

BY-LAWS

MORTGAGE LENDERS ASSOCIATION OF GREATER CHARLESTON

ARTICLE I

SECTION 1. The name of this organization shall be “Mortgage Lenders Association of Greater Charleston.”

ARTICLE II

SECTION 2. The object of this Association shall be to promote the welfare of Mortgage Lenders of Charleston and to improve their service to the community by giving effect to the following objectives:

- A. To encourage among its members sound business practices in the organization, distribution and servicing of real estate mortgage loans.
- B. To encourage intelligent legislation affecting the real estate mortgage business.
- C. To sponsor meetings for the discussion of real estate mortgage problems.
- D. To cooperate with public and private agencies and the public at large in all matters relating to sound mortgage banking.
- E. To afford the opportunity for those engaged in the business to ensure the benefits of personal acquaintance and interchange of ideas, both by individual contact and public discussions.
- F. To cooperate and work within the framework of the Mortgage Bankers of America and Mortgage Bankers of the Carolinas.
- G. To establish a direct liaison and communication line with VA, FHA, FNMA, FHLMC and trade associations related to mortgage lending.

ARTICLE III

SECTION 1. DESIGNATION The membership of the Association shall be classified and composed of firms, corporations, and individuals as follows:

A. REGULAR MEMBERSHIP. Regular members shall be selected and approved only from a mortgage lending business which has either a office or branch office located in Charleston or a contiguous county, both of which are: (i) engaged primarily in the origination, closing and funding of first mortgage loans; and (ii) subject to the regulation of an audit by the Department of Housing and Urban Development and Veterans Administration or one or more of the following:

Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Savings and Loan Insurance Corporation, Federal Deposit Insurance Corporation or Financial Institution Assurance Corporation.

B. ASSOCIATE MEMBERSHIP. Associate Members shall be selected and approved from employees of firms and corporations not holding Regular Membership, and shall be accepted upon written request of the Regular Member firm or corporation employing such person(s) and payment of the appropriate membership dues and/or form business or professions allied to mortgage lending.

C. INDIVIDUAL MEMBERSHIP. Individual members shall be individuals who are employed by a firm or corporation which would qualify for Regular or Associate Membership.

D. APPLICATION FOR MEMBERSHIP. All applications for membership in this Association shall be as follows:

- 1. Application for Regular Membership.** All applications for regular membership in the Association shall: (i) be in form prescribed by the Directors; (ii) include such relevant information as necessary to reasonably determine the qualifications of the applicant; (iii) bear two written endorsements of voting members of the Association as sponsors; and (iv) include the appropriate initiation fees and/or dues in full.
- 2. Application for Associate Membership.** All applications for Associate Membership in this Association shall: (i) be in form prescribed by the Directors; (ii) include such relevant information as necessary to reasonably determine the qualifications of the applicant; (iii) bear two written endorsements of voting members of the Association as sponsors; and (iv) include the appropriate initiation fees and/or dues in full.
- 3. Application for Individual Membership.** All applications for Individual Membership in the Association shall: (i) be in form prescribed by the Directors; (ii) include such relevant information as necessary to reasonably determine the qualifications of the applicant; (iii) bear two written endorsements of voting members of the Association as sponsors; and (iv) include the appropriate initiation fees and/or dues in full.

4. **Processing.** All applications shall be filed with the Chairperson of the Membership Committee who shall: (i) give written notification thereof to the Secretary, (ii) make or cause to be made an investigation thereof; and (iii) present the application to the Directors with the recommendation of the Membership Committee.
5. **Decision.** Within forty-five (45) days after the filing of the application, the Directors shall take action on the application by either accepting, rejecting or delaying for further consideration, whereupon the President shall promptly give written notice thereof to the applicant.
6. **Rejection.** If a majority of Directors vote against accepting the applicant, the applicant for membership shall be rejected and the applicant shall not be permitted to file another application for membership in the Association until expiration of twelve (12) successive calendar months after the date of the notice of rejection.

SECTION 2. VOTING MEMBER Each Regular Member shall select and so designate in writing one of its officers or employees to be the designated Voting Member. Said Voting Member shall be the representative of the Regular Member for all purposes contained in these By-Laws. In addition, any member, regardless of type of membership, shall be entitled to vote while serving as an officer or director of the Association.

SECTION 3. DISCIPLINE OF MEMBERS The Board of Directors on its own motion or on complaint filed with it may cite any member of the Association to appear before it for any alleged act or unethical practice or conduct directly or indirectly injurious to the interest or welfare of the Association or a variance with its By-Laws. Should a complaint be made by a member, it shall be in writing and signed by such member.

The Secretary, at the direction of the Board of Directors, will notify the member so cited of such charge or charges at his last known address, giving him at least five (5) days to reply to such charges. If deemed necessary by the Board of Directors, the member involved shall appear before the Board at a time and place designated by the Board of Directors. The member so cited may, if he elects, be represented by counsel at any hearing thereon. The investigation of such charges shall be conducted in such a manner as the Board of Directors may see fit and if, upon inquiry and hearing, the Board of Directors shall be satisfied that the cited member is guilty of such charges, it may censure, suspend such member or, if in its judgment the interest of the Association demands such action, it may ask him to resign or may expel him, which action shall carry with it the cancellation of his membership certificate. The action of the Board of Directors shall be final. Should a member be asked to resign or be expelled, no fees or dues will be refunded. No member asked to resign or be expelled shall be able to apply for future membership to the Association until at least six (6) months has expired from the date of departure.

ARTICLE IV DUES

SECTION 1. ANNUAL DUES The annual dues of the Association for members shall be determined by the Board of Directors and will be payable thirty (30) days after billing. Any member whose dues are in arrears thirty days following due date shall be declared delinquent and a member not in good standing and shall be denied the privileges of membership. If said delinquency shall continue for a further period of sixty (60) days, said member shall be dropped from the rolls and any application for reinstatement shall be considered as a new application for membership.

SECTION 2. PRO RATA Dues may be prorated for any new members admitted after June 30th; the proration shall be fifty (50) percent of the annual dues for any new member admitted during the third quarter of the year and twenty-five (25) percent for any new member admitted during the fourth quarter. Dues shall not be prorated for any member admitted during the year if said member was a member during the prior year.

ARTICLE V BOARD OF DIRECTORS

SECTION 1 The affairs of the Association shall be managed by a Board of Directors, which shall consist of the President, President Elect, Vice President, Secretary, Treasurer, Immediate Past President, and a minimum of six (6) and a maximum of eight (8) elected Directors, with no more than two (2) elected Directors from each member firm or corporation. Elected Directors shall serve a term no greater than three (3) years consecutively, except for a Director elected or appointed to fill a vacancy under Article V, Section 2. Such Director shall be eligible to serve an additional term of three (3) years. Terms will be staggered so that two (2) new non-officer Directors will be elected to the Board annually. Regular Members, Associate Members and Individual Members may serve on the Board of Directors. Associate Members will be limited to a maximum of three (3) at any one time serving in the capacity of Officer or Director. Individual Members will be limited to a maximum of one (1) at any one time serving in the capacity of Officer or Director.

SECTION 2. VACANCIES The Board of Directors shall fill any vacancy among the members of the Board by a vote of the majority of those present at a regular meeting of said Board of Directors. The Board members so elected shall hold office until the next annual meeting of the Association or until their successors are elected and qualified. In the event a member of the Board of Directors resigns, relocates or dies, the Board of Directors shall be empowered to fill the created vacancy until the next annual meeting of the Association or until a successor is elected and qualified. In the event a member of the Board of Directors leaves the employment of the member firm, that member of the Board of Directors shall have six (6) months or the remainder of his term, whichever is lesser, in which he is to re-establish membership requirements as outlined in ARTICLE III. The Board of Directors shall be empowered to dismiss any member of the Board who fails to attend two consecutive meetings of the Board of

Directors. In the event of dismissal, the Board of Directors shall fill any vacancy among the Board members by a vote of the majority of those present at a regular meeting of said Board of Directors. The Members of the Board so elected shall hold office until the next annual meeting of the Association or until their successors are elected and qualified.

SECTION 3. MEETINGS The Board of Directors shall meet for the transaction of business at least monthly. At the call of the President, the Board shall meet on such day and at such hour as he shall decide. A majority of the Board shall constitute a quorum.

SECTION 4. DUTIES AND POWERS OF THE BOARD OF DIRECTORS The Board of Directors shall have the duty and power to control and manage all affairs of the Association; shall provide for a review of the Secretary and Treasurer books; shall insure that the Treasurer is covered with a surety bond in an amount set by the Board at the expense of the Association; shall approve all contracts and purchases; shall prepare a budget of anticipated income and expense for presentation to the membership at the first monthly meeting and do any and all business necessary with the Association to carry out the objectives and purposes of the Association as set forth in the By-Laws.

ARTICLE VI OFFICERS

SECTION 1. Officers of the Association shall be a President, President-Elect, Vice President, Secretary and Treasurer. All officers shall be elected by the entire voting membership for one year, and shall take office on January 1 following the election. The President shall be eligible to serve two (2) successive one-year terms, provided however that nothing in this section shall prevent the election of a President for two (2) successive one-year terms who has been elected to serve the unexpired term of his predecessor in office, and provided further that nothing in this section shall prevent the election of a President who has served more than one term in office. The Treasurer shall be a person capable of being bonded.

SECTION 2. VACANCIES 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 said Board of Directors. The officers so elected shall hold office until the next annual meeting of the Association or until their successors are elected and qualified.

SECTION 3. POWERS AND DUTIES OF THE PRESIDENT The President, or his nominee so appointed by himself or the Board of Directors, shall preside at all meetings of the Association and the Board of Directors. He shall countersign all certificates of membership; see that the By-Laws are enforced; appoint the Chairman and members of all committees; and he shall, with the Treasurer sign all written contracts or obligations of the Association which may be approved by the Board of Directors.

SECTION 4. POWERS AND DUTIES OF THE PRESIDNET ELECT In case of death or absence of the President or for his inability from any cause or act, the President Elect shall perform the duties of the office of President/until such time as the office shall have been

permanently filled in accordance with these By-Laws. The President Elect shall also perform such duties as the Board of Directors shall decide.

SECTION 5. POWERS AND DUTIES OF THE VICE PRESIDENT In case of death or absence of the President Elect or for his inability from any cause or act, the Vice President shall perform the duties of the office of President Elect until such time as the office shall have been permanently filled in accordance with these By-Laws. In the event that neither the President, President Elect nor the 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. The Vice President shall also perform such duties as the Board of Directors shall decide.

SECTION 6. POWERS AND DUTIES OF THE SECRETARY He shall keep an accurate list of the proceedings of the Association and Board of Directors, which record shall at all reasonable times be open for inspection by members of the Association. He shall notify applicants of their election to membership; issue certificates; issue notice of meetings of the Association and conduct general correspondence. He shall in general, perform all duties incident of the office of Secretary subject to the control of the Board.

SECTION 7. POWERS AND DUTIES OF THE TREASURER He shall have charge of all files and records and general books of account. He shall send notices to members of dues and accounts payable, and shall receive and disburse the same as designed by the Board of Directors. He shall keep a correct record of an account for all monies coming into his hands, and of all the Association and at each meeting of the Board of Directors. He shall, in general, perform all duties incident to the office of Treasurer subject to the control of the Board. All funds shall be deposited in a bank in the name of the Association as the Board of Directors may direct. Such funds may be withdrawn as the Board of Directors may direct.

ARTICLE VII MEETINGS

SECTION 1. The annual meeting shall be held in December of each year or as otherwise determine by the Executive Committee and officers elected at that time to serve the coming year.

SECTION 2. Meetings of the Association shall be held at such time and place as decided by the Board of Directors.

SECTION 3. Special meeting may be called by the President upon the request of three (3) members of the Association.

SECTION 4. The Secretary shall give each member three (3) days notice of all meetings of the Association and, in the event of a special meeting, notice shall be given in writing and shall state the purpose thereof.

SECTION 5. Any officer or director of a member company may attend the meetings of the Association but only one (1) vote shall be allowed a regular member company, regardless of the number of personnel present.

SECTION 6. A quorum of the Association shall consist of representative from the majority of members present. A quorum is needed to constitute a valid vote pertaining to organizational meeting.

ARTICLE VIII RULES AND REGULATIONS

This Association shall have the right to adopt such rules and regulations as it may deem fit and proper for the operation of its business upon a two-thirds vote of the representatives present at any annual, regular or special meeting of the membership. Each member is to comply with all rules and regulations. Failure to do so shall subject the offending member to expulsion.

ARTILCE IX

The Association may expel a member upon due cause and a vote of two-thirds of the membership.

ARTICLE X

The By-Laws of the Association may be changed at any regular meeting. The Board of Directors, in its discretion, may also authorize voting by mail on any amendment. Any change to the By-Laws will require a two-thirds vote of the entire regular membership.