section 4 EXECUTIVE SECRETARY:** The Board of Directors is authorized to hire an Executive Secretary. The Executive Secretary shall be a non-elected, salaried position. The salary shall be determined by the Board of Directors.
- A DUTIES:** The duties of the Executive Secretary shall be to assist the Board and the President in the operation and management of the Association. The Executive Secretary will assist the Secretary / Treasurer in documentation of financial matters and any other matters as determined by the Board of Directors and President.

- Section 5 WITHDRAWAL OF FUNDS:** Association funds for approved Expenditures may be withdrawn upon the joint signatures of Any two (2) officers or one (1) officer and the Executive Secretary

- Section 6 REMOVAL OF OFFICER:** The Board of Directors may remove an officer at its sole discretion for the best interests of the Association.

**ARTICLE V
MEMBERSHIP MEETINGS**

- Section 1 ANNUAL MEETINGS:** The annual meeting of this Association shall be held during the month of November.

A NOTICE OF ANNUAL MEETING: Notice of the Annual Meeting will be delivered by mail to the last known address of all members as the same appears on the records of the Association by the Executive Secretary no later than one (1) month before the meeting. This notice will confirm date, time, location, proposed agenda, and nominations for Directors.

B AGENDA OF ANNUAL MEETING: As a minimum, the agenda will include:

- (i) Reading and approval of the minutes of the last annual meeting, and any special meeting held since the last annual meeting,
- (ii) Reports of all Committees,
- (iii) Report of the Executive Secretary (written reports will be available),
- (iv) Election of Directors,
- (v) Old business
- (vi) New business, and
- (vii) Comments from the floor.

C NOTICE OF ADDITIONAL NOMINATION OR AGENDA: If additional nominations or agenda items are received from the membership, the Executive Secretary will mail a notice no later than twenty (20) days prior to the annual meeting to all regular members.

Section 2 SPECIAL MEETINGS: Special Meetings of the Association may be called at any time by the President of the Association. In addition, any five (5) regular members can call a special meeting by filing a signed, written request for a meeting with the Executive Secretary.

A NOTICE OF SPECIAL MEETING: Notice of any special meeting will be delivered by mail by the Executive Secretary to the last known address of each Regular member, as the same appears on the records of the Association, no later than ten (10) days before the meeting. This notice will contain date, time, location, and agenda.

B. AGENDA OF SPECIAL MEETING: Only the proposed agenda items will be discussed at any special meeting.

- Section 3 ROBERT'S RULE OF ORDER:** Robert's Rules of order shall govern all Membership meetings unless specifically modified by these bylaws.
- Section 4 QUORUM:** Twenty-five (25%) of the Regular membership, represented either in person or by proxy, shall constitute a quorum at all Membership meetings.
- Section 5 REPRESENTATION:** At all meetings of the Association, Regular members may be represented by one voting delegate and one alternate. Each Regular member will be allowed only one (1) vote on each issue.
- A PROXY:** Any regular member may grant proxy to any other member if unable to attend a meeting. This proxy must be in writing and revocable by option of the granting member and is effective for three (3) months from the date of granting.
- B VOTING:** Voting will be by voice unless otherwise ordered by the Chair. Any voting delegate may request a vote count.
- Section 6 CONTROL OF MEETING:** The President of the Association will conduct the Annual meeting. No member will be allowed to speak for more than fifteen (15) minutes.
- Section 7 RESOLUTIONS OR ACTIONS:** Any action, resolution, or motion for consideration at a special meeting must be submitted in writing, and accompany the Notice of Special Meeting. At the Annual Meeting, any motion, resolution, or action from the floor can be acted upon.

ARTICLE VI COMMITTEES

- Section 1 COMMITTEES:** The Association shall have permanent standing committees, and special, or Ad Hoc, committees as determined and appointed by the President . The Board may also establish such committees of the Board as it deems appropriate in addition to the Standing Committees described below.

Section 2 STANDING COMMITTEES: The following standing committees will assist the President of the Association in the effective management of the Association.

A ETHICS AND STANDARDS OF PRACTICE: The Ethics Committee will consist of no less than three (3) members, and will continually study the question of ethics and fair play practices in general, and make recommendations to the Board for amendments to the Code of Ethics. Upon a written request of any member of the Association, or a written complaint from any consumer against any member of the Association, the committee will investigate the situation and present its findings to the Board. The committee will ensure that all interested parties have been notified, and been given an opportunity to be heard. The report to the Board will identify, but not be limited to, the parties involved, nature of the complaint, and recommended action. The Board will take whatever action it deems appropriate. All members of the committee shall avoid any conflict of interest situations.

B NOMINATIONS: During the month of September in each year, the President shall appoint a Nominating Committee consisting of not less than three (3) members of the Association who shall nominate a ticket for Directors to be voted on at the annual election, and recommend a slate of officers to be appointed by the Board of Directors. During the regular meeting in the month of October, the Executive Secretary shall announce to all members present the report of the Nominating Committee. The report of the Nominating Committee will also be mailed or E-mailed to all members at least thirty (30) days prior to the annual meeting.

Additional nominations can be made by members who are in good standing, in writing and directed to the Executive Secretary up to five (5) days prior to the Nov Meeting. The names of all members nominated by the Nominating Committee and proposed by members as prescribed above shall be announced at the Nov meeting, and elections will be held at the Nov meeting. The election of the Directors and Officers of this Association shall take place during the month of Nov each year.

- C. OTHER COMMITTEES:**
Legislative
Agency Liaison
Broker Liaison
Public Relations/Newsletter
Industry Liaison
Bylaws/Scholarship
Membership
Education/Program
Commercial Liaison
Ways and Means
Ethics
Hospitality
Parliamentarian

**ARTICLE VII
AMENDMENTS**

Section 1 AMENDMENT TO ARTICLES AND BYLAWS: The Board of Directors may adopt a resolution setting forth any proposed amendments that they may determine to be advisable, and directing that they be submitted to a vote of the Regular members at either an Annual or Special meeting for adoption. A copy of the proposed amendments shall be mailed to each regular member at least ten (10) days prior to the scheduled meeting date, notice of which shall have been given in accordance with Article V above. Bylaws with Board recommended changes can be Faxed or E-mailed to the membership with instructions to vote for or against recommended changes and fax or E-mail the vote ballot back to the bylaws chair within 10 days. If a majority of ballots received recommends approval than the bylaws amendments will be adopted.