

**BY-LAWS  
FOR  
THE MID HUDSON VALLEY  
MORTGAGE BANKERS  
ASSOCIATION**

**ARTICLE I**

***CORPORATE***

- Section 1.01** The name of the association shall be the "Mid-Hudson Valley Mortgage Bankers Association."
- Section 1.02** The address of the registered office of the Association shall be the current Administrative Assistant's business address and the registered agent shall be the current Administrative Assistant to the Association, unless otherwise designated by the Board of Directors.
- Section 1.03** The corporate seal shall be maintained by the Secretary, and shall be in the following form:
- Section 1.04** The fiscal year of the Association shall be from September 1<sup>st</sup> to August 31<sup>st</sup>.

## ARTICLE II

### *PURPOSES*

This Association has been established for the following purposes

- a) to promote the welfare of the mortgage banking industry of the Mid Hudson Valley;
- b) to encourage sound and ethical business practices among its members;
- c) to sponsor meetings for the purpose of education, discussing various aspects of mortgage banking and providing a forum for new ideas relating to the mortgage banking industry;
- d) to acquire information and to inform its members of impending legislation or changes in the laws affecting real estate and the mortgage banking industry;
- e) to provide a platform from which the members of the mortgage banking industry can express their views on practices and legislation affecting the industry;
- f) to cooperate with all public and private agencies and the public-at-large in all matters relating to sound mortgage and banking; and
- g) to afford the opportunity for those engaged in the mortgage banking industry to secure the benefits of personal acquaintance.

## ARTICLE III

### *MORTGAGE BANKING INDUSTRY*

The mortgage banking industry shall include those who are engaged directly or indirectly in the business of placing, originating, purchasing, closing, selling, and/or servicing residential and commercial real estate mortgages, including the following:

- a) State and national banks and trust companies;
- b) State and Federal savings banks and savings and loan associations;
- c) Fire and casualty insurance companies;
- d) State and Federal credit unions;
- e) Mortgage insurance companies and abstract and title insurance companies;
- f) Investment banks and securities firms (subsidiaries) who perform financial and other professional services for, or act as a consultant to members of the Association.
- g) Mortgage or equity real estate investments trusts;
- h) Mortgage banking companies, mortgage brokerage companies;
- i) Governmental secondary market agencies;
- j) Secondary mortgage market investors, and
- k) Attorneys, appraisers, accountants, architects, engineers and consultants who are engaged in mortgage matters.

## ARTICLE IV

### *MEMBERSHIP*

**Section 4.01** Membership shall consist of a) individuals employed by partnerships, corporations, trusts, financial institutions, and other business organizations engaged in one or more fields of mortgage banking having their principal office in New York State, b) local representatives of out of state firms with an office in New York that would otherwise qualify for membership and transact a portion of their business in New York, and c) out of state firms without a New York office, but that would otherwise qualify for membership and transact a portion of their business in New York.

**Section 4.02** Membership in the organization shall be classified as follows:

- a) **Individual Members** - Individuals wishing to participate in the Association activities may join the Association without limit as to the number and be classified as individual members.
- b) **Honorary Members** – Anything in these By-Laws to the contrary notwithstanding, the Board of Directors may at its discretion elect to membership any person whom such board determines to be deserving of membership for honorary purposes. Such election shall be by an affirmative vote of three-fourths of the entire Board of Directors at any of its regular or special meetings. Honorary members shall have no vote and shall not be liable for dues.

**Section 4.03** Only individual members shall be entitled to voting privileges and each individual member shall be entitled to one vote. If an individual transfers to another company, then that individual membership will remain uninterrupted. Voting at membership meetings shall be viva voce unless otherwise ordered by the President.

**Section 4.04** Upon receipt by the Secretary of written request from any retired officer (or retired member) of the Association, he or she may continue or be granted membership status without the payment of any fees or dues, so as to be placed on the mailing list to receive meeting notices and other information concerning the organization's activities.

**Section 4.05** No member shall be liable either jointly or severally for the debts of the Association in excess of unpaid membership dues.

**Section 4.06** From time to time, the members may be required to supply informational data to the Association, on a form to be provided. The data shall be used for public relation purposes, and shall be submitted directly to the Secretary. Each member's informational data shall be considered confidential and shall not be revealed publicly or to any other member of the Association. The data provided shall only be used by reference to groups of members and then only to the combined or aggregate data supplied by each group referred to.

**Section 4.07** No member may use the name of the Association in any advertisement or display evidence of membership in the Association without prior written consent of the Board of Directors.

## ARTICLE V

### *APPLICATION AND ADMISSION*

**Section 5.01** Application for membership shall be by letter or application to the Chairman of the Membership Committee containing such information as may be prescribed by the Board of Directors.

**Section 5.02** All applications for membership shall be filed with the Membership Committee. Candidates for membership shall submit to the Membership Committee such information as the Board of Directors may require and the appropriate membership fee. The Membership Committee shall make an investigation as to the eligibility of each applicant for membership and shall report their findings to the Board of Directors at their next stated board meeting. An affirmative vote of two-thirds of the Board of Directors present shall be necessary for admission.

**Section 5.03** Notice of admission to membership or rejection shall be sent by the Membership Committee to the applicant. Notification of acceptance shall be made either in writing (via postage or e-mail) or verbally (in person or via telephone). Payment of dues shall be held as an acceptance of membership and an Agreement to be bound by the By Laws of this Association.

**Section 5.04** An application which, has been rejected, may not be resubmitted for a period on not less than six months after its rejection.

## ARTICLE VI

### *DUES*

**Section 6.01** The annual dues for Individual Members shall be determined by the Board of Directors from time to time. Annual dues shall be due and payable within thirty (30) days after billing.

**Section 6.02** Any member failing to pay his dues within sixty (60) days after billing shall be considered delinquent. Failure to pay any indebtedness, including dues to this Association, after said sixty (60) days shall be sufficient cause for the Board of Directors to thereupon demand the forfeiture of the membership in arrears. A member who is delinquent in the payment of his dues shall not be entitled to the benefits accorded to membership of the Association.

## ARTICLE VII

### *BOARD OF DIRECTORS*

**Section 7.01** The affairs of the Association shall be managed by a Board of Directors, the membership of which shall be selected from the members of the Association. Actions of the Board shall be final and shall not require the approval of the members of the Association. Such Board of Directors shall be comprised as follows:

- a) The President,
- b) The Vice President,
- c) The Secretary,
- d) The Treasurer,
- e) Nine (9) Directors,

**Section 7.02** The Board of Directors shall consist of no less than seven (7) lenders. Lenders being defined as in Article III as (a), (b), (d), (i), (j).

**Section 7.03** The President of the Association shall preside at meetings of the Board of Directors. Such meetings shall be called at a time and place designated by the President, but not less than once in each quarter of the Association's fiscal year. Reasonable written or telephone notice of such meetings shall be given each member of the Board. Seven members of the Board shall constitute a quorum.

**Section 7.04** Directors shall be elected at the annual meeting as the respective terms of incumbency expire. Directors elected under this subsection shall hold office for two (2) years until successors are elected and qualified.

**Section 7.05** The Board of Directors shall elect from its members the President, Vice President, Secretary and Treasurer.

**Section 7.06** The Board of Directors shall appoint from its members the committee chairpersons.

## ARTICLE VIII

### *COMMITTEES*

**Section 8.01** The President, subject to the approval of the Board of Directors, shall appoint such special or subcommittees as may be required by the ByLaws or as he may find necessary.

**Section 8.02** At the first meeting of the Board of Directors following the annual meeting of the Association, the Board shall elect one of its members, who with the President, Vice President, the Secretary, and the Treasurer shall constitute the Executive Committee for the ensuing year. The President of the Association shall be Chairperson of the Committee and the Secretary of the Association shall keep a record of the proceedings of the Committee. A majority of the members of the Executive Committee shall transact all business of the Association when the Board of Directors is not in session. The actions of the Executive Committee shall be reported to, and subject to ratification by, the Board of Directors at their next regular meeting.

**Section 8.03** A Nominating Committee shall be appointed by the Board of Directors with the procedures outlined in Article X, Section 10.01.

**Section 8.04** The President of the Association, with the advice and consent of the Board of Directors, shall appoint from its members of the Association a Membership Committee to screen applicants as provided in Article V Section 5.02.

**Section 8.05** The other standing committees of the Association to be appointed by the President shall be the Education, Programs, Publications, Public Relations, Legislative, Operation, By-Laws and procedures, Scholarship and Grants Committee.

## ARTICLE IX

### *OFFICERS*

**Section 9.01** Elected officers of the Association shall be a President, a Vice President, a Treasurer and a Secretary. The terms of office of all elected or appointed officers shall be one year. The President and Vice President of the Association shall not serve for more than two (2) consecutive terms (not including the unexpired term of his predecessor in office) in the office to which he was elected. There will be no limitations placed on the number of consecutive terms the Secretary and Treasurer can serve on the board.

**Section 9.02** The President shall preside at all meetings of the Association. He shall be the Chief Executive Officer of the Association and the ex-officio member of all standing committees. He shall represent the Association and act in its name in carrying out its declared policies. He shall countersign all Certificates of membership; see that the By-Laws are enforced; appoint the Chairperson of all committees except the Executive Committee and members of all committees other than the Executive and Nominating committee; and shall also, with the Treasurer, sign all contractual obligations of the Association which may be approved by the Board of Directors.

**Section 9.03** The Vice President shall perform such duties as may be assigned by the President or the Board of Directors. In case of death or absence of the President or his inability from any cause to act, the Vice President shall perform the duties of this office until such time as the office shall have permanently filled in accordance with these By-Laws. In the event that neither the President or Vice President shall be able to act, the Board of Directors shall have the power to appoint one of its members to act as President pro tempore.



- Section 9.04** The Treasurer shall have general charge of the financial affairs of the Association, shall receive and disburse all monies of the Association and render and account thereof at each meeting of the Board of Directors and at each meeting of the Association, and shall deposit all monies in the name of the Association in a bank or trust company to be selected and/or approved by the Board of Directors. All withdrawals of the Association's funds, (except for payment relating to dinner meetings, special events, and seminars), in excess of \$1,000 shall be by check signed by two officers of the Association, one of which shall be the Treasurer, except that, in any case of the withdrawal of the Association's funds, in the absence of the Treasurer, the President or Vice President may be substituted for the Treasurer. He shall also perform such other duties as may be assigned by the President or Board of Directors.
- Section 9.05** The Secretary shall record the minutes of all meetings of the Board of Directors and the Association, maintain an accurate list of the membership of the Association, be custodian of the seal of the Association and perform such other duties as may be assigned by the President or Board of Directors. The minutes shall be distributed to the Board of Directors no more than two (2) weeks after the meeting to which they pertain.
- Section 9.06** The President shall appoint a counsel to the Association. Counsel shall serve as legal advisor to the Association and shall be directly responsible to the Board of Directors. Counsel shall not be subject to limitation on the number of terms.
- Section 9.07** The Board of Directors may employ an Administrative Assistant of the Association who shall be directly responsible to the Board of Directors. The Administrative Assistant shall perform such duties as may be specified by the Board.
- Section 9.08** The Administrative Assistant and Counsel of the Association may each be reappointed to their respective positions for additional terms without regard to the limitation set forth in Section 9.01. Both the Administrative Assistant and Counsel of the Association shall be reviewed at the first meeting of the Board of Directors following the annual meeting.

## ARTICLE X

### *ANNUAL ELECTION*

**Section 10.01** At least sixty (60) days prior to the Annual Meeting, the Nominating Committee shall nominate candidates to stand for election as Officers or Directors. The Nominating Committee shall be appointed by the Board of Directors and shall consist of the current President, the Vice President, the most recent former President, and Directors who have served on the Board for at least two (2) years. The number of members of the Nominating Committee shall not be less than five (5) nor more than seven (7). If there is not a sufficient number of eligible Directors to constitute the Nominating Committee, the former Presidents of the Association, in reverse chronological order, shall be asked to serve until the members of the Nominating Committee stands at five (5). Subject to section 7.01 (e), the Nominating Committee will place in nomination candidates to fill all upcoming vacancies on the Board of Directors. The number of candidates so nominated for Secretary shall not be less than two (2) no more than four (4). The number of candidates so nominated for the Board of Directors shall not be less than two (2) nor more than four (4) for each opening of the Board. The ticket reported by such committee shall be filed with the Secretary and shall be set forth in the notice of the annual Meeting. A ballot for the election Officers and Directors shall be mailed to each individual member at least thirty (30) days prior to the Annual Meeting. Ballots shall be returned and signed by the individual member to the Nominating Committee at least ten (10) days prior to the Annual Meeting; late ballots will not be counted. In the event of a tie vote, the Nominating Committee, by written ballot, shall resolve a tie.

**Section 10.02** Individual members may become officers after serving on the Board of Directors for at least six months. Individual members may become a Director after being a member of the Association for at least six months.

**Section 10.03** The newly elected Officers and Directors will be announced at the Annual Meeting and will take office immediately.

## ARTICLE XI

### *MEETINGS*

**Section 11.01** The Annual meeting of the Association shall be held in September of each year.

**Section 11.02** In addition to the annual meeting, there shall be not less than five (5) meeting of the Association in each fiscal year. Such meetings shall be called at the direction of the President with the approval of the Board of Directors. Written or printed notice stating the place, day and hour of the meeting shall be delivered not less than five (5) nor more than thirty (30) days before the meeting of all members of the Association.

**Section 11.03** Special meetings may be called at any time by order of the President or the Board of Directors or by any twenty five (25) members. A notice shall be delivered to all members in accordance with the procedure outlined in **Section 2** of this Article.

**Section 11.04** The regular order of business at all meetings of the Association shall be as follows:

1. Reading of the minutes of the last meeting
2. Reports of the Officers
3. Reports of the standing committees
4. Reports of the special committees
5. General Business

**Section 11.05** There shall be not less than four (4) meetings of the Board of Directors in each fiscal year. Such meetings shall be called at the direction of the President or at the request of four (4) members of the Board of Directors. Written or printed notice stating the place, day and hour of the meeting shall be delivered not less than five (5) nor more than sixty (60) days before the meeting.

## **ARTICLE XII**

### ***BUDGET AND AUDIT***

**Section 12.01** The Treasurer together with the Vice President shall prepare and at least ten (10) days prior to the last Board meeting of the fiscal year, shall forward to each member of the Board a copy of the proposed Budget of the Association for the next fiscal year. The Board of Directors shall review, revise at its discretion and approve such budget.

**Section 12.02** Prior to the first Board meeting of the fiscal year, the new Treasurer shall audit the books, records and accounts of the Association for the prior fiscal year and report to the new Board. At the discretion of the Board of Directors at any time during the fiscal year, the books, records and accounts may be audited by, if deemed advisable, an independent auditor paid by the Association. If the Treasurer is reelected to a second term, the Treasurer and newly elected President will review the books within 30 days of the start of the new fiscal year, and report their findings to the board.

**Section 12.03** Officers and Directors shall not receive any compensation for their services to the Association but the Board may authorize reimbursement of expenses incurred in performance of their duties. Such authorization shall prescribe procedures for approval and payment of such expenses by designated Officers of the Association.

### ARTICLE XIII

#### *VACANCIES AND TERMINATION*

**Section 13.01** The Board of Directors may fill any vacancy among their number by a vote of the majority of those present at a regular meeting of such Board. The person elected shall hold office only until the expiration of the term of his predecessor.

**Section 13.02** In the event of a vacancy on the Board of Directors, any individual Member of six months or more, and in good standing at that time may apply for a position as a Director. The President shall submit the names of any members interested in filling the vacancy to the Board of Directors.

**Section 13.03** Any Officer elected or appointed may be suspended or removed by a vote of 2/3rds of the entire Board of Directors whenever, in their judgment, the best interests of the Association will be served thereby.

**Section 13.04** The Board of Directors shall fill any vacancy among the Officers by a vote of the majority of those present at a regular meeting of the Board. The Officers so elected shall hold office until the next Annual Meeting of the Association or until their successors are elected and qualified.

**Section 13.05** Any member may be suspended or expelled by the Board of Directors or its membership not renewed at any regular or a special meeting called for such purpose, for due cause satisfactory to the Board, upon 3/4ths vote of the entire Board of Directors. No member shall be suspended or expelled until the member shall have had due notice thereof and a reasonable opportunity to make a defense.

**Section 13.06** Any Director or Officer may resign at any time by giving notice to the President, the Secretary, or the Board of Directors. Such resignation shall take effect at the time specified herein or if no time is specified, at the time of acceptance thereof by the Board.

**Section 13.07** Any member of the Board of Directors who shall be absent from three (3) consecutive Board Meetings shall be deemed to have tendered his resignation, unless 2/3rds majority excuse such absences.

#### ARTICLE XIV

##### *INDEMNIFICATION AND INSURANCE*

**Section 14.01** The Association shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or other proceeding by reason of the fact that such person is or was a Director or Officer of the Association. The Association shall indemnify such person against any and all expenses (including attorney fees), judgments, fines and amounts paid in settlement which were actually and reasonably incurred in connection with the claim asserted, such person acted in good faith and in a manner that such person reasonably believed was not contrary to the best interest of the Association.

**Section 14.02** The Association's obligation to indemnify shall not arise in those cases where the claim is made by an Officer and/or Director and such person has been adjudged or determined to be liable for negligence or misconduct in the performance of such person's duties to the Association.

- Section 14.03** To the extent that a Director or Officer of the Association has been successful on the merits or otherwise in defense of any claim, action, suit or proceeding referred to in this Article, such person shall be indemnified against all reasonable expenses (including such person's attorney fees which were reasonably incurred by such person in connection with the defense of such claims.
- Section 14.04** Any indemnification by the Association shall be made only as authorized in a specific case upon a determination that the Director or Officer has met the application standard set forth in this Article, such determination shall be made 1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to an action, suit or proceedings; 2) if a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; 3) by the court in which the action, suit or proceeding is or was pending upon application by the Association or agent, attorney, or other person rendering services in connection with a defense.
- Section 14.05** Expenses incurred in defending the action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding if authorized by the Board of Directors and upon receipt of a satisfactory undertaking from the Director or Officer to repay defense costs paid by the Association unless it is ultimately determined that the person is entitled to indemnification.
- Section 14.06** The Association shall have power to purchase and maintain insurance to insure the performance of its obligations to its Officers and Directors, or to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Association, against any liability asserted against such person which arises out of or which is connected to such person's status as an Officer or Director or the performance of such person's duties as an Officer or Director.

## ARTICLE XV

### *AMENDMENTS*

**Section 15.01** These By-Laws may be amended or repealed in whole or in part by the membership, such amendment or repeal shall require an affirmative vote of a majority of the membership voting at a regular or special meeting, which meeting shall have been called for the purpose of considering such amendment or repeal by vote of two-thirds (2/3) of the entire Board of Directors.

**Section 15.02** An amendment may be offered by a member of the Association at any meeting thereof and if receiving an affirmative majority vote by the members present, shall be reduced to writing and submitted by the Secretary to the Board of Directors at least fifteen (15) days prior to the next regular meeting of the Board. At this meeting a three fourths (3/4) vote of the entire Board of Directors shall be required for its adoption.

## ARTICLE XVI

### *NOTICES*

**Section 16.01** Whenever in the judgment of the Board of Directors, any question shall arise which it believes should be put to a vote of the membership and when it deems it inexpedient to call a special meeting for such purpose, the Directors may, unless otherwise required by the By-Laws submit such a matter to the membership in writing by mail for vote and decision, and the question thus presented shall be determined according to a majority of the votes received by mail within thirty (30) days after such submission to the membership, provided that in each case votes of at least fifty (50) members shall be received. Any and all action taken in pursuance of a majority mail vote in each such case shall be binding upon the Association in the same manner as would be action taken at a duly called meeting.

**Section 16.02** Any notice required to be given under these By-Laws shall be sent either regular mail, courier, or personal delivery. Such notice shall be deemed given when received by the addressee.

## ARTICLE XVII

### *TERMINATION OF THE ORGANIZATION*

**Section 17.01** Termination of the Association shall require two thirds (2/3) vote of the Membership.

**Section 17.02** In the event the membership votes to terminate the Association, the Treasurer will pursue all necessary steps to close the corporation.

**Section 17.03** Upon payment of all costs to terminate the corporation, all remaining assets will then be distributed to various IRS approved 501 C3 not for profit organizations.

**Section 17.04** Each company member will be entitled to submit the name of one 501 C3 not for profit organization they wish to make a donation to. The Treasurer will compile the list of these organizations and submit them to the tax accountant of the Association. After the review and approval of the list by the tax accountant, the remaining assets will be disbursed on an even percentage basis determined by the total number of donations being made.

**Section 17.05** In the event the tax accountant determines that any organization in the list does not qualify as an IRS approved 501 C3 organization, the company member shall be able to submit an alternate organization acceptable to the accountant.

## ARTICLE XVIII

### *MISCELLANEOUS*

**Section 18.01** The Membership Committee chairperson shall share the responsibility to furnish to each new member, in a timely fashion, a copy of these By-Laws.