

BYLAWS
OF THE
ARIZONA ASSOCIATION
OF
MORTGAGE BROKERS

Last Amended: October 2003

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ARTICLE I, Definitions

As used in these Bylaws,

AAMB shall mean the Arizona Association of Mortgage Brokers.

NAMB shall mean the National Association of Mortgage Brokers.

MORTGAGE BROKER shall mean a person who is licensed as a Mortgage Broker or is in the profession of making or negotiating the origination, placement or sale of a lien secured by real property.

BOARD shall mean the Board of Directors of the AAMB.

MAIL shall mean to deliver by any means currently available, including all electronic methods of sending information as well as U. S. Mail or other forms of direct overland shipment of items or documents.

ADDRESS shall mean any "address", including fax numbers, e-mail address, web-site address, as well as street address.

SENT or **SEND** shall mean via any herein defined method of delivery of data or information.

QUALIFIED REPLACEMENT INDIVIDUAL shall mean an individual that meets the criteria for election or appointment to the office.

ARTICLE II, Name of Organization

The name of this organization shall be Arizona Association of Mortgage Brokers, Inc., a non-profit professional association incorporated in the State of Arizona, hereafter referred to in these Bylaws as "AAMB".

ARTICLE III, Place of Business

Offices of AAMB shall be located in the State of Arizona in such locality or localities as may be determined by the Board.

Article IV, Purpose of Organization

1. To promote the common business interest of those engaged in the Mortgage Brokerage Industry.
2. To promote cooperative business transactions among its members.
3. To provide a forum for the effective exchange of mortgage brokering knowledge, trends, ideas and innovations.
4. To promote and enhance the image of the Mortgage Brokerage profession throughout the State of Arizona.
5. To foster a broader understanding and acceptance of professional Mortgage Brokering as an important source of financing within the Mortgage Industry.
6. To protect the Mortgage Industry and the public through legislative actions.
7. To promote the highest standards of professional Mortgage Brokering ethics.
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.

ARTICLE V, Membership

Section 1. Classes of Membership and Qualifications

- A. Professional Membership – Responsible parties or individuals licensed as a Mortgage Broker or Mortgage Banker by the State of Arizona, or the employees of licensees, may apply for Professional Membership. Only Professional Members may hold elected office and have a vote in the affairs of AAMB and the local chapter.
- B. Associate Membership – Individuals employed by a licensee who is a Professional Member may apply for Associate Membership. Associate Membership is not opened to licensed individuals or responsible parties. This is a non-voting membership.
- C. Affiliate Membership – Individuals engaged in related fields who are not licensed or employed by Mortgage Brokers in the State of Arizona may apply for Affiliate Membership; e.g. Attorneys, Mortgage Bankers, Banks, Appraisers, Title Companies, etc. This is a non-voting membership.
- D. Honorary Membership – Honorary Membership may be awarded to individuals for meritorious and distinguished service to the Mortgage Brokerage Profession or to AAMB. Honorary Members shall use the phrase “Honorary Member of the Arizona Association of Mortgage Brokers” as the manner to identify their membership, may attend association meetings and serve as advisors to AAMB Affairs. Honorary members may not hold office except as an ex-officio member of the Board nor use the name, title, initials, seal, symbol or insignia of AAMB. Honorary members shall not pay dues and shall not have a vote in the affairs of the association, but may serve on committees.

Section 2. Admission to Membership

- A. Professional Membership – Applications shall be submitted on a form provided by AAMB to the offices of AAMB, with a copy of the applicant’s current Mortgage Broker’s or Mortgage Banker’s license attached or proof of employment by a Mortgage Broker or Mortgage Banker. This will include membership in AAMB, A chapter and NAMB. The AAMB Board shall have the right to make a final determination of membership status.
- B. Associate Membership – Applications shall be submitted on a form provided by AAMB to the offices of AAMB, with a copy of the current Mortgage Broker’s or Mortgage Banker’s license of the applicant’s employer attached and proof of employment by the Mortgage Broker or Mortgage Banker. This will include membership in AAMB, a Chapter and NAMB. The AAMB Board shall have the right to make a final determination of membership status.
- C. Affiliate Membership – The same procedure for approval of Affiliate Members will be followed, as with Professional Membership, except no Mortgage Broker or Mortgage Banker license or evidence of employment by a licensee is required. This will include membership in AAMB, a Chapter and NAMB.

Section 3. Termination of Membership

- A. Resignation – Any member may resign from membership in AAMB by filing a letter of resignation with the Chapter’s Secretary, who will forward it to AAMB. Resignation shall not relieve such member from the obligation to pay in full all dues, assignments or any other indebtedness to the Chapter or AAMB or NAMB.
- B. Revocation of Membership – Members may be reprimanded, fined, suspended or expelled by the Board for failure to conform to an award in arbitration, or for violation of these Bylaws or the Code of Ethics or any other conduct which discredits this organization or the Mortgage Brokerage Profession as provided for in Article XV.
- C. License Discontinuation – The discontinuation or suspension of an individual’s license, or the license of his employer, for any reason whatsoever, shall disqualify the individual from Professional or Associate Membership and the individual’s membership in AAMB and NAMB shall be automatically terminated.
- D. Reinstatement – Any individual, whose membership has been terminated for any reason whatsoever, may petition the Board for reinstatement. The individual must submit a written request and explanatory statement, and if required, a copy of a valid Mortgage Broker’s or Mortgage Banker’s license or proof of employment with a licensed Mortgage Broker or Mortgage Banker. Upon approval of the Chapter Board, the individual’s membership will be reinstated.

Section 4. Voting

- A. Professional Member – Each Professional Member shall have one vote in the affairs of AAMB.
- B. Associate Members - Associate Members shall not have a vote in the affairs of AAMB.
- C. Affiliate Members – Affiliate Members shall not have a vote in the affairs of AAMB.
- D. Honorary Members – Honorary Members shall not have a vote in the affairs of AAMB.
- E. Majority Vote – Any decision of AAMB Board, or other committee of AAMB shall be by a majority vote of those members present and in person, unless otherwise provided for in these Bylaws (See ARTICLE X, Sec. 10).
- F. Eligibility – Only those Professional Members whose dues are paid in full as of fifteen (15) days prior to the convening of a meeting, shall be considered to be in good standing and entitled to vote at said meeting.
- G. Special Ballot – In any vote of the general membership a voting member may vote by Special Ballot. Said Special Ballots shall be sent to the voting membership no less than ten (10) days prior to the date of the meeting to be held for said vote. To be counted as an official vote the Special Ballot must be signed by the qualified voting member and received by the Secretary of AAMB prior to the official vote.

Section 5. Affiliation with NAMB

All categories of AAMB membership shall be required to affiliate with NAMB as outlined by the current affiliation agreement between AAMB and NAMB. All NAMB members will adhere to and abide by the requirements of the affiliation, NAMB Articles of Incorporation, Bylaws and Code of Ethics as they are now and as they may be amended.

ARTICLE VI, Dues

Section 1. Dues Schedule

The annual dues schedule for each category of AAMB membership shall be determined by the Board.

Section 2. Dues Payment

All dues shall be payable on the first day of January each year.

Section 3. Removal for Non-Payment

Members, who fail to pay their prescribed dues and other obligations within thirty (30) days from the time the dues or obligations become due, shall be notified they are delinquent. If the dues and other obligations are still unpaid within the next sixty (60) days, the delinquent member 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 at the discretion of the Board.

Section 4. Application Fees

The Board shall have the authority to set application fees for any classification of AAMB membership.

ARTICLE VII, Membership Meetings

Section 1. Annual Meeting

There shall be an annual meeting of AAMB for the election of Officers, receiving status reports, and the transaction of other business. At the discretion of the AAMB Board the Annual Meeting may be held in conjunction with the Annual Convention. Notice of such meeting shall be mailed to the last reported address of each voting member at least thirty (30) days before the time appointed for the meeting.

Section 2. Annual Convention

There shall be an annual convention of AAMB for receiving status reports and the transaction of other business. At the discretion of the AAMB Board the Annual Convention may be held in conjunction with the Annual Meeting. Notice of such convention shall be mailed to the last reported address of each member at least thirty (30) days before the time appointed for the convention.

Section 3. Special Meetings

Special meetings of AAMB may be called by the President or the Board, or shall be called by the President upon the written request of twenty-five percent (25%) of the Professional Members of AAMB. Notice of any special meeting shall be mailed to each member at their last recorded address at least thirty (30) days in advance, with a statement of time and place and information as to the subject or subjects to be considered.

Section 4. Quorums

For meetings of AAMB, the voting members present and in good standing, shall constitute a quorum.

ARTICLE VIII, Chapters and Chapter Directors

Section 1. Chapter

AAMB shall be comprised of Chapters as approved by AAMB Board. For the purpose of accomplishing the objectives of AAMB more effectively, Chapters may be organized by ten (10) or more Professional Members petitioning the AAMB Board for permission to form a Chapter. Upon verification that all requirements have been met and that there is a bona fide need for the Chapter, the Board shall vote on admitting the Chapter to AAMB. If the membership of a Chapter falls below ten Professional Members for a six-month period, the Board, after considering the facts of the situation, can suspend the Chapter. A two-thirds (2/3) majority vote of the Board Members present is needed for these actions.

Section 2. Minutes and Actions

Every action taken by a chapter shall be evidenced by minutes, which shall be submitted to the AAMB Secretary within thirty (30) days of the meeting.

Section 3. Chapter Bylaws

Chapter Bylaws shall not conflict with the Bylaws of AAMB.

Section 4. Number of AAMB Directors from each Chapter

Each Chapter's President and President Elect shall be a member of the AAMB Board of Directors. For each Twelve (12) Professional Members of a Chapter, It shall be allowed one additional Director. The number of Directors from one Chapter shall never exceed four including the Chapter's President and President Elect.

Section 5. Duties

AAMB Board shall assist the AAMB President in the administration of AAMB affairs, keep the President informed at all times on matters of importance concerning AAMB, assist the Treasurer in every way possible in collection of dues, report AAMB matters to Chapter members, assist in increasing the membership, and work for the good of AAMB in all matters.

ARTICLE IX, AAMB OFFICERS

AAMB Officers shall be President, President Elect, Vice President, Secretary and Treasurer. A member must be a Professional Member and have an active license or be an employee of an active licensee to serve as an officer. Any officer whose license or whose employer's license is placed on inactive status or who changes membership status must resign or will be relieved of AAMB officer duties at the next regularly scheduled meeting of the Board. The vacant office will be filled per section 4 of this article. Change of status does not include changing licensing from a Mortgage Broker to a Mortgage Banker if member is in compliance with Article V, Section 2.A. Directors elected to officer positions must vacate their positions as Directors.

Section 1. Elected Officers

The Vice President, Secretary and Treasurer shall be elected at the annual AAMB meeting. The current Vice President shall automatically ascend to the office of President Elect and the current President Elect shall automatically ascend to the office of President. In the absence of the current President Elect, the current Vice President will ascend to President.

Section 2. Election

Officers shall be elected at the annual AAMB meeting following the report of the Nominating Committee; the floor shall be opened for further nominations for each vacant office. If more than one person is nominated for an office, election shall be by secret ballot and the majority of votes shall elect.

Section 3. Term of Office

Elected officers shall take office on July 1 of the year for which they are elected and shall serve for one year or until their successor is duly elected and qualified, except that the President Elect shall automatically assume the office of the President and the Vice President shall automatically assume the office of the President Elect on July 1 of the year immediately following the beginning of their respective terms. Persons holding office as of June 30 will normally be the immediate past holder of that office in the following year. The Board can alter this guideline on a case by case basis.

Section 4. Vacancies

Vacancies in any office may be filled by the remaining members of the Board, with a qualified replacement individual, for the remaining term at any special or regular meeting of the board.

Section 5. Re-Election

Officers may be elected for two consecutive terms in the same office, after which the elected officers shall not be eligible for election to the same office until one year has passed.

Section 6. President

The President shall be the chief Executive officer of the organization, shall preside and have a vote at meetings of the AAMB Board and of the Executive Committee, and shall be a member ex-officio, of all committees, with right to vote in case of tie votes only. The President shall also, at the Annual Meeting of AAMB and at such other times as needed, communicate to AAMB or to the Board such matters and make suggestions as may in the Presidents opinion tend to promote the welfare and increase the usefulness of AAMB, and shall perform such other duties as may be prescribed by the Board. The President shall appoint all Committee Chairpersons except as otherwise provided herein, and shall at all times consult with the Board on matters of policy in conducting the affairs of AAMB.

Section 7. President Elect

The President Elect shall perform all duties and exercise all powers of the President when the President is absent or is otherwise unable to act. The President Elect shall perform such other duties as may be prescribed from time to time by the Board, and shall assist the President in the administration of AAMB affairs, for the good of all members.

Section 8. Vice President

The Vice President shall perform all duties and exercise all powers of the President Elect when the President Elect is absent or is otherwise unable to act. The Vice President shall assist the President and the President Elect with committee assignments and such other duties as may be prescribed by the Board.

Section 9. Secretary

The Secretary shall keep minutes of all meetings of members and of the Board, 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.

Section 10. Treasurer

The Treasurer shall have charge and custody of all funds of AAMB, shall deposit the funds as required by the Board, shall keep and maintain adequate and correct records of AAMB properties and business transactions, shall render reports and accountings to the Board and to the members as required by the Board or members 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 the Bylaws, or which may be assigned from time to time by the Board. All funds shall be deposited in the name of AAMB.

Section 11. Executive Committee

The Executive Committee shall be comprised of the AAMB President, President Elect, Vice President, Secretary, Treasurer, and immediate past President. This Committee shall implement and interpret decisions of the Board. All actions and decisions of the Executive Committee shall be reported at the next regularly scheduled AAMB Board meeting.

ARTICLE X, AAMB BOARD

Section 1. Power and Responsibilities

The Board shall have the supervision, control and direction of the affairs of AAMB, 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 power granted, appoint such agent as it may consider necessary.

Section 2. Composition

The Board shall be comprised of the President, Vice President, President Elect, Secretary, Treasurer, immediate past AAMB President, Chapter directors and Chapter Presidents and Chapter Presidents Elect. The Board shall have the authority to award non-voting Affiliate Directors positions to Affiliate Members that may from time to time deserve said designation. However, in no event shall there be more than three non-voting Affiliate Directors at any one particular time. Additionally ex-officio positions may, from time to time, be designated. Such Honorary members, up to a maximum of three, may be appointed by a majority board vote. Ex-officio board positions shall be non-voting.

Section 3. Term of Office

All Board members shall take office on July 1 of the year for which they are elected or appointed and shall serve for one year or until their successor is duly elected or appointed and qualified.

Section 4. Election

All members of the Board shall serve by the virtue of their respective elected or appointed position.

Section 5. Meetings

The Board shall meet at regular intervals between annual meetings upon call of the President at such times and places as The President may designate and shall be called to meet upon demand of a majority of its members. Notice of all meetings of the Board shall be sent to each member of the Board at their last recorded address at least ten (10) days in advance of such meetings.

Section 6. Quorum

A majority of the whole Board shall constitute a quorum at any meeting of the Board. Any less number may adjourn 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 Executive Director, state the reason for their absence. If a Director is absent for two (2) consecutive meetings for reasons which the Board has failed to declare sufficient, the Director may be removed from office by the Board by a majority vote. In the event that a Director is removed from office by reason of unexcused absence, then the Chapter, which the removed Director represents, may appoint a replacement Director if so authorized by a majority vote of the Board of Directors.

Section 8. Resignation

Any Board member may resign at any time by giving written notice to the President, the Secretary, or the Board. Such resignation shall take effect at the time specified therein, or if no time is specified, at the time of acceptance, as determined by the President or the Board.

Section 9. Vacancies

Any vacancies, which may occur on the Board, may be filled by the remaining members of the Board, with a qualified replacement individual, for the remaining term at any special or regular meeting of the Board.

Section 10. Voting

Any decision of the Board shall be a majority vote of those Board members present and voting in person.

ARTICLE XI, Committees

Section 1. Composition

Membership of each AAMB Committee shall be comprised of the Chairperson of corresponding Chapter committees. The AAMB President will appoint additional committee members at The Presidents discretion. Except as provided otherwise herein, the AAMB President shall appoint the Chairperson of each committee from this group.

Section 2. Standing Committees

The standing committees shall be as follows: Membership; Government Affairs; Nominating; Bylaws and Planning; Ethic, Grievance and Arbitration; Finance; Education and Forms Committee.

Section 3. Reports

All committees shall present their reports to the Board prior to presenting the report to the General Membership at a General Membership Meeting.

Section 4. Membership Committee

The Secretary of the Chapter, from which the new member is making application, shall submit a copy of the application to the committee. It is the responsibility of this committee to maintain a current roster and mailing list on all categories of AAMB members.

The Membership Committee shall also concern itself with the expansion and development of Chapters and the membership growth of the Chapters and make reports and recommendations to the Board and AAMB membership.

The Membership Committee shall also assist the Chapters in matters of Publicity. The Committee may, after Board approval, initiate publicity programs directed toward making the title of Mortgage Broker respected by the public and eliminating any impression before the public that is detrimental to AAMB or its members. The Membership Committee shall recommend Award and Recognition programs to the Board designed to recognize Chapters, members, and others for meritorious service to AAMB or the profession. The Committee shall recommend selection criteria to the Board and determine the recipients where appropriate.

Section 5. Government Affairs Committee

The Government Affairs Committee shall investigate and make reports on laws and decisions, which vitally affect those in the mortgage brokerage business. Reports on such laws and decisions shall be made to the Board of AAMB for dissemination to membership as applicable. This Committee shall have the power to act and lobby with regard to legislation pending before the State Legislature on matters affecting the interests of the members of AAMB. If time permits, the proposed legislation should be submitted to the Board for discussion, to determine AAMB's position on the subject. A detailed report of the activities of this Committee shall be made at all scheduled meetings of the membership or Board.

Section 6. Nominating Committee

The immediate past President shall be Chairperson of the Nominating Committee. The Nominating Committee shall nominate one person for each of the offices of Vice President, Secretary, and Treasurer. The report of the Nominating Committee shall be sent to all Chapter Presidents at least forty-five (45) days prior to the Annual Meeting and to all members at least thirty (30) days prior to the Annual Meeting. The Nominating Committee shall consist of an equal number of members from each Chapter. Nominating Committee members cannot be elected to hold office in the same year they serve on the Nominating Committee.

Section 7. Bylaws and Planning Committee

The Committee shall have referred to it all motions and resolutions involving changes in or amendments to the Bylaws. Following approval by the Board of Directors, the Committee shall make a report to the membership at the Annual Meeting on recommended changes or amendments to the Bylaws. The Committee shall also develop and present to the Board long range plans to further the purposes of AAMB.

Section 8. Ethics, Grievance and Arbitration Committee

The Ethics, Grievance and Arbitration Committee shall consist of the Immediate Past President of each Chapter and the AAMB Immediate Past President. The AAMB Immediate Past President shall serve as Chairperson. In any particular matter, if any Committee member is subject to recusal, the Committee shall replace such recused Committee member with a temporary substitute selected from Past Presidents available. The Committee shall submit the replacement name to the Board for its approval. This committee shall investigate all written complaints of unethical practices that tend to be detrimental to the membership as a whole. Complaints may be submitted by any member of AAMB, the general public or at the discretion of the Committee. All reports and recommendations arising from such investigations shall be made to the Board. The Committee shall be responsible for administering the Rules and Regulations of the Code of Ethics, Best Business Practices and Arbitration Manual of AAMB.

Section 9. Finance Committee

The Finance Committee shall be comprised of at least the Treasurer of each Chapter and the AAMB Treasurer. Additional Committee members must be approved by the AAMB President. The AAMB Treasurer shall serve as Chairperson of the Committee. The Committee shall make recommendations to the Board as to the source and programs for securing the monies necessary for operation of AAMB, recommend a budget for the operation of AAMB, secure an examination and review of the financial records at least once a year, and present a financial report to the membership at the Annual Meeting. The Chapter Treasurers shall file their statements of financial condition, as often as prepared, with the AAMB Treasurer.

Section 10. Education and Forms Committee

The Education and Forms Committee shall consist of not less than three (3) members, appointed by the President for two-year terms. Committee members may be re-appointed to succeed themselves.

The Committee shall have the authority to recommend convention site selections, and coordinate and develop the educational program of all seminars and conventions, and shall be responsible for liaison with the State Banking Department in the education of mortgage brokers.

The committee shall also be responsible for designing and standardizing, to the extent possible, forms used in the brokering of mortgages. Forms recommended to the Board may be offered by AAMB as sample forms to be voluntarily used by the membership in the course of business.

ARTICLE XII, Executive Director

Contractual Relation

There may be an Executive Director who shall have a contractual relationship with AAMB. Said contract shall be negotiated by the Board and the services, obligations, compensation and other appropriate matters shall be covered by the contract, which shall be written at the discretion of the Board.

Bonding

The Treasurer, the Executive Director, and any other person entrusted with the handling of funds or property of AAMB may, at the discretion of the Board be required to furnish a fidelity bond. The bond shall be approved by the Board, shall be in such sum as the Board shall prescribe, and shall be at the expense of AAMB.

ARTICLE XIII, Bylaws

Section 1. Amendments

- A. These Bylaws may be adopted, altered, amended or repealed by an affirmative majority vote of the Professional Members of the association that are present, or voting by Special Ballot, at any duly-called meeting of the general membership, provided that a copy of any proposed amendments is sent at least thirty (30) days before the date of such meeting.
- B. Any changes to these Bylaws that are approved by the membership, shall take place immediately.

Section 2. Members Governed By

Upon the adoption of these Bylaws of AAMB, it is hereby provided that nothing herein contained shall be interpreted so as to divest any present members in good standing of membership in AAMB. 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 of any provision thereof, the Board 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 edition, shall be recognized as the authority governing the meetings of AAMB, its Board and Committees, in all instances, wherein, its provisions do not conflict with these Bylaws.

ARTICLE XIV, Liability

Section 1. Liability

The Officers and the Board of AAMB, and all standing or select committees, and the individual members thereof, either as a whole or individual, shall be held harmless from any and all liability so long as their actions are within the scope of their authority, relating to AAMB matters.

ARTICLE XV, Code of Ethics, Standards of Professional Practice and Arbitration

Section 1. Adoption

AAMB shall adopt a Code of Ethics and a set of Standards for Professional Practices and Arbitration Procedures 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

AAMB 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, Best Business Practices, Standards of Professional Practice and Arbitration Procedures.

Section 3. Code of Ethics and Arbitration Manual

The responsibility of the Board and Board Members relating to the enforcement of the Code of Ethics, the disciplining of members, the arbitration of disputes and the organization and procedures incident, thereto, shall be governed by the Code of Ethics, Best Business Practices and Arbitration Manual of AAMB, as from time to time amended, which by this reference is made part of these Bylaws.

ARTICLE XVI, Logo and Fonts

AAMB shall have a logo. This logo will be used as a symbol of the organization and will appear on official written or visual communications, correspondence, publications, letterhead stationery, envelopes, applications, directories,

certificates, plaques, awards, promotional items or any other thing requiring easy visual recognition of the association's name or sponsorship.

The logo shall consist of: two concentric circles; the diameter of the inner circle is approximately 70% of the diameter of the outer circle. Starting at approximately the eight o'clock position and ending at the four o'clock position, the words "ARIZONA ASSOCIATION OF MORTGAGE BROKERS" shall be written between the two circles in capital block letters with the bottom of each letter toward the inner circle. The letters will be equal distance from and not touching either circle. Centered at the bottom between the two circles will be "*1980*" with the top of the numbers toward the inner circle. An approximate outline of the state of Arizona shall be positioned within the inner circle covering approximately 60% of the area. Centered in this outline will be a five-pointed star with one point at the top. Fourteen rays emanate from the top half of the star and stop at the intersection with the outline of the state of Arizona. The logo shall not be bounded by other borders. The color of the logo shall be dark blue or black lines on a white or light pastel background. The pastel background shall not clash with the color of the logo lines. If multi-colors are used, they shall be consistent with those of the Arizona flag.

In all published, written or visual communication, the words "Arizona Association of Mortgage Brokers" and "AAMB" will be written in a font with consistent letters of a style depicting strength, stability and conservatism.

A logo of approximately one-inch outside diameter shall be placed in an upright position in the upper left-hand corner of all AAMB letterhead and envelopes. A logo of proportions to the item to which it is affixed shall be centered on covers and cover sheets. On other items, such as publications, certificates, plaques, awards or promotional items, the logo shall be of a proportional size to the item and the accompanying text. It shall be placed in a position of artistic balance relative to the rest of the item.

The Board shall be given responsibility to approve variations of the logo, its size and placement on items. The Board is also responsible for approval of the official AAMB font within the above parameters. The President is given authority to appoint a committee from the Board to perform this function.

ARTICLE XVII, Dissolution

AAMB 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 AAMB. On dissolution of AAMB, 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 .

NOTES

Arizona Association of Mortgage Brokers
Standards of Professional Practice

AAMB Members shall be remunerated by only one of the two parties (investor or borrower) unless both parties are clearly advised otherwise

AAMB Members shall secure all information on the collateral and credit so an objective report can be presented to the investor.

AAMB Members shall not advise an investor of the safety or security of the offered collateral unless adequately trained to do so.

AAMB Members shall not indicate or intimate to the borrower or the investor that the broker possesses the qualifications to advise on matters germane to other professions unless the standards set forth for professional acceptability by those other professions have been met.

An AAMB Member who has requested and received the requested commitment from an investor shall deliver the mortgage offered to the investor unless prevented by caused beyond his control.

AAMB Members shall keep informed on all current thinking and trends in the mortgage industry.

AAMB Members shall not disclose the confidences and secrets of one client to another.

AAMB Members shall not accept employment that might require such disclosures unless the information is public information or the consent of the client has been obtained.

Arizona Association of Mortgage Brokers

Code of Ethics

AAMB Members shall act in accordance with any laws, rules regulations of the State of Arizona and in accordance with the Bylaws of the Arizona Association of Mortgage Brokers.

AAMB Members shall perform business in a manner reflecting honor and integrity.

AAMB Members shall avoid and report fraudulent and unethical practices to the Arizona Association of Mortgage Brokers or the Arizona State Banking Department.

AAMB Members shall abide by generally accepted principles of real estate valuation when reporting to the investor regarding the valuation of the offered collateral for a loan.

AAMB Members shall not advise, advertise or intimate terms and conditions not available and not likely to be made available.

AAMB Members should attempt to put all agreements into written form, but shall abide by all agreements made whether written or oral.

AAMB Members shall maintain special accounts separate from personal accounts for the deposit of trust or escrow funds.

AAMB Members shall not speak disparagingly of the business practices of a competitor or of a transaction being negotiated by a competitor.

Disputes between members shall be resolved by decisions of the Ethics, Grievance and Arbitration Committee.