

**BYLAWS
OF THE
ASSOCIATION
OF
REAL ESTATE
OWNED MANAGERS, INC.**



A California Nonprofit Corporation

Revised & Approved May 2020

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ARTICLE I Name, Principal Office, Purpose and Restrictions

1.01 Name

The name of the corporation is Association of Real Estate Owned Managers, Inc., dba and hereinafter "REOMAC". REOMAC is a California nonprofit mutual benefit corporation. The Board of Directors (the "Board"), by a two-thirds majority vote of all Board Members then serving, may, from time to time, change the name of the corporation.

1.02 Principal Office

The Board shall determine the location of the principal office of REOMAC.

1.03 Mission and Vision

- A. Mission: To promote the success of individuals and companies in the real estate default services industry.
- B. Vision: To be the recognized leader in training and providing access to superior professionals serving the real estate default industry.

1.04 Restrictions

All policies and activities of REOMAC shall be consistent with applicable federal, state and local antitrust, trade regulation laws and other legal requirements, including the Nonprofit Corporation Law of the state in which REOMAC is organized and operated, and applicable tax-exemption requirements.

1.05 Manual of Policies and Procedures

The Board shall adopt and maintain a policies and procedures manual (the "Manual") setting forth the rules, policies and procedures of REOMAC. The Directors present at a duly called and held meeting at which a quorum is present may amend the Manual by simple majority vote.

1.06 All capitalized terms are defined in the Manual

ARTICLE II Members

2.01 Membership Qualifications & Rights

Membership in REOMAC may be extended to persons involved in the real estate default services industry and who conform to the membership conditions and requirements established by REOMAC in accordance with its Manual.

REOMAC shall have three (3) categories of members, defined as follows:

- A. Default Servicer: Members of institutions who own or control the servicing of real estate mortgages to and through foreclosure and asset disposition.
- B. Affiliate: Brokers/Agents; Attorneys; others providing services or products for the mortgage default services industry including, but not limited to: appraisers, title/escrow professionals, foreclosure trustees, property managers, field and preservation professionals, receivers, auction companies, fiduciary groups, insurers, governmental bodies, and technology professionals.
- C. Past Presidents: Past Presidents of REOMAC.

All members shall have full voting rights, and may serve on any Council or Committee, excepting the Executive Committee, but Affiliate Members shall not be eligible for the offices of President or Vice President.

2.02 Rules and Guidelines

The Board shall establish written rules, guidelines and procedures for the admission, qualifications, benefits, dues, discipline and termination for all categories of members in its Manual of Policies and Procedures. The Board of Directors, by a two-thirds majority vote of all Board Members then serving, may, from time to time, establish or alter the classes of and requirements for membership in REOMAC.

2.03 Member Liability

No member of REOMAC shall be personally or otherwise liable for any of the debts or obligations of REOMAC.

2.04 Non-Transferability of Membership

Memberships in REOMAC may not be transferred if paid by an individual. Memberships paid by a company may be transferred to an alternate employee if the original member is no longer with the company or in a position unrelated to REOMAC member categories.

ARTICLE III Dues

3.01 Dues

The Board shall set dues and fees, make assessments and set the terms of payment.

3.02 Delinquency

Any member of REOMAC who is delinquent in dues, fees or assessments may be suspended or terminated. Annual dues shall be delinquent thirty days after due date, and may be subject to a late fee as set by the Board.

3.03 Refunds

No dues will be refunded except as approved by a two-thirds vote of the Board of Directors, in its sole and final discretion.

ARTICLE IV Membership Meetings

4.01 Annual Membership Meeting

REOMAC shall hold an annual meeting at the place and on the date and time that the Board determines. At the annual meeting, the Board shall report the activities of REOMAC to the members, and other business shall be transacted as may be properly brought before the meeting.

4.02 Special Meetings

The President, the Board or ten (10) percent or more of the members may call special meetings of the regular membership.

4.03 Notice

The Board must give Association members reasonable notice of all annual and special meetings. The notice shall include a description of the business to be discussed and shall be given at least 30 days (but not more than 90 days) before the meeting.

- A. Manner of Giving Notice: Notice of a members' meeting or any report shall be given either personally, by mail, e-mail or other means of written communications, addressed to the member at the address of such member appearing on the books of REOMAC or given by the member to REOMAC for the purpose of notice. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by e-mail or other means of written communication.

- B. Notice of Meetings Called by Members: If a special meeting is called by the members as authorized by the Bylaws, the request for the meeting shall be submitted in writing,

specifying the general nature of the business proposed to be transacted and shall be delivered personally or sent by e-mail, registered mail or by other electronic means to the President, Vice-President or Secretary of REOMAC. The officer receiving the request shall promptly cause notice to be given to the members entitled to vote that a meeting will be held, stating the date of the meeting. The date for such meeting shall be fixed by the Board and shall not be less than thirty-five (35) nor more than ninety (90) days after the receipt of the request for the meeting by the officer. If the notice is not given within twenty (20) days after the receipt of the request, persons calling the meeting may give the notice themselves.

4.04 Quorum, Voting

The number of members who actually attend a membership meeting shall constitute a quorum. Whenever a quorum is present, an act or decision made by a majority of the members is a valid act or decision. Voting may occur in-person or remotely by electronic ballot.

4.05 Conduct of Meetings

Meetings of members shall be presided over by the President of REOMAC or, in his/her absence, the Vice-President of REOMAC or, in the absence of both of these persons, by a Chairman chosen by a majority of the voting members then present. The Secretary of REOMAC shall act as Secretary of all meetings of members, provided that his/her absence, the presiding officer shall appoint another person to act as Secretary of the meeting. The Secretary shall keep written minutes, which shall be kept on file at the principal place of business (i.e. Headquarters).

In the absence of a conflict between these Bylaws, REOMAC's Articles of Incorporation, or the Manual, meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time.

4.06 Action Without a Meeting: Ballots

Any action which may be taken at a meeting of the members may be taken by conforming to the balloting procedure specified in the California Nonprofit Corporation Law, or by such electronic means as the Board may choose.

4.07 Members' Inspection Rights

Each and every member in good standing shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member, as determined by the Board in its sole discretion.

- A. To obtain from the Secretary of REOMAC or from Headquarters, upon written demand and possibly payment of a charge, a list of the names and voting rights of those members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list

is requested. The membership list shall be made available on or before the latest of twenty (20) business days after the demand is received or after the date specified therein as of which the list is to be compiled.

- B. To inspect at any reasonable time the books, records, or minutes or proceedings of the members or the Board or Councils of the Board, upon written demand on REOMAC by the member, for a purpose reasonably related to such person's interests as a member.

ARTICLE V *Board of Directors Meetings and Governance*

5.01 Board of Directors

The Board is the governing body of REOMAC and has authority, and is responsible for, the supervision, control, and direction of REOMAC.

5.02 Eligibility and Number of Directors

REOMAC shall have twelve (12) elected Directors and may have up to four (4) additional Directors, including at least two (2) Affiliate Members and two (2) Default Servicer Members, appointed by the President and affirmed by the Board of Directors. The twelve (12) elected Directors shall be composed of no less than four (4) Default Servicer Members, and no more than eight (8) Affiliate Members. In addition, the Immediate Past President of REOMAC who desires to serve shall automatically be a member of the Board of Directors without the necessity of election or appointment. All Directors, elected and appointed, shall be known as the Board of Directors. Any appointed Director shall serve on the Board of Directors with all of the rights and responsibilities of an elected Director. All Directors must be members of REOMAC.

In the event that a Director's membership category changes, or for any reason the Director otherwise ceases to qualify for membership, that person shall only serve out the current year of the board term (expiring on December 31st), even if it is the first year of an elected or appointed term. Notwithstanding the foregoing, if a Director is terminated for any reason, their term as a Director shall cease immediately. In addition to these provisions, the Board may establish rules and guidelines relating to service on the Board of Directors.

The maximum number of Directors serving on the Board of Directors from any one institution, and/or any of its wholly owned affiliates or subsidiaries shall be limited to two members. If three or more members from the same institution and/or any of its wholly owned affiliates or subsidiaries run for election to the Board, the two members receiving the highest number of votes will be elected. If an existing Director changes jobs and goes to work for a new institution and/or any of its wholly owned affiliates or subsidiaries with two current Directors, the Director changing jobs can complete his/her present term as a Director.

5.03 Terms of Office

The Directors shall hold office for a term of two (2) years and shall be so elected that the terms of a bare majority, if there is an odd number of directors, or one-half of the Directors, if there is an even number of Directors, will expire in the odd years and the remainder in the even years. Directors shall hold office until their successors have been elected. No Director shall serve more than three consecutive two (2) year terms. After a Director serves three consecutive two (2) year terms, said Director is ineligible to serve on the Board of Directors for one (1) year following the expiration of the third term; He/she may then stand for re-election. There shall be no limit to the number of total number of non-consecutive terms served by a Director.

Notwithstanding the foregoing, a Director who was President in their 6th consecutive year of Board service may continue to serve on the Board pursuant to Section 5.02 of these Bylaws for an additional one (1) year term as Immediate Past President; thereafter, they are ineligible to serve as a Director for one (1) year.

5.04 Nomination

The Board shall establish written rules and procedures for nominations and elections of directors and officers.

5.05 Vacancies

The Board shall establish written rules for the definition and filling of any vacancy.

5.06 Meetings

The President, Vice-President, Treasurer, Secretary or any two Directors may call a meeting of the Board. The Board shall hold its annual meeting at the time and place it selects and shall hold other meetings each year at the time and place it selects.

5.07 Notice

The Board may hold regular meetings without notice if the time and place of such meetings is fixed by the Board. The Board may hold special meetings upon four days' notice by first class mail or 48 hours' notice delivered personally or by telephone, email or other electronic means.

5.08 Quorum

A majority of the directors then in office, at least two of whom shall be Default Servicer Members, shall be necessary to constitute a quorum of the Board.

No business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion that the meeting be adjourned until the time fixed for the next regular meeting of the Board.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding withdrawal of Directors from the meeting thus reducing the number present to less than a quorum, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of REOMAC.

5.09 Board Action

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board. The Board may adopt rules and regulations which may supplement and interpret these Bylaws and shall be binding and enforceable as to members, Directors and officers.

5.10 Meeting Attendance

The Board shall establish written rules for attendance at Board of Directors meetings.

5.11 Conduct of Meetings

The Board shall establish written rules for the conduct of its in-person, conference call, or meetings by other electronic means.

5.12 Action by Unanimous Written Consent Without a Meeting

Any action required or permitted to be taken by the Board under any provision of law may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action in the manner specified in the California Nonprofit Corporation Law.

5.13 Advisory Board

The Board of Directors may establish an Advisory Committee consisting of individuals the Board believes, in its sole discretion, will benefit REOMAC as whole and the industry it serves.

ARTICLE VI *Officers*

6.01 Officers

The officers of REOMAC shall be a President, Vice President, Treasurer and Secretary. The position of Executive Director shall not be an officer of REOMAC, but shall be an employee or agent of REOMAC.

6.02 Qualifications

The Board shall establish written rules governing the qualifications and eligibility of Officers.

6.03 Election and Term of Office

The officers shall be elected from among the members of the Board by the Board at a regular meeting to serve terms of one year, or until a successor is installed.

6.04 Duties

The officers perform those duties that are usual to their positions and that are assigned to them by the Board, including those duties that are set forth in the position descriptions for each officer as adopted by the Board from time to time. In addition, the President acts as Chairman of the Board; the Vice President/Treasurer acts in place of the President when the President is not available; and the Vice President/Treasurer is the chief financial officer.

6.05 Removal and Resignation

The Board shall establish written rules for the removal or resignation of any officer.

6.06 Vacancies

The Board shall establish written rules for the management of any vacancy.

ARTICLE VII Executive Committee

7.01 Composition

The Executive Committee shall consist of the President, Vice President, Treasurer, Secretary and the Immediate Past President. The President shall serve as Chairman of the Executive Committee.

7.02 Authority

The Executive Committee shall act in the place and stead of the Board between Board meetings on all matters except those specifically reserved by the Board. The Executive Committee shall report its actions to the Board no later than the next meeting of the Board. All actions taken by the Executive Committee shall be subject to the approval and ratification by the Board of Directors

ARTICLE VIII **Other Councils and Committees**

8.01 Other Councils and Committees

The Board may form, revise or terminate other Councils or committees on such terms and conditions and at such times as it deems appropriate.

ARTICLE IX **Indemnification and Insurance**

9.01 Indemnification

To the fullest extent permitted by the law, REOMAC shall defend, indemnify and hold harmless any agent against any claim arising out of any alleged or actual action or inaction in the performance of duties performed in good faith on REOMAC's behalf. "Agent" for this purpose shall include representatives, Directors, officers and employees.

9.02 Insurance

REOMAC may purchase and maintain insurance to the full extent permitted by the law on behalf of its agents against any liability asserted against or incurred by the agent in such capacity arising out of the agent's status as such.

ARTICLE X **Chapters**

10.01 Chapters

The Board may recognize chapters on such terms and conditions as it deems appropriate, which shall be included in an appropriate written agreement between REOMAC and the chapter addressing all significant aspects of the relationship.

ARTICLE XI **Fiscal Year**

11.01 Fiscal Year

The fiscal year of REOMAC shall begin on the first day of January and end on the last day of December of each year.

ARTICLE XII **Amendment of Bylaws**

12.01 Amendment of Bylaws

These Bylaws may be amended by a majority vote of the Board, provided that certain amendments to the Bylaws specified in the California Nonprofit Corporation Law, including those that materially and adversely affect the rights of members or change the authorized number of Directors, must be approved by the members.

ARTICLE XIII **Interpretation**

13.01 Interpretation

These Bylaws constitute a written agreement between REOMAC and its members, Directors and officers. The Bylaws should be interpreted in connection with the California Nonprofit Corporation Law that supplements and controls these Bylaws.

ARTICLE XIV **Execution of Instruments**

14.01 Execution of Instruments

The Board of Directors, except as otherwise provided in these bylaws, may by resolution authorize any office, agent or employee of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of REOMAC, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power or authority to bind REOMAC by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose on in any amount.

ARTICLE XV **Prohibition against Sharing Corporate Profits and Assets**

15.01 Prohibition against Sharing Corporate Profits and Assets

No member, Director, Officer, employee, or other person connected with REOMAC, or any private individual, shall receive at any time of the net earning or pecuniary profit from the operations of REOMAC; and no such person or persons shall be entitled to share in the distribution of, and shall not receive any of the corporate assets on dissolution of REOMAC. All members, if any, of REOMAC shall be deemed to have expressly consented and agrees that, on such dissolution or winding up of the affairs of REOMAC, whether voluntarily or involuntarily, the assets of REOMAC, after all debts have been satisfied, the remaining in the hands of the

Board of Directors, shall be distributed as required by the Articles of Incorporation of this Corporation and not otherwise.