BYLAWS
OF
MORTGAGE BANKERS ASSOCIATION
As Amended Through October 21, 2015

ARTICLE I

NAME AND STATUS

Section 1. Name. The name of the corporation shall be the Mortgage Bankers Association (the “Association”).

Section 2. Not for Profit. The Association is organized as a not for profit corporation under the Illinois General Not For Profit Corporation Act of 1986, as amended.

ARTICLE II

LOCATION

Section 1. Registered Office. The registered office of the Association shall be located at 208 S. LaSalle Street, Chicago, Illinois 60604, or at such other place as the Board of Directors may otherwise designate from time to time. The Association’s resident agent at that address is CT Corporation.

Section 2. Principal Office. The Association’s principal office shall be located at 1919 M Street, NW Washington, DC, 20036, or such other location within the District of Columbia as the Board of Directors may designate from time to time. The Association may also have an office or offices other than the principal office at such place or places, either within or without the District of Columbia, as the Board of Directors determines from time to time and as the business of the Association requires.

ARTICLE III

PURPOSES

The Association is organized and shall be operated exclusively as a nonprofit corporation within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986 (the "Code") to promote and support the common business interests of the real estate finance industry. In furtherance of this purpose, the Association shall:
(a) provide a clearinghouse for the exchange of ideas relative to commercial real estate/multifamily finance and residential real estate finance (the “real estate finance industry”) and thereby help resolve common business problems and promote member investment in communities and profitability;
(b) provide a forum for members to examine and review governmental and judicial developments, and other public policy matters (“Public Policy Matters”) in order for the Association to advance the interests of members in Public Policy Matters before the United States Congress, federal agencies, governmental instrumentalities, and other state and federal policy-making bodies and in the courts;
(c) conduct research through surveys and other means for the dissemination of information of value to members;
(d) develop and encourage the development of best practices and other voluntary, open standards to increase efficiency in the real estate finance industry and otherwise to facilitate development of new management, operational, and communications techniques to assist members in maintaining high standards of service and performance;
(e) meet the educational needs of the real estate finance industry by making available a range of educational products and services, developing more efficient mechanisms for their delivery, conducting conferences and tradeshows, and publishing periodicals and other materials in various media;
(f) promote to various audiences the value to communities and the economy provided by the real estate finance industry;
(g) cooperate with other membership organizations representing sectors of the real estate finance industry on issues of mutual concern in order to promote common interests and efficiency;
(h) support competition in the marketplace to help assure the consistent availability of affordable credit to promote the well-being of the nation’s communities;
(i) perform such other activities, consistent with the Association’s tax-exempt status, as are necessary and appropriate to achieve the foregoing.

ARTICLE IV

MEMBERSHIP

Section 1. Application. Any entity eligible for membership may apply to the Association to be admitted to membership either as a Regular, Associate, or Alliance Member and shall provide such information as the Board may require pursuant to the application process established by the Board from time to time.

Section 2. Approval. An applicant shall become a member of the Association upon satisfactory completion of the then governing application process.

Section 3. No Refunds, Failure to Pay. There shall be no refunds of any dues paid by any member. Failure to pay dues to the Association is presumed to be adequate reason for termination of membership and does not require advance notice to the member or vote by the Board of Directors.

Section 4. Representative Capacity. Regular and Associate Members that are business organizations or anything other than individuals/sole proprietorships, participate in Association activities through representatives. Representatives who participate in committees or in Association governance (a Board of Governors, the Board of Directors) are presumed to speak on behalf of their employers and are expected to ascertain their employers’ views on public policy and related matters prior to participating in discussions or providing written comments on a matter.
Section 5. Adverse Action. In appropriate circumstances the Board of Directors may terminate membership in the Association upon the recommendation of the Ethics and Standards of Practice Committee in accordance with Article XIII, Section 2.

ARTICLE V

MEETINGS OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the Regular Members and the Alliance Member of the Association (“Annual Meeting”) shall be held each year for the purpose of electing Officers and Directors and for the transaction of such other business as may come before the meeting. Officers and Directors must be elected by nomination. The only nominations that may be voted on are:
(a) a candidate recommended by the Nominating Committee, or
(b) a candidate for office recommended by the Chairman (or Chairwoman) as a substitute for a candidate, recommended by the Nominating Committee, who withdraws from the election or is ineligible for the office, or
(c) a candidate for a specific office whose name was submitted in a writing signed by at least fifty (50) of those members of the Association entitled to vote and filed in the Office of the President at least fifteen (15) days prior to such annual election.

Section 2. Special Meetings. Special meetings to consider a specific subject may be called by the President and CEO or by a majority of the Board of Directors. Notice for any special meeting must be given at least twenty (20) days in advance. No business other than that specified in the notice of meeting shall be transacted at any special meeting of the members.

Section 3. Voting Delegates. Each Regular Member and the Alliance Member of the Association (“voting members”) shall be entitled to one voting delegate at the Annual Meeting subject to provisions specified elsewhere in these Bylaws. All voting delegates shall furnish proper credentials if so requested by the President and CEO.

Section 4. Notice of Meetings. Written or printed notice, including notice by electronic means, stating the place, day, and hour of the Annual Meeting, shall be delivered or sent by electronic means to each member entitled to vote at such meeting, not less than twenty (20) nor more than sixty (60) days before such meeting, unless otherwise required by law. Any member may waive notice of any Annual Meeting, and presence at any meeting constitutes a waiver.

Section 5. Quorum, Manner of Voting. Representatives of two and one-half percent (2.5%) of the voting members shall constitute a quorum for the transaction of business at the Annual Meeting or at any special meeting. Voting at any meeting shall be by voice vote unless otherwise ordered by the presiding officer. A majority vote by those present at a meeting at which a quorum is present shall carry any action. Any voting delegate may demand a division of the house. Alternatively, at the option of the Board of Directors, the election of Officers and Directors or the transaction of other business may be conducted by an electronic ballot to the extent and in the manner permitted by law.

Section 6. Informal Action by Members. Any action required by law to be taken at a meeting of the members entitled to vote, or which may be taken at a meeting of the members entitled to vote, may be taken without a meeting and without a vote, if (i) a consent in writing, setting forth the action so taken
shall be delivered to all such members at least ten (10) days prior to the effective date of such consent, (ii) the consent is signed by at least the number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voting, and (iii) after the effective date, prompt notice is given to those who did not consent in writing to such action.

ARTICLE VI

CLASSES OF MEMBERSHIP

Section 1. Authority of the Board of Directors. Authority is vested in the Board of Directors to establish, by a two-thirds vote of its members at a meeting at which a quorum is present, the classes of Association membership and the rights and responsibilities associated with each membership class. The Board of Directors may set subclasses of members with differing rights and responsibilities, including dues obligations.

Section 2. The Association has the following membership classes:

(a) Regular Members. Financial institutions and other entities that are regularly in the business of originating, servicing, or investing in mortgage loans or otherwise share in the risk of mortgage loan performance, such as mortgage insurers and title insurance underwriters, shall be considered Regular Members.

(b) Associate Members. Business organizations, financial institutions, and individuals that regularly provide service or products for business organizations or financial institutions ineligible to be Regular Members shall be considered Associate Members.

(c) Alliance Member. The Board of Directors names as the sole Alliance Member the Mortgage Action Alliance, Inc. an affiliate organization that operates to promote the common business interests of the residential and commercial real estate finance industries through grassroots advocacy activities.

(d) Honorary Members. Individuals who have served all or part of two terms as a member of one of the Boards of Governors, or who have served as an officer for two years, and who have retired from active business shall be considered Honorary Members.

(e) Student Members. Individuals (i) who, prior to employment in the real estate finance industry, are validly enrolled in a community or other two-year college or other post-secondary educational institution (“Educational Institution”) and also validly enrolled in the Association’s current career education course, or other comparable instructional course provided by the Association, or (ii) who, prior to employment in the real estate finance industry, are validly enrolled in any Educational Institution after completing the Association’s current career education course, or other comparable instructional course provided by the Association.

ARTICLE VII

DUES AND SPECIAL ASSESSMENTS

Section 1. Dues.
(a) Responsibility for Establishing Dues. The Board of Directors shall establish the dues for membership in the Association.
(b) **Dues Classes.** The Board of Directors may establish a separate dues structure for each class of member that is currently established or that may be created in the future and establish subclasses of members with separate dues structures.

(c) **Procedures.** The President & CEO is authorized to establish reasonable procedures for calculating dues obligations, pro-rating dues, and collecting dues payments, including procedures for dealing with non-payment of dues consistent with Art. IV, Sec. 3 of these Bylaws. Each Regular and Associate Member shall receive written notice of its annual dues obligation. The President & CEO shall report annually to the Executive Committee of the Board of Directors, before the start of the next dues collection cycle, on the proposed procedures for calculating dues obligations, pro-rating dues and collecting dues payments.

**Section 2. Assessments for Special Projects.** The Association may fund an unbudgeted project requested by, or benefiting, a group of members through special assessments. No member shall become obligated to pay such assessment without such member’s consent. Payment by a member of the special assessment, in whole or in part, or the signing of any required governance or confidentiality agreement, shall constitute such member’s consent to such assessment. Assessments shall be returned if a project is cancelled or another source of funding becomes available. There shall be no refund of any special assessment remaining upon completion of a project. Any funds remaining will be re-allocated by the President and CEO to a budgeted activity that serves the interests of the members that made the assessment.

**ARTICLE VIII**

**BOARD OF DIRECTORS**

**Section 1. General Powers.** The affairs of the Association shall be managed by its Board of Directors. The Board of Directors may delegate powers to the Officers not inconsistent with these Bylaws or statute. The Board of Directors shall annually approve and, at its discretion, revise a budget providing appropriations for the carrying on of the work of the Association through its boards, councils, committees, officers, employees, and otherwise.

**Section 2. Number.** Subject to Section 3 of Article XI of these Bylaws, the Board of Directors shall consist of no fewer than twenty-three (23) and no more than thirty-two (32) voting members, including at all times the three (3) elected Officers. The President and CEO shall serve ex officio as a non-voting member of the Board. The Executive Committee of the Board shall determine annually between April 1 and August 15 the number of seats on the Board for the following year, taking into account the need to stagger terms. The Executive Committee may act to increase or decrease the number of Board seats as circumstances warrant within the above-referenced parameters.

**Section 3. When Terms Begin.** Terms for the members of the Board of Directors shall begin and end at the Annual Meeting.

**Section 4. Terms.** Except for the Officers and the Immediate Former Chairman, the term of each member of the Board of Directors shall be for two (2) years, and each Board member may serve no more than two consecutive terms without a break in service of one year, absent the Director’s appointment and election as an Officer, except that the chair and vice chairs of the Commercial Real Estate/Multifamily Finance Board of Governors (“COMBOG”) shall each serve one term of three (3) years.
Section 5. Composition. The non-Officer Directors shall be selected as follows:

(a) One (1) of the Directors shall be the immediate Former Chairman (or Chairwoman).
(b) Four (4) of the Directors shall be officers of Regular Members principally engaged in the residential single-family finance business. The Residential Board of Governors (“RESBOG”) shall select these Directors, two of whom must be the incoming chair and vice chair of RESBOG at the next Annual Meeting.
(c) Four (4) of the Directors shall be officers of Regular Members principally engaged in the commercial real estate or multifamily finance business. Three of the Directors must be the incoming chair and two vice chairs of COMBOG at the next Annual Meeting, with the fourth separately selected by COMBOG.
(d) One of the Directors shall be the Chair of MORPAC, the Association’s political action committee, as that person shall be determined from time to time.
(e) *Three (3) of the Directors shall be employees of an Associate Member, with not more than one member of a corporate family being able to serve on the Board at any one time.
(f) *Three (3) of the Directors shall be officers of Regular Residential Members serving at-large, who meet the selection criteria for Board members set forth in this Article and Section 3(d) of Article XIII of these Bylaws.
(g) *Three (3) of the Directors shall be officers of Regular Commercial/Multifamily Members serving at-large, who meet the selection criteria for Board members set forth in this Article and Section 3(d) of Article XIII of these Bylaws.
(h) If the immediate former Chairman (or Chairwoman) is unable or unwilling to serve on the Board of Directors, or if the Nominating Committee fails to select its full complement, or if a Board of Governors fails to select any of its Directors, the Chairman (or Chairwoman) shall designate an individual to serve in the position that otherwise would go vacant. For purposes of this section, the term “Chairman (or Chairwoman)” means the individual who will serve, or who is serving as, Chairman (or Chairwoman) during the otherwise vacant Directorship.
(i) Any additional slots approved by the Executive Committee over 28 will be treated as at-large seats without designation.

The Directors identified by an asterisk shall be selected by the Nominating Committee in consultation with the Chairman- (or Chairwoman-) Elect.

Section 6. Qualifications. Directors (other than the representative of the State and Local Advisory Council and the representatives of Associate Members) shall be senior management executives of Regular Members, in good standing when they take office, who are authorized to speak on behalf of their employers, as needed and meet such other criteria as may guide the Nominating Committee under these Bylaws.

Section 7. Meetings of the Board of Directors. The Board of Directors shall hold four regular meetings each year, one of which shall be held in connection with the Annual Meeting. The Board of Directors may also hold one or more special meetings at any time during the year at the request of the Chairman (or Chairwoman) or the President and CEO, or upon the written request of five (5) Directors, the latter of whom shall identify the purpose or purposes of such meeting. The time and place of its regular and special meetings shall be determined by the Chairman (or Chairwoman) upon reasonable notice. Any Director may waive notice of any meeting.

Section 8. Method of Meetings. Special meetings of the Board of Directors may be held in person or, through the use of a conference telephone or other communications equipment by which all persons participating in the meeting can communicate with each other.
Section 9. Quorum and Voting. At any meeting of the Board of Directors a majority of its elected members then in office 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, except when otherwise provided by law or by these Bylaws. Members of the Board may not act at a meeting through an agent, deputy, or proxy.

Section 10. Action by Directors without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action taken, is executed in duplicate originals by all of the Directors entitled to vote.

ARTICLE IX
OFFICERS

Section 1. Elected Officers. There shall be a Chairman (or Chairwoman), a Chairman- (or Chairwoman-) Elect, and a Vice Chairman (or Chairwoman).

(a) The Chairman (or Chairwoman) shall preside at the Annual Meeting of the Association and all meetings of the Board of Directors. Consistent with and subject to the policies and directives of the Board of Directors, he or she shall cause to be implemented the policies and objectives of the Association, and he or she shall represent the Association and act in its name in carrying out its policies and objectives.

(b) The Chairman- (or Chairwoman-) Elect shall perform such duties as may be assigned him or her by the Chairman (or Chairwoman), and in the absence or incapacity of the Chairman (or Chairwoman) shall perform the duties of the Chairman (or Chairwoman).

(c) In the absence or incapacity of both the Chairman (or Chairwoman) and the Chairman- (or Chairwoman-) Elect, the Vice Chairman (or Chairwoman) shall perform the duties of the Chairman (or Chairwoman).

(d) No Officer may serve as both an Officer of the Association and as an Officer of one of the Boards of Governors.

Section 2. Appointed Officers. The Board of Directors shall appoint a President and CEO, a Secretary, a Chief Financial Officer, and such other appointed officers as it may consider necessary and appropriate. Each appointed officer will hold office until the earlier of the appointment of his or her successor, or his or her separation from the Association.

(a) The President is the chief executive officer of the Association. The President and CEO shall report directly to the Chairman (or Chairwoman) of the Association and shall serve at the pleasure of the Board. The President shall devote his or her time and effort to conducting the business of the Association in accordance with its policies and objectives. He or she shall, consistent with and subject to the policies and directives established by the Board of Directors from time to time, perform the powers and duties of President and CEO under applicable statutes and manage and direct the operations and financial affairs of the Association. The authority of the President and CEO shall include, without limitation, employing; removing; managing; and consistent with the policies of the Compensation Committee, setting the compensation for any other appointed officer, senior staff officers, and employees of the Association; and delegating authority and responsibility to them as he or she deems appropriate. The President and CEO shall serve on the Board of Directors as a non-voting member ex officio and shall perform such other responsibilities as shall be provided in the Bylaws or delegated by the Chairman (or Chairwoman) or the Board of Directors from time to time.

(b) The Secretary of the Association shall make annual reports to the Secretary of the State of Illinois and perform such other duties as may be prescribed by Statute.
(c) The Chief Financial Officer shall be responsible for the Association’s financial planning and reporting and maintenance of its financial records.

ARTICLE X

BOARDS OF GOVERNORS

Section 1. Number of Boards of Governors. There shall be two Boards of Governors: a Commercial Real Estate/Multifamily Finance Board and a Residential Board.

Section 2. Governance. Each of the Boards of Governors shall maintain appropriate operating procedures that will provide for its general governance and operation. The operating procedures shall include, but not be limited to, providing procedures for: (i) fixing the number of leadership positions and the methodology for nominating and electing the leadership; (ii) fixing the number of its members and the methodology for their selection; (iii) identifying the duty of individuals serving on a Board of Governors to ascertain and clearly represent the views of their employers on a policy or other issue before the Board of Governors to the extent that the individuals so serving are not the chief executives of the business organizations they represent; (iv) nominating representatives to the Association’s Board of Directors pursuant to Article VIII, Sec. 5 of these Bylaws; (v) identifying the committees that shall operate under the Board of Governors, their mission, and the manner in which the leadership and members of the committees shall be determined; (vi) identifying the manner in which the goals and objectives of the Board of Governors will be developed for the given year; and (vii) determining the frequency of regular meetings and establishing a mechanism for special meetings. No provision of the operating procedures shall be inconsistent with these Bylaws. As of the effective date of this section, amendments to the operating procedures of each Board of Governors shall become effective without the need for approval by the Board of Directors upon the amendment’s receiving approval by a super-majority vote of two-thirds of the members of the Board of Governors present at a meeting in which a quorum is present. An amendment inconsistent with these Bylaws shall be void.

Section 3. Authority and Duties of the Boards of Governors. Each of the Boards of Governors shall have such authority and duties as the Board of Directors may delegate from time to time, including but not limited to the authority to establish policies on legislation and regulation affecting its respective constituency, subject to the exclusive jurisdiction of the Board of Directors over the MBA budget and its prerogative to exercise plenary jurisdiction over decision-making on matters that might subject the Association to financial, reputational or other significant risks, and over such other matters as the Board of Directors may deem necessary or appropriate from time to time, including but not limited to matters of legislative and regulatory policy.

ARTICLE XI

TERMINATIONS AND VACANCIES

Section 1. Terminations. If a member of the Board of Directors, including an Officer, terminates his or her principal business employment with a member of the Association, the Board member shall have the option
to remain on the Board for a period of six months. Notwithstanding the foregoing, this grace period shall not operate to extend a Board member’s term of office.

Section 2. Vacancies—Officers.

(a) In the event of the absence, disability, resignation, termination, or death of the Chairman (or Chairwoman), the Chairman- (or Chairwoman-) Elect shall act as Chairman (or Chairwoman) of the Association.

(b) In the event of the disability, resignation, termination, or death of the Chairman (or Chairwoman) and the Chairman- (or Chairwoman-) Elect, the Vice Chairman (or Chairwoman) shall become acting Chairman (or Chairwoman), and in the event of his or her inability to serve for any reason whatsoever, the Board of Directors shall appoint an acting Chairman (or Chairwoman) from among the former Chairmen (or Chairwomen) of the Association for the preceding five years.

Section 3. Vacancies—Board of Directors. In the event of the resignation, termination, or death of a Director serving pursuant to Article VIII, Sections 5(e), (f), (g) and (h) the Chairman (or Chairwoman) may appoint a Director to fill the vacancy with any Regular or Associate Member, as applicable. The Bylaws of the Boards of Governors shall control the filling of vacant positions allocated to each Board of Governors, whereas the new MORPAC chair shall fill any vacant seat allocated to MORPAC. The Directors so appointed and approved shall hold office for the remainder of the unexpired term. However, if a vacancy arises with only one (1) Regular meeting of the Board remaining and/or it appears likely that the number of Board seats is to be reduced for the coming year, or other compelling reasons exist, the Chairman (or Chairwoman) may elect not to fill the vacancy.

ARTICLE XII

EXECUTIVE COMMITTEE

Section 1. Composition and General Authority. The elected Officers and the Chairs of COMBOG and RESBOG (and the President and CEO of the Association serving ex officio as a non-voting member) shall constitute the Executive Committee and have full power to act on behalf of the Board of Directors between its meetings, either in person or through the use of a conference telephone or other communications equipment by which all persons participating in the meeting can communicate with each other. The Executive Committee may act on matters that require prompt decision or are of such a nature that it is not necessary to poll the full Board of Directors, or both. Such Executive Committee shall also act with respect to matters specifically delegated by the Board of Directors from time to time, including but not limited to the coordination of advocacy issues on which the COMBOG and RESBOG appear to hold conflicting positions. In taking action, the Executive Committee shall act in a manner consistent with established Association policy and operate in accordance with rules that are consistent with these Bylaws. The presence of any four (4) members constitutes a quorum. The act of any three (3) elected Officers present at a meeting at which there is a quorum shall be the act of the Board of Directors. Any action required or permitted to be taken at a meeting of the Executive Committee may be taken without a meeting if a consent in writing, setting forth the action taken, is executed in duplicate originals by all of the members of the Executive Committee entitled to vote.

Section 2. Exclusions. The Executive Committee shall not have authority to: (i) adopt official positions on Public Policy Matters, as defined in Art. III(b), other than in those circumstances where the Board of Directors or the COMBOG and RESBOG have provided the Executive Committee with general parameters.
for action and the Executive Committee otherwise acts in a manner consistent with these Bylaws; (ii) approve the annual budget; (iii) determine member dues; (iv) appoint or remove the President and CEO; (v) fill Board and Executive Committee vacancies; (vi) adopt Bylaw amendments; (vii) approve mergers or consolidation with another organization; or (viii) eliminate a standing committee.

ARTICLE XIII

STANDING COMMITTEES AND TASK FORCES

Section 1. Generally. The Chairman (or Chairwoman) shall designate committees, task forces and other advisory bodies (together “committees”) to report to the Board of Directors and shall appoint the Chair, Vice Chair and membership of all such committees from the membership of the Association, or from the Board of Directors, as necessary. From time to time, the Chairman (or Chairwoman) shall review the objectives and purposes of the committees and make recommendations to the full Board of Directors relative to the need for any adjustment. The Standing Committees of the Association shall be as follows:

Section 2. Ethics and Standards of Practice Committee.

(a) Composition. The Ethics and Standards of Practice Committee shall consist of the immediate former Chairman (or Chairwoman), who shall serve as Chair, and up to seven (7) members of the Board of Directors, appointed by the Chairman (or Chairwoman) of the Association. In the event of vacancy, the Chairman (or Chairwoman) shall appoint a member of the Board of Directors to serve the remaining portion of the term.

(b) Duties. The Committee shall make recommendations for amendments to the Canons of Ethics and Standards of Practice when the same may appear to be advisable; make such investigations of professional conduct as it may determine or as may be directed by the Board of Directors; be authorized to express its opinion concerning professional conduct and the applicability of the Canons of Ethics and Standards of Practice; and be authorized to recommend that the membership of a member be terminated because the professional conduct of the member is inconsistent with the Canons of Ethics and Standards of Practice, or suspended pending investigation. It shall not be the function of the Committee to consider activities of non-members of the Association; comment upon alleged operational deficiencies of members; or resolve business disputes.

(c) Procedure. The Committee shall adhere to the following procedure: the Committee may recommend suspension or termination of a membership only upon allegations reduced to written form. Upon receipt of allegations that a member’s professional conduct is inconsistent with the Canons of Ethics and Standards of Practice, the Committee shall cause a copy or a summary of the allegations to be furnished to the member, unless a particular case merits more expeditious treatment. The Committee, or a subcommittee thereof, shall communicate with the member in writing regarding the allegations, setting forth the alleged facts in sufficient detail to give the member a fair opportunity to deny, disprove, or explain them. The communication shall specify which of the Canons of Ethics and Standards of Practice appear inconsistent with the alleged facts.

In case the Committee decides to recommend to the Board of Directors that the membership of the member be suspended or terminated, a copy of the proposed recommendation shall be mailed to the member ten (10) days prior to its transmittal to the Board of Directors. The failure to provide such notice shall not prohibit the recommendation from being acted upon.

Section 3. Nominating Committee.
(a) **Composition.** The Nominating Committee for the Board of Directors shall consist of nine (9) members, selected as follows:

One member shall be the Chairman (or Chairwoman) of the Association.

(1) One member shall be the Chairman (or Chairwoman) of the Association.

(2) One member shall be the Chairman- (or Chairwoman-) Elect of the Association

(3) One member shall be the Vice Chairman (or Chairwoman) of the Association

(4) One member shall be the immediate former Chairman (or Chairwoman) of the Association, who shall serve as Chair of the Nominating Committee.

(5) One member shall be the former Chairman (or Chairwoman) of the Association, once removed, that is, the Chairman (or Chairwoman) who served two years earlier.

(6-7) Two members shall be selected by the Commercial Real Estate/Multifamily Finance Board of Governors.

(8-9) Two members shall be selected by the Residential Board of Governors.

(b) **Procedure.** The Nominating Committee shall submit, at least sixty (60) days prior to the Annual Meeting, to the Board of Directors the names of nominees for the offices to be voted on at the next Annual Meeting and the names of the Directors. Notice of the nominations shall be given to each voting member of the Association at least twenty (20) days prior to such election.

(c) **Selection Criteria, Officers.** As to the Chairman (or Chairwoman), Chairman- (or Chairwoman-) Elect, and Vice Chairman (or Chairwoman), the candidate for such office shall be an officer of a Regular Member qualified under Section 9.5 of the Charter. In addition, the Nominating Committee shall take into consideration candidates’ leadership ability; business type; geographic location; size of company; contribution to diversity; and service to the industry, including but not limited to, sustained service to the Association.

(d) **Selection Criteria, Board Members.** In selecting the individuals to serve as members of the Board of Directors, the Committee shall consult with the Chairman- (or Chairwoman-) Elect and take into consideration the following guidelines: (i) The Board of Directors should be broadly representative of all segments of the Regular and Associate membership, also taking into consideration representation of minorities and women; (ii) The Board of Directors should maintain a reasonable overall balance in terms of the size, manner of regulation, and business focus (residential, commercial or multifamily), and location of the Members that Directors represent; and (iii) The Board of Directors should include individuals who bring special expertise or perspectives to the Board and have served the industry or the Association.

**Section 4. Audit Committee.**

(a) **Composition.** The Audit Committee shall consist of six (6) members, at least three (3) of whom shall be current members of the Board of Directors and at least two (2) members shall be commercial/multifamily members. At least one member should meet the designation of a “financial expert” as defined by the AICPA. The Chairman (or Chairwoman) of the Association shall appoint all the members to the Committee and fill any vacancies and shall designate one member as chair. If in any year, fewer than 80% of the Audit Committee members are also members of the Board of Directors, the chair will seek Board approval of any matter for which the Audit Committee would otherwise be able to bind the Association.

(b) **Term.** The Audit Committee members shall serve for a two (2) year term, with no more than (2) committee members rotating off each year.

(c) **Duties.** The Audit Committee shall undertake all duties identified below with respect to the Association and the Association's Pension Plan and 401K Savings Plan, the Political Action Committee (MORPAC), the Research Institute for Housing America Trust Fund (RIHA), and the MBA Opens Doors Foundation (ODF);
1. Oversee the Association’s risk management, to include monitoring the internal accounting control environment as well as the risk management principles and processes as they related to capital deployment, asset management and any major purchase and/or sale transactions.

2. Appoint the independent auditors, review and approve their annual audit plan and proposed compensation, and review the annual independent audit reports, including all required communications and the management letter; conduct private executive sessions at least annually to solicit observations regarding staff skills, qualifications, and performance related to the audited functions.

3. Approve the audited annual report as well as the annual Form 990s prior to issuance.

4. Review and recommend to the Board the annual budget; monitor the expenses incurred by the Officers and Senior Management for adherence to Association policies.

5. Annually assess the performance of the Committee and recommend any bylaw changes to the Board of Directors in coordination with the corporate Secretary.

6. Perform other such reviews as may be directed from time to time by the Board of Directors, including but not limited to, reviews of the internal accounting controls of the Association's subsidiaries and reviews of its own initiative in the best interest of the Association.

7. Act as an external point of contact for any whistle-blowing issues, and if necessary, initiate special reviews of policies, procedures and practices.

8. Report its findings to the Board of Directors.

Section 5. Compensation Committee.

(a) **Composition.** The Compensation Committee shall consist of five (5) members. For each of the two years following his or her service chairing the Association, each former Chairman (or Chairwoman) shall serve as a member of the Committee. Each former Chairman (or Chairwoman) of the Association shall serve as Chair of the Committee during his or her first year on the Committee. The term of the Chair of the Committee shall commence on November 1 and terminate on October 31. The current Chairman (or Chairwoman) of the Association, Chairman- (or Chairwoman-) Elect of the Association, and the Vice Chairman (or Chairwoman), shall serve as members of the Committee.

(b) **Duties.** The Committee shall maintain, evaluate, and revise an employee compensation policy for the Association and set the compensation for the President and CEO.

Section 6. Investment Management Committee.

(a) **Composition.** The Investment Management Committee shall consist of seven (7) members of the Association. The members shall be appointed by the Chairman (or Chairwoman) of the Association. The term of the members shall be two (2) years, with at least two (2) members being appointed each year. A member must be a member of one of the Boards of Governors or a former Officer when he or she begins service on the Committee, but can complete his or her term on the Committee even if no longer a member of the Board of Governors. Each year, the Chairman (or Chairwoman) of the Association shall designate as Chair one of the members of the Committee that has served on the Committee at least one year.

(b) **Duties.** The Committee shall: (i) review the holdings on the investment accounts of the Association and the Research Institute for Housing America Trust Fund; (ii) recommend to the Board of Directors, and assess adherence to, investment guidelines that will improve the safety, return, reporting, or management of the investment accounts; (iii) review and recommend asset allocation strategies for each fund as appropriate for the various operating needs of the plans, funds, and/or accounts, as applicable; (iv) assess implementation of the policies approved by the Board of Directors for the selection of investment managers; (v) assess appropriate benchmarks for investment performance; (vi) evaluate the performance of
the investment managers and consultants; (vii) recommend to the Board of Directors, as appropriate, steps that will improve the safety, return, reporting, and/or management of the investment accounts, and (viii) and such other matters related to the financial performance of the Association, as the Board may assign from time to time.

Section 7. Diversity and Inclusion Committee.

(a) Composition. The Diversity and Inclusion Committee shall consist of no fewer than 16 and no more than 18 members of the Association, who shall be appointed by the MBA Chairman in consultation with the Executive Committee of the Board of Directors. Committee members shall consist of a diverse slate of senior leaders representing: (i) the full range of MBA’s membership—both Regular Residential and Commercial/Multifamily Members and Associate Members, and (ii) the spectrum of business models (including but not limited to independent mortgage companies as well as supervised institutions. The size of the Committee may be adjusted from time to time to help maintain broad representation and balance. The Chairman of the Diversity and Inclusion Committee shall be the Chairman-Elect of the Association, and the Vice Chairman shall be the Immediate Past Chairman or the Vice Chairman, as determined by annually by the MBA Chairman for the fiscal year. The MBA Chairman shall be a non-voting ex officio member of the committee.

(b) Term. The term of service shall be two (2) years. Terms shall be staggered with roughly one-half (1/2) of the members turning over each year.

(c) Duties. The Committee shall be responsible for recommending and overseeing implementation of initiatives that MBA member firms and MBA itself can incorporate into all levels of their enterprises and to otherwise help MBA encourage more diversity and inclusion in MBA programs and other activities and in the cultures of MBA member firms.

(d) Transition Provision. Starting in FY2014, one-half of the initial appointees shall serve up to the FY2015 Annual Meeting (with the ability to be reappointed to a full two (2) year term) and the other one-half of them shall serve up to the FY2016 Annual Meeting, thereby fully providing for staggered two-year terms starting with the FY2015 appointments. This Transition Provision will lapse automatically by its terms with the FY2015 appointments.

Section 8. State Relations Committee.

(a) Composition. The full committee shall consist of leaders of State Mortgage Bankers Associations (“SMBAs”) selected by the SMBAs, respectively, and corresponding representatives of MBA members selected by the Executive Committee of the Board of Directors and President & CEO to serve in a liaison capacity with specified SMBAs to engage with MBA members, non-members and SMBA leaders across a range of communication, advocacy, and member recruitment/retention activities (“Ambassadors”). Each participating SMBA may be represented by either one volunteer leader or a professional (paid) SMBA leader. There shall be no more Ambassadors than the number of SMBAs participating in the Committee. The full State Relations Committee will be led by a Steering Committee composed of: (i) two- (2-) co-chairs (one Ambassador and one SMBA leader); (ii) two (2) at-large Ambassador members and two (2) at-large SMBA volunteer or professional leaders with one set of two (2) selected by the co-chairs and the other set of two (2) selected by the Executive Committee and President & CEO; and (iii) two (2) immediate past co-chairs. The Executive Committee of the Board of Directors in consultation with the MBA President & CEO will select the two (2) co-chairs.

(b) Term. Each member of the full State Relations Committee shall serve a one- (1-) year term. Each co-chair of the Steering Committee will serve a two- (2-) year term, both on the Steering and full Committee, one as co-chair and the other as immediate past chair.
(c) **Duties.** The State Relations Committee and its Steering Committee shall focus on activities that strengthen the alignment between the MBA and SMBAs, by fostering stronger communication among them, increasing collaboration on key policy issues, and promoting the benefits of mutual membership. The Ambassador co-chair of the Steering Committee will report in person to the Board of Directors once per year, generally during a springtime meeting of the Board of Directors, and will also report to the Commercial/Multifamily Board of Governors and the Residential Board of Governors and its State Regulation and Legislation Committee.

**Section 9. Task Forces.** The Chairman (or Chairwoman) may appoint such task forces as are necessary. Every task force shall expire at the beginning of the Annual Convention of the Association next occurring after formation of the task force, unless reappointed by the incoming Chairman (or Chairwoman).

**ARTICLE XIV**

**ADJUNCT ORGANIZATIONS**

**Section 1. Status.** An Adjunct Organization is neither a member nor an affiliate of the Association. Adjunct Organizations may participate in such activities of the Association as the Association shall determine from time to time. An entity or individual shall not become a member of the Association by virtue of membership in an Adjunct Organization. However, executive officers of state and local mortgage bankers associations shall be eligible to serve as members of the State and Local MBA Advisory Council.

**Section 2. Eligibility.** The following are eligible to be Adjunct Organizations to the extent they otherwise meet the requirements that the Board of Directors may set from time to time:

(a) **State Associations.** A not for profit association that has interests similar in nature to those of the Association, that represents firms or individuals engaged in real estate finance, and that serves an exclusively statewide or regional membership base.

(b) **International Organizations.** (i) An organization, otherwise eligible for membership, that is located outside of the United States, virtually none of the operations of which relate to mortgage loans or other types of real estate finance inside the United States, and that otherwise meets the requirements set from time to time by the Board of Directors; and (ii) a not for profit association located outside the United States that has interests similar in nature to those of the Association and that represents business organizations or individuals domiciled in foreign countries engaged in real estate finance outside the United States.

(c) **Other Organizations.** An organization, not eligible for membership, the interests of which are similar to those of the Association and that otherwise meets the requirements set from time to time by the Board of Directors.

**Section 3. Application.** Application for recognition as an Adjunct Organization shall be submitted in writing by the organization to the President and CEO and shall include such information as the President and CEO shall request.

**Section 4. Fees.** Adjunct Organizations shall pay a fee as established from time to time by the Board of Directors.
Section 5. Withdrawal of Recognition. Recognition of an organization as an Adjunct Organization may be withdrawn at any time, without notice, for non-payment of fees and, by the Board of Directors, for such other reasons as the Board of Directors may determine from time to time.

ARTICLE XV

AMENDMENTS

These Bylaws may be amended or repealed at any regular meeting, special meeting, or meeting by conference call of the Board of Directors by a vote of a majority of the members present and voting at such meeting at which a quorum is present, provided that notice of such proposal to amend or repeal has been made available by the Association to each member of the Board of Directors at least ten (10) days before said meeting. Any proposal to amend or repeal may itself be amended at any regular, special meeting, or meeting by conference call of the Board of Directors by a majority vote of the members voting.

ARTICLE XVI

AFFILIATES AND SUBSIDIARIES

The Board of Directors may from time-to-time approve by resolution the formation of such for profit and not for profit subsidiaries, and affiliated organizations, including unincorporated associations, as may be necessary and appropriate to effectuate the purposes of the Association. Any subsidiary or affiliate so formed must adopt, and abide by, operating policies consistent with those of the Association. Without limiting the generality of the foregoing, these Bylaws recognize as an MBA affiliate the Mortgage Action Alliance, Inc., which was created to promote the common business interests of the residential and commercial real estate finance industries through grassroots advocacy activities.

ARTICLE XVII

NOTICE AND APPROVALS

Notices of meetings of the Board of Directors or of committees; notice of proposals to amend or repeal the Bylaws; the provision of materials for Board meetings; submissions for Board approval of nominations or appointments; and Board approval of such applications for nominations or appointments may be delivered by U.S. mail or courier service, e-mail or fax, or may be otherwise made available electronically, to the extent that the use of these mechanisms is permitted by law for the purpose.

ARTICLE VIII

FINANCIAL MATTERS

Section 1. Checks, Notes, Drafts, Etc. All checks, notes, drafts, or other orders for the payment of money of the Association will be signed, endorsed, or accepted in the name of the Association by such Officer, Officers,
person, or persons as the Board of Directors, or any other Officer or Officers authorized by the Board of Directors to make such designation, designates from time to time.

Section 2. Execution of Contracts, Deeds, Etc. All contracts, deeds, mortgages, leases (and other obligations and instruments may be entered into, executed) and delivered in the name of the Association by the President and CEO, by such other persons (employees and agents) as the President and CEO may designate from time to time, and by any other Officer as the Board of Directors may designate from time to time.

ARTICLE XIX

MERGERS AND CONSOLIDATIONS

Section 1. General. Except as provided below, Voting Members of the Association must approve all plans of merger and consolidation in accordance with the procedures set forth in Section 2 of this Article XX.

(a) Mergers Requiring Approval of the Board of Directors. When a plan of merger calls for the Association to absorb another association or other entity, the Board of Directors shall have sole authority to approve the plan of merger by majority vote without the need for obtaining Voting Member approval, except as provided in Section 1(b) of this Article XX.

(b) Mergers Requiring Voting Member Approval. When a plan of merger calls for the Association to merge into another association or other entity, or a plan of merger calls for the Association to absorb another association or other entity, but the merger would result in (i) a name change for the Association, (ii) the creation of a new membership class, (iii) the elimination of a membership class, or (iv) a substantial change to the then current governance system, the procedures set forth in Section 2 of this Article for obtaining Voting Member approval shall apply.

(c) Consolidation. Approval of a plan of consolidation whereby the Mortgage Bankers Association would combine with one or more associations to create a new association and cease to exist as an independent entity shall require compliance with the procedures for obtaining Voting Member approval set forth in Section 2 of this Article.

Section 2. Mergers and Consolidations by Directors and Voting Members. When the Voting Members of the Association are entitled to vote on mergers or consolidations under this Article XX, a plan of merger or consolidation shall be adopted in the following manner:

(a) The Board of Directors shall adopt a resolution approving the plan and directing that it be submitted to a vote at a meeting of the Voting Members.

(b) Written or printed notice setting forth the proposed plan or a summary thereof shall be given to each Voting Member within the time and in the manner provided by applicable law for the giving of notice of meetings of members.

(c) The proposed plan shall be adopted by receiving the affirmative vote of a majority of the votes present and voted, either in person or by proxy, at a meeting at which a quorum is present.

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