

BY-LAWS
OF
MORTGAGE BANKERS ASSOCIATION OF SOUTHWESTERN PENNSYLVANIA
(a Pennsylvania nonprofit corporation)
Amended 10/15/2018

ARTICLE I- NAME AND AFFILIATION

SECTION 1.

The name of this organization is "Mortgage Bankers Association of Southwestern Pennsylvania" (hereinafter referred to as the "Association"). The Association was incorporated under the Nonprofit Corporation Law of 1988 on April 5, 1990.

SECTION 2.

This Association serves as a Chapter of The Mortgage Bankers Association of Pennsylvania (hereinafter referred to as the "MBA-PA"), a Pennsylvania non-profit corporation incorporated under the Nonprofit Corporation Law on May 23, 1988.

ARTICLE II- OBJECT

SECTION 1.

The object of this Association shall be to foster, advance and promote the interests of the mortgage banking industry and to improve its service to the community by furthering, in the Association's service area, the objectives of the Mortgage Bankers Association of America, which are as follows:

1. Encouraging intelligent legislation affecting the business.
2. Acquiring and disseminating information regarding the mortgage finance industry.
3. Securing uniformity of practice where uniformity is desirable and not against public policy.
4. Affording opportunity for those engaged in the business to secure the benefits of personal acquaintance and interchange of ideas, both by individual contact and public dissemination of information and events.

ARTICLE III - MEMBERSHIP

SECTION 1.

The membership of the Association shall consist of regular members, associate members, affiliate members and independent professional members.

- a. Regular members shall be organizations having their principal office, branch office, or engage in substantial consumer contact business activities in the Association's western Pennsylvania service area, and shall be selected from:

- (1) Licensed Mortgage Bankers or Mortgage Brokers and other institutions whose principal business or an important part thereof, is the originating (meaning processing to the point of loan decision or underwriting), investing in, selling and/or servicing of mortgage loans on real estate.

To be admitted to or continue membership, the person, firm, or corporation shall be of recognized good standing and reputation and shall have had a continuing business for at least two years immediately prior to the date of the application for membership, shall adhere to the recognized standard of ethics and be sponsored by one active Regular members of Mortgage Bankers Association of Western Pennsylvania. The requirement for a two-year continuing existence, however, may be waived at the discretion of the Board of Directors if the applicant or principals thereof is shown to have otherwise had adequate mortgage loan experience.

The firm Lawyers Title Insurance Corporation is grandfathered in its Regular membership status.

- (2) Life Insurance Companies
 - (3) Banks (commercial and Savings) and Trust Companies
 - (4) Federal and State Savings & Loan Associations
 - (5) Real Estate Investment and Mortgage Trusts
- b. Associate Members shall be selected from:
- (1) Licensed mortgage bankers or mortgage brokers not meeting the requirements of Section 1 a(l), who would otherwise be qualified to be a Regular member.
- c. Affiliate members shall be selected from:
- (1) A Company or individual that provides services and/or is directly related to the mortgage banking business, subject to the approval by the Board of Directors.
- d. Independent Professional members shall be selected from:
- (1) Individuals who were previously employees of Regular, Associate or Affiliate members but whose employment with such members has ceased, who have attended at least 50% of the meetings of the Association during the 12 months immediately prior to the cessation of their employment, and who are neither employed by, nor are a principal in, any business enterprise that would be eligible for membership in its own right, subject to approval by the Board of Directors.

- e. No member shall be liable, either jointly or severally, for the debts of the Association in excess of his unpaid current membership dues.
- f. An Independent Professional member shall have no right to vote, and may not be newly elected to office, but may continue to hold any office or Board of Directors position already held by such person at the time of the cessation of such person's employment, until the expiration of such person's existing term as an officer, state officer, or member of the Board of Directors.
- g. Associate and Affiliate members shall have no right to vote but may be elected and hold the office(s) of Treasurer, Secretary, and/or be elected serve on the Board of Directors as defined in Article V, Section 2 hereof.

SECTION 2.

For the purpose of voting and the assessment of dues as provided inter alia, the term "member" shall be defined as one membership of each legal entity. However, employees or persons affiliated with such "member" shall be considered as members of this association for all other purposes.

SECTION 3.

Voting privileges of all regular members shall be equal, except that in any action of the local association affecting the Mortgage Bankers Association of America voting in the local association shall be confined to those holding membership in the National organization. A voice vote will be acceptable unless there are dissenting votes in which case voting shall be by roll call.

SECTION 4.

Any who seek membership shall be considered for admission only when proposed in writing by any member in good standing who shall submit, when requested, to the Board of Directors of the Association in connection with such proposal such information as may assist them in passing on the qualifications of the candidate. Candidates thus proposed shall be voted upon by secret ballot of the Board of Directors at any regularly called meeting. Three negative votes shall reject a candidate.

This procedure shall be dispensed with in the case of those members who have signified their intentions at the time of the adoption of these By-Laws of becoming members and prospective members whose names shall have been filed with the Membership Committee prior to or at the meeting of the Association next succeeding the meeting at which the By-Laws are adopted.

The secretary (or in their absence the Treasurer) shall conduct the ballot in entire secrecy and keep no record by name of the negative vote, recording only the fact of the election or rejection of a candidate.

SECTION 5.

Each member of this Association pledges to observe and maintain the Canon of Ethics and Standards of Practice of the Mortgage Bankers Association of America. These standards of conduct in dealing with the public and with other members are as follows.

CANON 1

Members shall conduct their business in a professional manner, ensuring that their personnel are knowledgeable in the areas of mortgage banking in which they participate and are acting in compliance with sound industry practices.

CANON 2

Members shall act in conformity with applicable laws and regulations and shall cooperate in every appropriate way with all governmental bodies in the interest of establishing and maintaining an efficient and fair framework for mortgage credit.

CANON 3

Members shall act in a manner that recognizes that integrity and confidence are essential in the mortgage banking business.

CANON 4

Members shall accord oral agreements the same sanctity given to written agreements.

CANON 5

Members shall not breach or avoid an agreement or commitment.

CANON 6

Members shall encourage healthy competition in the mortgage banking business.

CANON 7

Members shall conduct their business without regard to the race, color, sex, religion, marital status, national origin, or age of the persons with whom they deal.

CANONS

Members shall preserve the integrity of all parts of a loan submission and appraisal report and make full disclosure of all pertinent facts including any interest they may have in the loan project or property.

CANON 9

Members shall consider a servicing contract to be an integral part of the mortgage banking correspondent system, and such a contract shall be terminated only with sufficient reason with the good faith nature of such a contract being recognized by both parties.

CANON 10

Members shall not quote to a prospective borrower rates or other loan items that are not likely of realization.

CANON 11

Members shall make all reasonable efforts to process loan applications and advise applicants of approval or disapproval promptly and to close and disburse in a timely manner.

CANON 12

Members shall use all efforts available in servicing investments entrusted to their care effectively to discharge their obligations to both investor and debtor.

CANON 13

Members shall maintain all monies that are received as escrow, reserve, or impound accounts in a prudent and identifiable manner and shall disburse these funds for the purpose for which they were received.

CANON 14

Members shall cooperate with the Ethics and Standards of Practice Committee in furnishing information relative to any investigation of possible violation of the Canons of Ethics and Standards of Practice.

Any member may be suspended or expelled from the Association for violation of the Canon of Ethics and Standards of Practice upon a two-thirds vote of the Board of Directors of the Association. No member shall be suspended or expelled until the member shall have had (a) due notice of the specific violation and (b) the reasonable opportunity to make defense.

ARTICLE IV - DUES

SECTION 1.

The annual dues shall be an amount set for each class of membership from time to time by the Board of Directors at the November meeting of each year, provided that such amount shall not be in excess of \$500.00 per year, unless approved or confirmed by a regular or special meeting of the members. The dues shall be payable in advance at the beginning of each fiscal year, provided that the Board of Directors may prorate this amount for the unexpired portion of any fiscal year during which a new member may be elected.

Failure to make payment within thirty days shall, upon written notice by the Secretary, result in the forfeiture of membership, subject to the discretion of the Board of Directors.

SECTION 2.

A statement of the dues payable shall be sent two weeks in advance of the January meeting to the members certified to the Treasurer by the Secretary.

**ARTICLE V - OFFICERS, BOARD OF DIRECTORS, EMPLOYESS AND
MBA-PA OFFICERS**

SECTION 1.

The officers shall be a President, Immediate Past President, Vice-President, Secretary, and the Treasurer, whose duties shall be those usually pertaining to such offices. With the exception of the Immediate Past President, the officers shall be nominated at any regular meeting prior to the month of June. Nominations and elections may be held at the same or separate regular meetings. Each officer shall hold their office for one year or until their successor elected. The person holding the position of President in the year of the election shall fill the office of Immediate Past President. Any person may hold two offices, except the President.

A President may serve a maximum of two years. No member may occupy the office of the President unless they have served one full year term in the following positions:

1. Vice President
2. Secretary
3. Treasurer
4. Chairperson of one of the following committees:
 - Auditing & Finance
 - Education
 - Ethics & by-Laws
 - Legislative
 - Membership
 - Nominating
 - Program
 - Special Events
5. Member of the Board of Directors

All votes at the annual election shall be by roll call unless there shall be more than one candidate for election for the same office, in which case the election shall be by ballot. The Secretary shall supply the ballots and the President shall appoint three tellers, one of whom, shall act as Judge. The new officers shall take office on the second Monday in June following their election.

SECTION 2.

The Board of Directors shall consist of six officers, together with the five other members elected in the same manner as the officers, and for the term of one year. Director positions shall be elected by popular vote and up to three Director positions may be held by any Associate or Affiliate Member. At the time of their election, no more than two Board members shall be employed by the same Regular member's organization.

The Board of Directors shall fill vacancies of the officers and directors by appointment of any member at the regular scheduled meeting. The Board, when filling vacancies, shall not appoint to the Board an individual employed by an organization already represented by more than one individual on the Board. Five directors shall constitute a quorum.

SECTION 3.

Personal Liability of Directors. (a) Elimination of Liability. To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, permit elimination or limitation of the liability of directors, no Director of the Association shall be personally liable for monetary damages as such for any action taken, or any failure to take any action, as a Director.

SECTION 4.

The Board of Directors shall have the authority to hire and/or fire employees as the business demands of the Association warrant.

SECTION 5.

The MBA-PA Officers consist of four (4) governors, each serving terms of two (2) years, or until their successors have been elected. The terms will be arranged so that the terms of two (2) governors shall expire each year. The governors shall be elected in the same manner as the officers. The new governors shall take office on the first day of July following their election. One governor may be an affiliated member. This member will have the authority of the association to vote at the MBA PA. The affiliated member cannot hold the position of Chairperson of MBA PA. The individual holding that position will have to be a regular member.

In addition, from time to time in rotation with the other MBA-PA Chapters, this Association shall elect the Chairperson of MBA-PA. The MBA-PA Chairperson serves a single term of two (2) years, or until a successor has been elected, and must be an MBA-PA governor or past governor at the time of their election. The MBA-PA Chairperson shall be elected in the same manner as the officers. The new Chairperson shall take office on the first day of January following their election.

If the Chairperson-elect would have any remaining unexpired term as a governor at the time of their taking office as Chairperson, the Board of Directors shall elect a replacement to serve the remaining unexpired term. The unexpired term shall be considered a full term for purposes of the calculation of consecutive service limitations.

SECTION 6.

Any member of the Board may, at any regular or special meeting of the Board of Directors, submit a motion for removal of any Officer, Director, or MBA-PA Officer. If such a motion is made and seconded, it shall immediately be tabled for further consideration at the next regular or special meeting of the Board of Directors that shall occur not less than 30 days hence. The individual who is the subject of the motion shall be notified in writing of the removal motion within 3 days following the meeting at which the motion was made and seconded. The notification must include the date, time and location of the future meeting at which the motion will be considered.

The individual who is subject of the removal motion may present a defense to the motion, but may not cast a vote. The vote will be by secret ballot. To succeed, the motion must receive at least 6 affirmative votes. If the motion succeeds, the subject individual's removal will be effective immediately, and the Board will act to fill the vacant position as provided in Section 2 of this Article V.

ARTICLE VI-MEETING

SECTION 1.

The fiscal year of the Association shall commence July first and end June thirtieth. The annual meeting shall be held each year prior to the month of June and regular monthly meetings for the board and for the Association will be held at a time and place to be determined by the Board. Special meetings may be called by the President, the Board of Directors, or by request of ten regular members of the Association. Ten regular members shall constitute a quorum at all meetings. The Secretary shall distribute notices of each regular meeting to all members.

SECTION 2.

The regular order of business at all meetings of the Association shall be as follows, but this order may be changed by order of the Association.

- a. Reading the minutes of the last meeting.
- b. Reports of Standing Committees, except the Ethics Committee.
- c. Reports of Special Committees.
- d. General Business.
- e. Program.

SECTION 3.

One or more Directors may participate in any regular or special meeting of the Board of Directors or of a committee of the Board of Directors by means of conference telephone or similar communications equipment by means of which

all persons participating in the meeting can hear each other. Participation in a meeting in this manner by a Director will be considered to be attendance in person for all purposes under these By-Laws.

SECTION 4.

Minutes of each meeting of the Board shall be made available to each Director at or before the next succeeding meeting. Each Director shall be presumed to have assented to such minutes unless his objection thereto shall be made to the Secretary at or within two days after such succeeding meeting.

SECTION 5.

Notwithstanding any other provisions of the Nonprofit Corporation Law of 1988, the Articles or these By-Laws, if any emergency resulting from warlike damage or an attack on the United States or any nuclear or atomic disaster, or any other national or local disaster, causes a majority of the Board to be incapable of acting as such because of death or other physical disability or difficulties of communication or transportation, the other Director or Directors shall constitute a quorum for the sole purpose of electing Directors to replace the Directors so incapable of acting. The Directors so elected shall serve until such replaced Directors are able to attend meetings of the Board or until the Board acts to elect Directors for such purpose. Questions as to the existence of such an emergency or disaster or as to the fact of such incapacity shall be conclusively determined by such other Director or Directors.

SECTION 6.

Any Director may resign by submitting his resignation to the Secretary. Such resignation shall become effective upon its receipt by the Secretary or as otherwise specified therein.

ARTICLE VII - COMMITTEES

SECTION 1.

Immediately following each annual election, the President shall appoint from members of the Association the following standing committees, except the Ethics Committee, and such other committees as from time to time may be authorized by the Board of Directors of the Association.

- 1) Auditing and Financial
- 2) Membership
- 3) Program
- 4) Ethics and By-Laws
- 5) Nominating
- 6) Residential Lenders
- 7) Commercial Lenders
- 8) Legislative
- 9) Special Events
- 10) Education

All committees, except the Ethics and Audit Committee, shall consist of at least a Chairperson. The Ethics Committee shall consist of the President and two members who shall be elected by the Board of Directors and who shall report to that committee. The Audit Committee shall consist of two members. These members will have to be regular members who are elected by the Board of Directors and shall report to that body. They will perform an audit at the request of the Board of Directors.

SECTION 2.

The Ethics Committee shall act as arbitrators between members of the Association for the purpose of settling or adjusting differences and complaints which raise questions involving the violation of the Code of Ethics, and shall rule upon the same.

The findings of the Ethics Committee and penalties prescribed shall be final and binding, but no member shall be expelled from the membership in the Association except by action of the Board of Directors.

The Ethics Committee shall have the power, from time to time, subject to the approval of the Board of Directors, to formulate rules of procedure.

An appeal to the Board of Directors against any ruling of the Committee may be taken by any party thereto, provided said appeal is filed in writing with the Secretary of the Association within ten days of the announcement of the decision to the interested parties. In the absence of such appeal, the ruling of the Committee shall be final and binding upon the parties concerned.

ARTICLE VIII - AMENDMENTS

SECTION 1.

These By-Laws may be amended or repealed at any regular meeting by a two-third affirmative vote of the regular members present at such meeting and providing the entire membership has been notified of such suggested changes in the By-Laws five days prior to any regular meeting.

ARTICLE IX - MISCELLANEOUS CORPORATE TRANSACTIONS AND DOCUMENTS

SECTION 1.

All notes, bonds, drafts, acceptances, checks, endorsements (other than for deposit), guarantees and all evidence of indebtedness of the Association whatsoever, and all deeds, mortgages, contracts and other instruments requiring execution by the Association, may be signed by the President, any Vice President or the Treasurer, and authority to sign any of the foregoing, which may be general or confined to specific instances, may be conferred by the Board of Directors

upon another person or persons. Any person having authority to sign on behalf of the Association may delegate, from time to time, by instrument in writing, all or any part of such authority to any other person or persons if authorized to do so by the Board of Directors, which authority may be general or confined to specific instances. Facsimile signatures on checks may be used if authorized by the Board of Directors.

SECTION 2.

Securities owned by the Association and having voting power in any other corporation shall be voted by the President or any Vice President, unless the Board confers authority to vote with respect thereto, which may be general or confined to specific investments, upon some other person. Any person authorized to vote such securities shall have the power to appoint proxies, with general power of substitution.

ARTICLE X - GENERAL PROVISIONS

SECTION 1.

The Association shall maintain an office in the Pittsburgh geographic region at a site to be determined by the Board of Directors. The Association may also have offices at such other places within or without the Commonwealth of Pennsylvania as the business of the Association may require.

SECTION 2.

The Board of Directors shall prescribe the form of a suitable corporate seal, which shall contain the full name of the Association and the year and state of incorporation.

SECTION 3.

The President and Treasurer shall present an annual report to the Board of Directors in accordance with Section 5553 of the Pennsylvania Nonprofit Corporation Law of 1988.