



FLORIDA ASSOCIATION OF
MORTGAGE BROKERS
D/B/A
FLORIDA ASSOCIATION OF MORTGAGE
PROFESSIONALS

Bylaws
Revised 4/1/2019
And
Grievance Procedures 7/15/2009

**FLORIDA ASSOCIATION OF MORTGAGE BROKERS
d/b/a FLORIDA ASSOCIATION OF MORTGAGE PROFESSIONALS
Bylaws**

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Revised and approved:

- September 4, 1992*
- August 27, 1993*
- September 8, 1995*
- August 6, 1998*
- August 19, 1999*
- July 27, 2001*
- February 13, 2002*
- July 18, 2002*
- December 7, 2002*
- August 7, 2003*
- January 10, 2004*
- July 21, 2005*
- January 13, 2007*
- July 12, 2007*
- July 17, 2008*
- July 15, 2009*
- July 7, 2010*
- July 20, 2011*
- July 11, 2012*
- January 18, 2014*
- September 3, 2014*
- April 20, 2015*
- June 11, 2016*
- Aug 9, 2017*
- April 14, 2018*
- August 15, 2018*
- April 1, 2019*

Grievance Procedure

Revised and approved:

- May 14, 2004*
- July 17, 2008*
- July 15, 2009*

**ARTICLE I
NAME**

Section 1. The name of this organization shall be Florida Association of Mortgage Brokers Inc, d/b/a Florida Association of Mortgage Professionals, a nonprofit professional association incorporated in the State of Florida (hereinafter "Association").

**ARTICLE II
PLACE OF BUSINESS**

Section 1. Offices of the Association shall be located in the State of Florida as may be determined by the Board of Directors.

**ARTICLE III
PURPOSES**

The purposes of the Association shall be:

1. To promote the common business interests of those engaged in the mortgage brokerage and mortgage lending professions.
2. To promote cooperative business transactions among its members.
3. To provide a forum for the effective exchange of mortgage knowledge, trends, ideas and innovations.
4. To promote and enhance the image of the mortgage brokerage and mortgage lending professions.
5. To foster a broad understanding and acceptance of professional mortgage brokering and mortgage lending.
6. To protect the mortgage brokerage profession, the mortgage lending profession and public through legislative actions.
7. To promote the highest standards of professional practice in the mortgage industry.
8. To promote a cooperative liaison with other related professional groups.
9. To promote and assist in the formation of local chapters.
10. To do any and all things that are lawful and appropriate in the furtherance of these purposes including doing all things to accomplish its mission statement.

**ARTICLE IV
MEMBERSHIP**

Section 1. Classes of Membership and Qualifications

- A. Professional Membership —Individuals licensed as a Florida mortgage loan originator and individuals owning 10% or more of a Florida Broker or Lender Licensee may apply for professional membership.
- B. Affiliate Membership - Anyone not eligible for Professional Membership as listed in (A) may apply for Affiliate Membership. If a designated Affiliate Member leaves the employ of the designating institution, or is otherwise removed from the designation, he or she may apply for individual Affiliate Membership. When Affiliate Members use the logo of the Association, the logo must contain the word "Affiliate".
- C. Honorary Membership - Honorary membership may be awarded to an individual in recognition of business or political stature, for meritorious and distinguished service to the mortgage finance industry, the mortgage brokerage profession or the Association. Honorary members may be exempt from the payment of dues and assessments. The Executive Committee and chapters may nominate an individual by submitting a dossier for its nominee to the Secretary of the Association no later than thirty (30) days preceding a regular meeting of the Board of Directors. The Honorary Member(s) shall be confirmed by the Board of Directors at such meeting.
- D. Associate Membership: Membership in this classification shall be open to any individual who wishes to be a member of the Association. An associate member shall receive all benefits of membership however, shall not have voting rights in the Association but, may serve on committees. In order to be eligible for the associate membership, the individual may not have been a member in any other classification for, at least, the prior six months.
- E. No individual shall be eligible for membership if they have been prohibited from employment or licensure pursuant to the Mortgage Brokerage and Mortgage Lending Act.

Section 2. Admission to Membership.

- A. Applicants may apply for membership by submitting the Association's completed application and the required dues and fees to the Association Headquarters. Each applicant is required to sign the application for membership wherein they assert that they will abide by the terms and conditions of the application and the Bylaws and Code of Ethics of the Association.

Section 3. Termination of Membership

- A. Resignation-Any Professional or Affiliate member may resign from membership in the Association by filing a letter of resignation with the Secretary. Resignation shall not relieve such member from the obligations to pay in full all dues, assessments or other indebtedness to the association.
- B. Revocation of Membership – Any member may be reprimanded, fined, suspended or expelled by the Board of Directors for failure to conform to an award in arbitration, or for violation of these By-Laws or the Code of Ethics or any other conduct which discredits the Association or the mortgage profession, after enforcement as provided for in Article XVII.
- C. License Discontinuation - The revocation or suspension of a Professional's license for any reason whatsoever shall disqualify the individual or entity from membership and membership in the Association shall be automatically terminated.

D. Upon confirmation that an applicant or member has been convicted of a crime that is a felony in any jurisdiction, or that involves fraud, dishonest dealing, or any other act of moral turpitude, the Board of Directors shall have the discretion to deny or cancel membership in the association. Grounds for denial or cancellation may consist of having a license or the equivalent, to practice any profession or occupation revoked, suspended, or otherwise acted against, including the denial of licensure by a licensing authority of this state or any other state, territory or country for fraud, dishonest dealing or another act of moral turpitude, or for conviction of a crime which is a felony.

E. Reinstatement- Any individual whose membership has been terminated may, upon written request and explanatory statement to the Board of Directors, obtain approval by the Board of Directors to have their membership reinstated. No Board approval shall be required of members dropped from the rolls due to nonpayment of dues.

Section 4. Voting

A. Professional - Each Professional Member shall have one vote in the affairs of the Association.

B. Affiliate – Affiliate Members shall have one vote cast by the Affiliate Representative at Board of Directors’ meetings and at the General Membership meeting.

C. Honorary - All individuals becoming Honorary Members while members in good standing of the Association shall retain their voting privileges.

D. Majority Vote - Any decision of the Association, Board of Directors, Executive Committee, or other committees of the Association shall be by a majority vote of those members present and voting, unless otherwise provided for in these Bylaws.

E. Eligibility - Only those members whose dues are paid in full as of fifteen (15) days prior to the convening of a meeting of the membership shall be considered to be in good standing and entitled to vote at said meeting.

F. Proxy Voting - All voting at a regular board meeting may either be in person by qualified Professional members or by proxy. The proxy must be a Professional Member. The Affiliate Representative shall vote in person or by proxy of an Affiliate Member in good standing.

G. Absentee Voting - All voting at the annual meeting or at special meeting of the general membership may be done 1) in person by qualified Professional Members and the qualified Affiliate representative, 2) by official written absentee ballot or 3) electronic ballot.

Section 5. Simultaneous Membership - All Professional association memberships, affiliate and supporter memberships must include simultaneous local chapter memberships and National Federation of Mortgage Professionals membership for as long as the Association remains affiliated with the National Federation of Mortgage Professionals.

ARTICLE V DUES AND FEES

Section 1. Amount and Payment – the annual dues schedule and application fees and terms of payment for each class of membership shall be determined by the Board of Directors.

Section 2. Chapter Portion - All dues, fees and assessments shall be paid into the Association treasury and each Chapter will be refunded or paid for its appropriate portion of the funds as determined by the Board of Directors.

Section 3. Removal for Non-Payment - members who fail to pay their prescribed dues or other obligations within thirty (30) days from the last day of the month in which dues became payable, hereinafter called the anniversary date, shall be dropped from the rolls and thereupon forfeit all rights and privileges of membership. Upon payment of delinquent dues or obligations the member may be reinstated

ARTICLE VI MEMBERSHIP MEETINGS

Section 1. Annual - There shall be an annual meeting of the Association, for the election of officers, receiving annual reports, and the transaction of other business. Notice of such meeting shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to the last recorded address of each member at least thirty (30) days in advance, with a statement of time and place and information as to the business to be considered.

Section 2. Special - Special meetings of the Association may be called by the President or the Board of Directors or shall be called by the President upon the written request of twenty five percent (25 percent) of the Professional Members of the Association. Notice of such special meeting shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to each member at his last recorded address at least thirty (30) days in advance, with a statement of time and place and information as to the business to be considered.

Section 3. Quorums - For meetings of the Association, the voting membership present and in good standing shall constitute a quorum.

ARTICLE VII LOCAL CHAPTERS

Section 1. Division - For the purpose of accomplishing the objectives of the Association more effectively, the Association shall be divided into chapters. Local chapters shall be no more than one chapter in each county of the State of Florida and any other state in its entirety. Local chapters may be organized by twenty (20) or more members under charter granted by the Association Board of Directors after meeting the following criteria to the satisfaction of the Executive Committee:

- A. The proposed incorporators shall present to the Association headquarters the petition designating the name, initial location and area or State to be served by the proposed chapter. The petition shall include the names, addresses, FAMP ID number and signatures of at least twenty (20) petitioners. Such petitioners shall be active members of the Association, including at least fifteen (15) Professional Members. The remaining members may consist of any other category of membership. To meet this criterion, the Association will process membership applications and fees for all new members submitted with the petition.
- B. Upon receipt of the petition, the Association will review the status of all petitioners to verify that the above criteria have been met.
- C. Upon determining that the proposed chapter meets the criteria, headquarters will instruct the Association counsel to prepare the Articles of Incorporation for a not-for-profit corporation in a form ready to be submitted to the Secretary of State along with generic bylaws. It will be the responsibility of the incorporators to furnish a list of initial officers and directors and the petitioning President shall execute the Articles of Incorporation. The Association shall act as the designated agent.

The officers of the incorporating chapter must attend the next regular meeting of the Board of Directors of the State Association. A copy of their petition shall be certified by the President and the Secretary of the Association who shall attest that they have in their possession a copy of the articles of incorporation and bylaws for filing with the Secretary of State.

The Board of Directors shall be asked to vote to accept the proposed chapter. If accepted the officers of the chapter shall execute a Chapter Affiliation Agreement with the Association and the corporation documents will be filed with the Secretary of State.

Section 2. Minutes and Actions - Every action taken by a local chapter shall be evidenced by minutes which shall be submitted to the Secretary of the Association within thirty (30) days of the meeting.

Section 3. Chapter Bylaws - Chapter Bylaws shall not conflict with the Bylaws of the Association. .Notwithstanding anything contained herein to the contrary, no conflict shall exist in cases where the chapter offices of treasurer, secretary, or local board members are filled by members having a status other than Professional Member. Said officers and directors may have a vote in all local chapter matters.

Section 4. Chapter Members - Members may select the chapter of their choice for their local chapter membership.

Section 5. Termination – A chapter’s affiliation may be terminated by an affirmative vote of not less than 75% of the members of the Association's Board of Directors present at any regularly convened meeting thereof.

**ARTICLE VIII
STATE DIRECTORS**

Section 1. Allocation - Representation on the Association Board of Directors shall include the chapter presidents and may include up to one director for each seventy-five (75) members or fraction thereof of the chapter.

Section 2. Allocation Dates

- A. Existing Chapters -the number of state directors allocated for a chapter for the upcoming calendar year shall be based on the number of chapter members on May 31 of the current year.
- B. New Chapters-The number of state directors allocated for a new chapter for the remainder of its initial year prior to May 31 shall be based upon the number of Chapter members confirmed by the Association at the time of the new Chapter’s formation

Section 3. Duties -The state directors shall serve as members of the Board of Directors and shall assist the President in the administration of the association's affairs, keep the President informed at all times on matters of importance concerning the Association throughout the State, assist the Treasurer in every way possible in collection of dues, report Association matters to chapter presidents for dissemination to local members, assist in increasing the membership, and work for the good of the Association in all matters.

Section 4. Election -State Directors shall be elected by each chapter from its active voting membership. If any chapter fails to elect its State Director(s), the Association Board of Directors may fill the vacancy at its discretion.

Section 5. Removal from Office - Any elected officer or director who does not fulfill the duties of his/her office may, upon recommendation by the local chapter, be removed from that office by a vote of not less than 75% of the members of the Association’s Board of Directors present.

**ARTICLE IX
OFFICERS**

Section 1. Elected Offices - The Elected Offices of the Association shall be the President, ~~Vice President,~~ Secretary, and Treasurer. No more than one office of the Association shall be held by the same person. Not all offices must be filled.

- Section 2. Election - Officers shall be nominated and elected at the Annual Meeting of the Association. The Nominating Committee may place in nomination the persons to fill the offices of the President, the Vice President, the Secretary and the Treasurer, and the floor shall be opened for further nominations for such offices. Any nominee for the office of President must have completed a minimum of 1 full term of Office as a member of the present or prior Executive Committee of the Association. If more than one person is nominated for a respective office, the election shall be by secret ballot and a majority of votes shall elect. Individuals must be Professional Members to be eligible for election to the Executive Committee.
- Section 3. Term of Office - Elected officers shall take office immediately upon election and shall serve for one year or until their successor is duly elected and qualified.
- Section 4. Vacancies - Vacancies in any office by reason of death, resignation or otherwise, may be filled by the remaining members of the Board of Directors for the un-expired term at any special or regular meeting of the Board of Directors.
- Section 5. Termination of Officer - If a member of the Executive Committee is not performing their duties, no longer qualifies as a Professional Member or misses more than 2 non-excused board meetings, they may be terminated by a 75% majority vote of the board of directors in attendance.
- Section 6. Re-Elections - The elected officers shall not be eligible for the same office for more than two consecutive terms.
- Section 7. President -The President shall be the Chief Executive Officer of the Association, the Board of Directors, the Executive Committee, and a member ex-officio, with right to vote in case of ties only, of all committees. He/she shall communicate to the Association or the Board of Directors matters and suggestions which in his/her opinion promotes the welfare and usefulness of the Association. He/she shall also perform such other duties as are necessarily incident to the office of President or as prescribed by the Board of Directors. He/she shall appoint all committee chairpersons and shall at all times consult with the Board of Directors on matters of policy in conducting the affairs of the Association.
- Section 8. Vice President – The Vice President shall perform all duties and exercise all powers of the President while the President is absent or otherwise unable to act in the order designated: Vice President. They shall perform such other duties as may be prescribed from time to time by the Board of Directors and shall assist the President in the administration of the Association's affairs, working with the Board of Directors and chapters in all matters, for the good of all members.
- Section 9. Secretary - The Secretary shall keep the minutes of the membership and of the Board of Directors, shall be the custodian of the corporate records, shall give all notices as are required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors.
- Section 10. Treasurer - The Treasurer shall have charge and custody of all funds of the Association, shall deposit the funds as required by the Board of Directors, shall keep and maintain adequate and correct accounts of the Association's properties and business transactions, shall render reports and accounts to the Board of Directors and to the members as required by the Association or by law, and shall perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors. All funds shall be deposited in the name of the Association.

ARTICLE X BOARD OF DIRECTORS

- Section 1. Power Responsibilities - The Board of Directors shall have supervision, control and direction of the affairs of the Association, shall determine its policies or changes therein within the limits of the Bylaws, shall actively prosecute its purposes and shall have discretion in the disbursement of its funds. It may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, appoint such agents as it may consider necessary.
- Section 2. Composition - The Board of Directors shall be composed of: a. the Elected Officers; b. the Chapter Presidents; c. the State Directors; d. all Past Presidents of the Association so long as they remain active in the Association; e. not more than three (3) members-at-large, which the President shall appoint within thirty (30) days of the President assuming office, who shall be voting members and who are not members of nor reside within fifty (50) miles of an existing chapter; f. one affiliate representative and one parliamentarian appointed by the President, except the parliamentarian shall have no vote as the parliamentarian.
- Section 3. Term of Office - All members of the Board of Directors shall take office at the first board meeting after the Annual Meeting of the Association, or when appointed, and shall serve until the first board meeting after the next Annual Meeting.
- Section 4. Election - All members of the Board of Directors shall serve by virtue of their respective elected or appointed position. Individuals must be Professional Members to be eligible for election. The Affiliate Representative to serve on the Board shall be elected by the Affiliate membership and must be a member in good standing with the Association.
- Section 5. Meetings - The Board of Directors shall meet between Annual Meetings upon the call of the President at such times and places as he/she may designate and shall be called to meet upon demand of a majority of its members. There shall be a minimum of two meetings per year, one of which may be held in conjunction with the Annual Meeting. Notice of all meetings of the Board of Directors shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to each member of the Board of Directors at their last recorded address at least ten (10) days in advance of such meetings.

- Section 6. Quorum - A majority of the whole Board of Directors exclusive of Past President members shall constitute a quorum at any meeting of the Board of Directors. Any less number may adjourn from time to time until a quorum is present.
- Section 7. Absence - Any member of the Board of Directors absent from a meeting shall, in a letter addressed to the President or Secretary, state the reason for his absence. If a Director is absent from two (2) consecutive meetings for reasons which the Board of Directors has failed to declare sufficient, the Director may be removed from office by the Board of Directors by a majority vote.
- Section 8. Resignation - Any Board of Directors member may resign at any time by giving written notice to the President, Secretary, or to the Board of Directors. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof, as determined by the President or the Board of Directors.
- Section 9. Vacancies - Any vacancies, other than for Past President members, which may occur on the Board of Directors by reason of death, resignation, or otherwise, may be filled by the remaining members of the Board of Directors. The Chapter Board of Directors from the Chapter in which the vacancies have occurred may submit the name or names of individuals to be considered by the State Board of Directors to fill the unexpired term of office of the State Director. A vacancy occurring by the Affiliate Representative may be filled by an affiliate member appointed by the President.
- Section 10. Proxies - Any Board of Director member other than a Past President member or an appointed member-at-large who is absent from all or any portion of any Board of Directors' meeting, shall appoint a representative who is a voting member in good standing, preferably from his or her Chapter, who shall have proxy voting power authority on any matter on which the Director could have voted had he or she been present. To be effective, such appointments shall be in writing, signed by the appointing Director and submitted to the Secretary a minimum of one (1) day prior to the board meeting. The proxy will not be seated if the proxy form is not presented in the time frame set forth herein. The Board may approve exceptions to this requirement for a bona fide emergency. Absent Directors shall not appoint other Directors to serve as their representatives under this section except as provided herein. Should a Past President be appointed as a proxy for a state director, said Past President shall forfeit the right to vote as a Past President Board of Director.
- Section 11. Voting - Any decision of the Board of Directors shall be by a majority vote of those Directors present and voting, unless otherwise provided in these Bylaws.
- Section 12. Indemnification of Officers and Directors - The Association shall indemnify any/all persons who may serve or who have served at any time as a Director, Officer, Committee Chairman or staff member of the Association, and their respective heirs, administrators, successors and assigns, against any/all expenses and liabilities, including counsel fees, reasonably incurred by/or imposed upon such person in connection with any proceeding to which such person may be made a party by reason of having been an Officer, Director, Committee Chairperson or staff member of the Association, or any settlement thereof, except in relation to matters as to which any such person shall be adjudged in any proceeding liable for that person's own negligence or misconduct in the performance of duty; provided that in the event of a settlement of a suit, the indemnification provided for in this section shall apply only when the Board of Directors approve such settlement and reimbursement as in the best interests of the Association. The foregoing right of indemnification shall be in addition to, and not exclusive of, any other rights to which such director, officer, committee chair- person or staff member may be entitled.

ARTICLE XI EXECUTIVE COMMITTEE

- Section 1. Composition - There shall be an Executive Committee composed of the President, Immediate Past President, Vice President, Secretary and Treasurer, all of whom must be voting members.
- Section 2. Powers - The Executive Committee may exercise the powers of the Board of Directors when the Board of Directors is not in session but only when authorized to do so by the Board of Directors, and must report to the Board of Directors at its next meeting all action taken. Meetings may be called by the President or three of the committee members.
- Section 3. Duties - The Executive Committee shall transact business of the Association as directed by the Board of Directors, and shall be empowered to act for the Board of Directors in cases of emergency when it is impossible to assemble the Board of Directors. Such emergency action shall be reviewed by the Board of Directors, with all Articles of these Bylaws applying to said Executive Committee.

ARTICLE XII PAST PRESIDENTS

- Section 1. Composition - Each person who has served as President of the Association shall have all the rights and privileges of Professional or Affiliate Membership and be exempt from the payment of dues and assessments.
- Section 2. Membership - Each Past President shall be a member of the Board of Directors.
- Section 3. Serving as State Director - Should a Past President be elected by their chapter to serve as a State Director, said Past President shall forfeit the right to serve and vote as a Past President Board of Director.

ARTICLE XIII COMMITTEES

Section 1. Appointments, Service and Continuity

- A. Standing Committees – The Association shall have certain standing committees as enumerated below, whose existence shall be continuous and permanent, who shall act at the direction of the Board of Directors and who shall report to the Board of Directors the results of their findings or their recommendations. The President shall appoint a member of the Association to chair each standing or special committee, except as otherwise provided for in these bylaws. Each local chapter shall be entitled to representation on each standing committee except when these bylaws otherwise limit or specify the membership of a committee.
- B. Special Committees – The Association may also create special committees when needed to perform tasks necessary or helpful to furthering the purposes of the Association. Special committees may be created either by the President or by a majority vote of the Board of Directors. If the President creates a Special Committee, he or she shall appoint a chairperson, designate the members of the committee, and give the committee a written statement of the task or function they are to perform. If the Board of Directors creates a Special Committee, a statement of the task or function the committee is to perform shall be included in the motion. In the motion, the board may designate a chair and members of the committee. Otherwise, the President will do so. Members of any special committee will serve until the earlier of the completion of the committee's task or function, or at the next annual meeting of the Association.
- C. Meetings - Committees shall meet upon the call of the Chairperson at such times and places as he/she may designate and shall be called to meet upon demand of the majority of its members. The Chairperson may authorize participation in any meeting of such committee by, or conduct the meeting through the use of, any means of communication by which all persons in such meeting may simultaneously hear each other during the meeting. Participation in such meeting, pursuant to this section, shall constitute presence in person at such meeting. Notice of all meetings of committees shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to each member of the committee at their last recorded address at least five (5) business days in advance of such meetings.

Section 2. Standing Committees - The standing committees shall be as follows: Membership; Government Affairs; Nominating; Bylaws; Ethics and Grievance; Finance; Past Presidents; Convention and Trade Show and PAC.

Section 3. Reports - All committees shall present their reports to the Board of Directors for approval or disapproval prior to presenting the report to membership meetings of the Association.

Section 4. Membership Committee - The Membership Committee shall consist of not less than five (5) members, shall develop and recommend to the Board of Directors plans and programs for the expansion and development of chapters and the membership growth of the Association, and shall establish policies and procedures for the admission of new members into the Association.

Section 5. Government Affairs Committee - The Government Affairs Committee shall consist of not less than five (5) members. It shall investigate and make reports on laws and decisions which virtually affect those in the mortgage brokerage business in this State. Reports on such laws and decisions shall be made to the Board of Directors and all members of the Association. This committee shall have the power to act with regard to legislation pending before the State Legislature on matters affecting the interests of the members of the Association, after the proposed legislation has been submitted by the Committee to the Board of Directors for approval or disapproval.

Section 6. Nominating Committee - Nominating Committee shall consist of not less than 8 members, at least up to 4 of whom shall be State Board of Directors, of whom there may be no more than one member per chapter, and 4 of whom shall be Past Presidents of the State Association. The Board of Directors shall elect each Director to the committee, and if 4 past presidents are not available to serve, the Board of Directors shall fill the positions with additional Director elections. If there are more than 4 qualified Past Presidents available to serve on the committee there will be no limitations to the number of Past Presidents on the committee. Each committee member must attend a minimum of 2 State Board Meetings in the current board year prior to the nominating meeting, have 2 years of service as a state director and be a past chapter president or 3 years of service as a State Director, with service meaning within the last 5 years. Past State Presidents must attend a minimum of 1 State Board Meetings in the current board year prior to the nominating meeting. No proxies will be acceptable on this committee. The committee chair shall be the Immediate Past President of the State Association. Individuals serving on the nominating committee shall not be eligible for nomination the year served. Individuals serving on the committee shall not be eligible if a family member or spouse is seeking nomination for the year served. The committee may nominate one or more persons for each of the offices of Vice President, Secretary, Treasurer, and Affiliate Representative to serve as director. The report of the nominating committee shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to the Board of Directors at least 45 days prior to the Annual Meeting of the Association and to each voting member at his last recorded address at least 30 days prior to the annual meeting.

There shall be a separate subcommittee of the Nominating Committee that consists of 7 members, 3 of whom shall be Past Presidents of the State Association, 3 of whom shall be State Board of Directors, of whom there may be no more than one

member per chapter, and 1 of whom shall be a Past President of FAMB Foundation, Inc. ("FAMB Foundation"). The Board of Directors shall elect each Past President and Director to the subcommittee. The subcommittee chair shall be a Past President of FAMB Foundation who is selected by the FAMB Foundation board. Individuals serving on this subcommittee may but are not required to also serve on the Nominating Committee. Individuals serving on this subcommittee shall not be eligible for nomination to the FAMB Foundation board the year served. Individuals serving on this subcommittee shall not be eligible if a family member or spouse is seeking nomination to the FAMB Foundation board for the year served. This subcommittee shall nominate one or more persons for each of up to 7 Director positions for FAMB Foundation, Inc. in accordance with the Articles of Incorporation, Bylaws and Policies & Procedures of FAMB Foundation, Inc. The report of this subcommittee shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to the Board of Directors at the last Board of Directors meeting prior to the Annual Meeting of the Association each year.

Section 7. Bylaws Committee - The Committee on Bylaws shall consist of not less than five (5) members and shall have referred to it all motions and resolutions involving changes in or amendments to the Bylaws. The Committee shall review these Bylaws and make recommendations to the Board of Directors for revision of amendments to the Bylaws. Following approval by the Board of Directors, the Committee shall make a report to the membership at any meeting of the Membership on recommended changes or amendments to the Bylaws.

Section 8. Ethics and Grievance Committee - The Ethics and Grievance Committee shall consist of the members of the Executive Committee. The committee chair shall be the Immediate Past President of the State Association. All complaints either filed with the chapter or with the state association shall be forwarded to the Ethics and Grievance Committee. The committee shall assign an active State Past President to investigate the complaint. Once the investigation is complete, the investigator shall turn over the results of the investigation to the Ethics and Grievance Committee for determination of probable cause. Should probable cause be established by the Ethics and Grievance Committee, the matter will be assigned to an independent arbitrator or mediator to determine whether a violation of the Bylaws or Code of Ethics has occurred. If the arbitrator or mediator determines that such a violation has occurred, they shall recommend an appropriate penalty or sanction to the Committee. The findings of the arbitrator or mediator shall be adopted by the Committee unless the Ethics and Grievance Committee determines that a lesser penalty is appropriate. Should a complaint be filed against a member of the Ethics and Grievance Committee, that member shall recuse themselves from all aforementioned proceedings. The Ethics and Grievance Committee shall be authorized to establish the procedure whereby complaints shall be processed.

Section 9. Finance Committee - The Finance Committee shall be composed of the Executive Committee plus the Affiliate Director, and three Directors appointed by the President. The Treasurer shall serve as Chairman of the Committee. The Committee shall make recommendations to the Board of Directors as to the source and programs for securing the monies necessary for operation of the Association, recommend a budget for the operation of the Association, oversee the budget and make recommendations to amend it when needed, secure a review or audit and present a financial report to the membership at the Annual Meeting.

Section 10. Awards Committee - The Awards Committee shall consist of not less than five (5) members. It shall recognize those chapters that best serve their membership and those individuals who best serve the Association. Each chapter wishing to be recognized shall provide the committee with information and materials demonstrating its performance of its duties and responsibilities and its progress in advancing the purposes of the Association in the interest of the members of the chapter. Each individual member wishing to be recognized shall provide the committee with information and materials demonstrating his or her contributions to the state Association. The committee shall review the efforts, contributions and creativity of each eligible chapter and individual and shall confer awards at the Annual Convention to those that merit recognition. With counsel and advice of the President, the committee shall establish policy, criteria and categories for evaluation of eligibility and performance.

Section 11. Past Presidents Committee - The Past Presidents Committee shall consist of each Past President of the Association. Election by a chapter to serve as a State Director shall not affect a Past President's eligibility to serve on the committee. Meetings of the Committee shall be held in executive session. The committee shall provide an ongoing evaluation of the Association's current activities as they relate to the purposes contained in these bylaws and the goals of the Association. The committee shall identify priorities, strengths, and weaknesses and shall make recommendations for change when needed. When asked, it shall assist the Executive Committee and the Board of Directors on any matter necessary to promote the growth, stability and welfare of the membership of the Association. The Chairperson shall be the Immediate Past President of the state Association.

Section 12. Convention and Tradeshow Committee - The Convention and Tradeshow Committee shall consist of not less than five (5) members. With the advice and counsel of the President, the committee shall recommend to Association staff and to the Board of Directors various themes, speakers, programs, activities and other events for presentation at the annual convention and tradeshow exhibition. The committee shall also solicit and encourage volunteer support from members of the Association as necessary.

Section 13. PAC – The PAC Committee shall consist of no less than six (6) members. Shall raise money to support State or Federal government candidates campaigns who support the association's vision and the mortgage industry. Shall educate the members of the importance of supporting PAC.

Section 14. Decision-Making Authority - The Ethics and Grievance; Nominating; PAC; and Awards Committees are granted decision-making authority for the Board of Directors, subject to approval of the Executive Committee. Membership in and attendance at meetings of such committees shall be limited as prescribed in these Bylaws, and meetings shall be held in executive session.

**ARTICLE XIV
EXECUTIVE DIRECTOR
/ MANAGEMENT
COMPANY**

Section 1. Contractual Relation - There may be an Executive Director or Management Company who shall have a contractual relationship with the Association. Said contract shall be negotiated by the Board of Directors and the services, obligations, compensation and other appropriate matters shall be covered by the contract which shall be written. Any changes in the contractual relationship must be approved by the Board of Directors.

**ARTICLE XV
BYLAWS**

Section 1. Amendments

These Bylaws may be amended, repealed or altered, in whole or in part by a majority vote at any meeting of the association membership, provided that a copy of any amendment proposed for consideration shall be sent by mail or other mode of transmittal including but not limited to facsimile, email or other forms of electronic communication to the last recorded address of each voting member at least thirty (30) days prior to the date of the meeting.

Section 2. Members Governed by - Upon the adoption of these Bylaws of the Association, it is hereby provided that nothing herein contained shall be interpreted so as to divest any present members in good standing of membership in the Association. After its adoption, however, all present members and all future members shall be automatically governed by the provisions of such Bylaws.

Section 3. Interpretation - In case of any doubt or ambiguity in the interpretation of a bylaw or any provision thereof, the Board of Directors shall have the right to determine the same and its decision shall be final.

Section 4. Rules of Order - Robert's Rules of Order, latest available edition, shall be recognized as the authority governing the meetings of the Association, its Board of Directors and Committees, in all instances wherein its provisions do not conflict with these Bylaws.

**ARTICLE XVI
LIABILITY**

Section 1. The Board of Directors of the Association and all standing or select committees, and the individual members thereof, either as a whole or an individual, shall be held harmless from any and all liability so long as their actions are within the scope of their authority.

**ARTICLE XVII
CODE OF ETHICS, STANDARDS OF PROFESSIONAL PRACTICE AND ARBITRATION**

Section 1. Adoption

The Association shall adopt a Code of Ethics, a set of Standards of Professional Practice, which shall at minimum conform to the National Association of Mortgage Brokers' Code of Ethics and Professional Standards^{and} Best Lending Practices and provide for a continuous revision so as to keep pace with developments in the profession and be consistent with State and Federal laws regulating trade and professional associations.

Section 2. Enforcement - The Association shall adopt from time to time such policies and procedures as may be deemed legal and appropriate to enforce member adherence to the Code of Ethics and Standards of Professional Practice.

Section 3. Code of Ethics - The responsibility of the Board of Directors and its members relating to the enforcement of the Code of Ethics and the disciplining of members, the arbitration of disputes and the organization and procedures incident thereto, shall be governed by the Code of Ethics.

**ARTICLE XVIII
DISSOLUTION**

Section 1. The Association shall use its funds only to accomplish the objectives and purposes specified in these Bylaws and no part of said funds shall inure, or be distributed to the members of the Association. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable educational or scientific organizations to be selected by the Board of Directors.

Grievance Procedure

This procedure manual is created pursuant to Article XIII – Section 8 of the bylaws of the Florida Association of Mortgage Brokers.

Section 1:

Article IV – Section 3B of the Florida Association of Mortgage Brokers bylaws is set forth herein.

B. Revocation of Membership – Any member may be reprimanded, fined, suspended or expelled by the Board of Directors for failure to conform to an award in arbitration, or for violation of these By-Laws or the Code of Ethics or any other conduct which discredits the Association or the mortgage profession, after enforcement as provided for in Article XVII.

This action may be taken for any of the following reasons:

- (a) A member is convicted, adjudged or otherwise recorded as guilty by any court of competent jurisdiction of a felony or a crime involving moral turpitude.
- (b) Breach of or failure to abide by the code of Ethics of the Florida Association of Mortgage Brokers.
- (c) Breach of or failure to abide by the Constitution and Bylaws or Rules and Regulations of the Florida Association of Mortgage Brokers.
- (d) Failure or refusal of a Respondent to answer a complaint. Failure or refusal of a Complainant to sign a statement releasing the Association and individual members from any and all actions, claims, debts, dues or demands, of every kind and nature whatsoever, or failure or refusal of Complainant to attend and testify as witness before the Arbitrator or mediator or the Ethics & Grievance Committee, after having had reasonable notice so to attend and testify.
- (e) Giving of any false information at a hearing before the arbitrator or mediator, Ethics and Grievance Committee or the Executive Committee.
- (f) Breach of or failure to abide by the terms of any agreement, written or otherwise, in any business transaction regulated by Chapter 494, Florida Statutes.
- (g) Any act or conduct which, in the opinion of the Ethics and Grievance Committee is detrimental to the best interest of the Association or contrary to its objectives as set forth in these Bylaws.

Section 2. Jurisdiction. The Florida Association of Mortgage Brokers and its appointed arbitrator or arbitrator shall have the power and the authority to hear and determine all matters regarding unethical conduct and enforcement of the Code of Ethics or the Bylaws, or the Rules and Regulations of the Association, false or malicious injury to the professional reputation of a member, and other conduct which publicly discredits the Association or the mortgage brokerage profession.

Section 3. Complaints. It is the duty of each and every member to report in writing to the state Ethics and Grievance Committee any conduct that such member knows of his or her own knowledge to have occurred, which may subject any member to disciplinary action under the terms of Section 1 hereof. This shall be deemed a privileged communication and shall not subject any member making such a complaint to any liability. If a member makes a complaint about another member orally to any other member, the Ethics and Grievance Committee, upon learning thereof, may require the member to submit the complaint in writing.

Each formal complaint must be filed in writing with the Ethics and Grievance Committee. The complaint shall contain a sufficiently detailed factual basis for the claim to adequately apprise the Ethics and Grievance Committee and the Respondent of the essential facts comprising the claim for relief, whether it be an ethics or arbitration complaint. The Chairman of the Ethics and Grievance Committee shall forward by certified mail, return receipt requested a copy of the Complaint together with the request for the Respondent's Answer to the complaint to the last known business address of the Respondent as registered with the Association. (See Section 4, for procedure).

Section 4. Procedure. All complaints must be filed with the Chairman of the State Ethics and Grievance Committee. The procedure for filing shall be as follows:

- 1. The initial complaint shall be forwarded to the State Chairman of the Ethics and Grievance Committee.
- 2. The Chairman, within fifteen (15) days of receipt thereof, shall assign the complaint to an active State Past President hereafter referred to as "Investigator".

3. A copy of the complaint together with a copy of the Association's Code of Ethics, Rules and Regulations shall be sent by certified mail, return receipt requested, by the Investigator to the person complained against hereafter call the Respondent, within thirty (30) days after receipt of the complaint.
4. The Respondent shall have twenty (20) days from the date of receipt of the complaint to answer the Complaint. Said Answer shall be forwarded to the Investigator. The Respondent shall set forth specific facts admitting or denying the allegations contained in the Complaint. Failure to respond may result in a default judgment or disciplinary action against the Respondent.
5. After reviewing the Complaint, the Investigator shall contact both parties to determine the sufficiency of the complaint allegations, and to request additional written information if necessary.
6. Once the investigation is complete, the investigator shall report the results of the investigation to the Ethics and Grievance committee for determination of probable cause.
7. Should probable cause be determined, the complainant will be notified. In order to cover a portion of the cost of arbitration, at least 20 days prior to the scheduled arbitration date, each party is required to post \$1,500.00 in escrow with the Ethics and Grievance Committee. Said funds shall be placed directly in an interest bearing account. If the complainant fails to deposit the escrow payment, the complaint shall be dismissed. If the respondent fails to deposit the escrow payment, their membership in the Florida Association of Mortgage Brokers will be automatically revoked, and they shall not be eligible to reapply for membership or reinstatement for a period of 5 years. If both parties fail to deposit the escrow payment, the complaint shall be dismissed. The cost of arbitration shall be borne by the losing party. However, the FAMB shall be responsible for payment of up to one-third of the cost of the arbitration or \$750.00, whichever is less.
8. Upon receipt of the \$1500.00 and agreement to proceed with arbitration, the matter will be assigned to an independent arbitrator or mediator selected by the Ethics and Grievance Committee to determine whether a violation of the Bylaws or Code of Ethics has occurred. . The choice of the arbitrator will be at the discretion of the Ethics and Grievance Committee.
9. The Chairman will notify the Ethics and Grievance Committee, the Respondent and the Complainant of a date for the arbitration or mediation hearing. The independent arbitrator or mediator's decision on the complaint will be final, except as provided in item 11 herein.
10. If the arbitrator or mediator determines that such a violation has occurred, they shall recommend to the committee disciplinary action, as authorized under Section 1 herein.
11. The findings of the arbitrator or mediator shall be adopted by the Committee unless the Ethics and Grievance Committee determines that a lesser penalty is appropriate. A Respondent who is found in violation of the Bylaws or Code of Ethics by the Ethics and Grievance Committee may appeal the decision to the full Board of Directors of the Association. The decision of the Ethics and Grievance Committee shall be upheld unless the Board determines that the decision of the Ethics and Grievance Committee is clearly erroneous. The decision of the Board shall be final.
12. If probable cause is not determined by the Investigator, the Chairman shall notify both parties that insufficient validity and substance was found in the Complaint and that the Complaint has been dismissed by the Ethics and Grievance Committee.
13. Any Complainant, following the filing of a Complaint, and before an arbitration or mediation is held, may withdraw such a complaint with the consent of the Chairman of the Ethics and Grievance Committee.
14. If a party to an arbitration or mediation intends to be represented by legal counsel, he/she shall notify the Chairman of the committee and the other party or parties in writing, delivered at least twenty (20) days prior to the date set for the, hearing. If a party is represented at the hearing by legal counsel, the cost of legal representation will be paid by said party. No transcription or recordation of the proceedings at such hearing need be made except at the request of the member or Committee in which case the cost thereof shall be borne by the party or parties requesting it.
15. The parties to arbitration may settle the issue between them by agreement at any time. If settlement occurs, the Chairman of the Ethics and Grievance Committee shall be notified in writing by both parties that the settlement has been accomplished and shall terminate all further proceedings.

Section 5. Arbitration or Mediation. The arbitrator or mediator selected shall conform to the rules and regulations published by the American Arbitration Association; Association of Attorney-Mediators or like organization as approved by the Ethics and Grievance Committee. The arbitrator or mediator will explain the various dispute resolution techniques and assist the parties in choosing one that meets their needs. Once the arbitrator or mediator has the parties' agreement to submit a dispute to alternative resolution, it will administer the case under the applicable rules or procedures. The date for the arbitration or mediation hearing may be continued for the convenience of the parties, but not more than one such continuance may be granted.

Section 6. Action by the Board. The findings of the arbitrator or mediator shall be adopted by the Committee unless the Ethics and Grievance Committee determines that a lesser penalty is appropriate

Section 7. Arbitration or Mediation Record. The Chairman of the Ethics and Grievance Committee shall maintain a separate file for each arbitration and ethics proceeding which shall contain all papers and documents received and prepared during the course of the

proceedings. Files of these proceedings shall be sealed during the course of the proceeding and thereafter, by order of the Chairman of the Committee subject to inspection only upon approval of the Chairman or the President of the Association. All matters brought before the Ethics and Grievance Committee, as well as the arbitrator or mediator, shall be conducted in confidence throughout the hearing process. Once a decision has been reached, any sanction imposed will state the parameters of distribution of the decision (to association members, newsletters, websites, National Association of Mortgage Brokers, regulatory authorities, etc.)

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