

MORTGAGE BANKERS' ASSOCIATION OF KENTUCKY, INC.

BY LAWS

ARTICLE I NAME

The name of this Association shall be the Mortgage Bankers' Association of Kentucky, Inc. (hereinafter "MBAKY")

ARTICLE II VISION AND MISSION

Our vision is to be the leading voice for the Mortgage Finance Industry in Kentucky. Our Mission is to promote the highest professional and ethical standards, provide education and industry-wide networking opportunities and act as the industry's leading voice on legislative and regulatory issues.

ARTICLE III MEMBERSHIP

Section III.1 Any person, firm, or corporation, who is a regular member in good standing of a member organization organized under the ultimate authority of the National Mortgage Bankers' Association, shall, upon compliance with these By-Laws, become a member of the MBAKY.

Section III.2 Any person, firm or corporation engaged directly or indirectly in the mortgage lending business and being eligible to conduct business in the state of Kentucky shall be eligible to become a member of this association upon election to membership by a vote of the Board of Directors of the MBAKY.

Section III.3 Any member who is expelled from the MBAKY shall be expelled from local associations

ARTICLE IV DUES

Section IV.1 Each local association shall remit a \$25 initiation fee to MBAKY upon approval of each new member company within 30 days of the approval. Additionally, on June 1st of each year, each local association shall remit a \$50.00 fee for every company that renewed in the previous year, along with an accounting detailing each company.

Section IV.2 Annual dues shall be determined by the Board of Directors for each member company of the local associations, which shall not be in addition to the regular annual dues paid by Regular or Associate members to their local associations. The annual dues for "at-large" members (those not members of a local association) will be determined by the Board of Directors.

Section IV.3 Any local association failing to pay their dues to MBAKY by July 1st, shall be considered delinquent and may be subject to suspension by the MBAKY. Subsequently, upon tender of their dues, the local

association shall be voted upon for reinstatement in accordance with the by-laws of the MBAKY.

Section IV.4 Dues paid directly to the MBAKY for new members that include local chapter affiliations, shall be remitted within 30 days of approval and payment to the local association(s), along with an accounting. Additionally, annual renewals that include chapter affiliations, shall be remitted to each chapter, along with an accounting, by March 31st of each year.

ARTICLE V BOARD OF DIRECTORS

Section V.1 The MBAKY shall be governed by a Board of Directors with full power to act on behalf of MBAKY. The Board of Directors shall be comprised of President, Vice President, Secretary, Treasurer, four Directors from each local association, all Past Presidents of the MBAKY, any life time Directors and up to five “at large” Directors (not members of a local association) appointed by the President, at the President’s discretion. The four Directors from each local association shall be comprised of the President and Vice President of the local association, and two other members as designated by the President of the local association, all of whom will be appointed for a year term. The President of each local association shall report the names of these local appointees to the President of the MBAKY.

Section V.2 Attendance and participation is mandatory for Directors and Officers. Should an Officer or Director miss two (2) or more regular Board of Director’s meetings in a twelve (12) month period, at the discretion of the Board, the Officer or Director shall resign their position. Attendance by telephone or electronically shall count toward attendance in the same manner as attendance in person.

Section V.3 An Executive Director may be hired by the Board of Directors to handle the affairs of the association and would serve as an ex-officio member of the Board.

Section V.4 At the Board’s discretion, a member can be elected a life-time Director by a two-thirds (2/3) affirmative vote.

ARTICLE VI OFFICERS

Section VI.1 The officers of the MBAKY shall be President, Vice President, Treasurer and Secretary. President and Vice President shall each be elected for two year terms. Secretary and Treasurer shall each be elected for one year terms. Officers must have served as a Board Member of MBAKY for at least one year. Not more than 50% of the Officers may be members of any one local association or at-large members. To serve as President, one must have served on the Board of Directors for at least two years and served as an officer for at least one year.

Section VI.2 The President shall serve as the chairperson of the MBAKY. The Vice President shall act as chairperson in the President’s absence. The Secretary shall keep a record of all proceedings. The Treasurer shall receive and disburse all funds of the MBAKY, prepare financial reports and file tax returns when appropriate.

Section VI.3 If any Executive Officer is unable to complete the term of office, the vacant position shall be filled for the unexpired term in the following manner: 1. if the President position is vacated, the Vice President shall complete the term; 2. if the Vice President position is vacated, the Secretary shall complete the term; 3. if the Secretary or Treasurer position is vacated, the Board shall appoint a replacement.

ARTICLE VII BOARD MEETINGS

Section VII.1 The annual meeting of the MBAKY shall be held in the third week of September in each year on such date and at such place as may be designated by the Board of Directors.

Section VII.2 Quarterly meeting of the MBAKY shall be held either in person or electronically as directed by the President. The President of the MBAKY may call special meetings to be attended by the Board of Directors of the MBAKY and other interested members. In no event shall such special meetings be in lieu of the regular annual meeting of the MBAKY.

Section VII.3 Special meetings of the MBAKY may be called at any time by any five (5) members of the Board of Directors, by filing with the Secretary of the MBAKY a written call over their own signatures. The Secretary shall notify each board member at least ten (10) days prior to that meeting.

Section VII.4 Any motion or resolution offered for the consideration of the MBAKY must have the affirmative vote of no less than two-thirds (2/3) of the members present, either in person or electronically. Robert's Rules of Order, Newly Revised, shall govern the meetings of the MBAKY.

ARTICLE VIII COMMITTEES

The Standing Committees of the MBAKY appointed bi-annually by the President shall be: Communications, Ethics, Education, Membership/Networking, Legislative, Nominating, Budget, and, Bylaws & Policies.

The President and/or Board of Directors shall have the authority to appoint any special committees as may be desirable for the activities of the MBAKY.

The President shall appoint a chair for each of the standing committees from the Board of Directors of the MBAKY. The Committee Chair shall report to the Board of Directors at the quarterly Board of Directors meetings. New committee chairs shall assume their chair by November 1st.

The Standing Committees of the association are as follows:

1. Communications

The Communications Committee shall prepare a yearly marketing plan to facilitate the organization's goal of being the leading voice for the mortgage financing industry in Kentucky.

2. Ethics

The Ethics Committee shall develop a comprehensive program to promote the highest ethical and professional standards in the mortgage financing industry.

3. Education

The Education Committee shall develop an educational plan to pursue educational offerings that are of value for all people in our industry.

4. Membership/Networking

The Membership/Networking Committee shall develop a comprehensive program to enhance and increase membership to produce increased membership in the association.

5. Legislative

The Legislative Committee shall keep the membership informed of all relevant national, state and local proposals. The Legislative Committee shall develop a plan to support legislation that facilitates industry grow and prevent legislation that will ultimately harm the consumer and the industry.

6. Nominations

The Nominations Committee shall be chaired by the Immediate Past President and shall be composed of at least two additional past presidents, one at large director and one local association director. The Nominations Committee shall work throughout the year to solicit nominations for officers and directors.

7. Budget

The Budget Committee shall, in conjunction with the Executive Director, develop and present an annual budget for adoption at the January quarterly meeting.

8. Bylaws and Policies

The Bylaws and Policies committee shall conduct an annual review of the association Bylaws and Policies to ensure both mirror the actual governance and operation of the association

ARTICLE IX NOMINATIONS AND ELECTIONS

All nominees shall complete a nomination form which shall include the following information about each candidate:

- **Professional experience**
- **Association involvement**
- **Willingness to serve on a specific standing committee(s)**

At the quarterly meeting prior to the annual meeting the Nominations Committee shall report the proposed slate of officers to the Board of Directors to be approved.

The election of officers shall take place at the annual meeting in September. At the September annual meeting nominations may also be made from the floor.

The newly elected officers and board members shall assume their respective offices on October 1st.

ARTICLE X FINANCIALS

The President and the Treasurer may spend up to one thousand dollars (\$1000) in unbudgeted expenses without prior approval from the Board. Any expense(s) over one thousand dollars (\$1,000) must be approved by the Board.

ARTICLE XI AMENDMENTS

The by-laws of the MBAKY may be adopted, amended, altered or repealed by the affirmative vote of two-thirds (2/3) of the members in attendance any meeting of the Board of Directors, after a 30 day notice to the membership. All amendments to the bylaws will be effective immediately when adopted.

ARTICLE XII INDEMNIFICATION OF OFFICERS AND DIRECTORS

The Corporation shall indemnify each of its Officers and Directors who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative (other than and action by or in the right of the Corporation) by reason of the fact that he/she is or was an Officer or Director of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, employee or agent of another Corporation, partnership, joint venture trust or other enterprise, against expenses (including attorney fees) judgments, finds and amounts paid in settlement

actually and reasonably incurred by him/her in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful.

Revision submitted for consideration and discussion at the 9/21/17 MBAKY Annual meeting of the Board of Directors, and approved at the 10/19 Board meeting.