

MORTGAGE INDUSTRY ADVISORY BOARD

BYLAWS

(Adopted June 25, 2008)
(Revised July 29, 2010)
(Revised February 7, 2014)

Article I – Official Name

The name of this organization shall be “The Mortgage Industry Advisory Board”; herein referred to “the Board”.

Article II – Objective

The objectives to the Board shall be to communicate to the Director of the Department of Insurance and Financial Services (“Director”) issues of concern to the residential mortgage industry and shall review and make recommendations to the Director concerning all of the following:

- A. Rules proposed under the Mortgage Brokers, Lenders, and Servicers Licensing Act, the Secondary Mortgage Loan Act, or the Mortgage Loan Originator Licensing Act.
- B. Procedures for maintaining the confidentiality of personal identifying information and other information concerning all of the following:
 - 1. Licensees, registrants, and applicants for licensure or registration under the Mortgage Brokers, Lenders, and Servicers Licensing Act.
 - 2. Licensees, registrants, and applicants for licensure or registration under the Secondary Mortgage Loan Act.
 - 3. Licensees or applicants for licensure under the Mortgage Loan Originator Licensing Act.
- C. Any other issue referred to the Board by the Director.

Article III – Membership

- A. The regular membership of the Board shall be determined according to Section 33(2)(a) of the Act and appointed by the Director. The Board shall consist of individuals appointed by the Director as follows:

1. Four individuals who are employees of, are directors of, or have at least a 25% ownership interest in a licensee or registrant, selected by the Director from a list, provided to the Director by the Michigan mortgage lenders association, that includes at least 6 nominees, 3 of whom are employees of, directors of, or have at least a 25% ownership interest in a person that holds a license or registration under this act to provide services as a mortgage broker.
 2. One employee who is an employee of, a director of, or who has at least a 25% ownership interest in a licensee or registrant that is a member of any trade association operating in this state that represents mortgage brokers, mortgage lenders, or mortgage servicers. The trade associations may recommend candidates for this position to the Director.
 3. Two individuals who are employees of, a director of, or who have at least a 25% ownership interest in the business entities that provide services to or purchase services from licensees or registrants.
- B. The term of a Board member is 4 years, except that for the first Board, the Director shall appoint 3 individuals for 2-year terms so that the terms of office of Board members are staggered. An individual may not serve more than 2 consecutive 4-year terms, and the Director may not reappoint an individual who serves 2 consecutive 4-year terms on the Board for at least 12 months after the end of those consecutive terms. The Board shall not include more than 1 member who is employed by, is a director of, or has more than a 1% ownership interest in the same licensee, registrant, affiliate, or other person.
- C. Each member of the Board shall serve without compensation. However, the Department of Insurance and Financial Services (DIFS) shall reimburse a member of the Board for his or her travel and expenses incurred in the performance of an official Board function pursuant to the standard travel regulations of the Department of Technology, Management and Budget.

Article IV – Officers

- A. The officers of the Board shall be:
1. The Chairperson of the Board,
 2. The Vice-Chairperson of the Board, and
 3. The Secretary of the Board.
- B. Selection of Officers:
1. The Chairperson shall be elected by the regular members of the Board.

2. The Vice-Chairperson shall be elected by the regular members of the Board.

3. The Secretary shall be elected by the regular members of the Board.

C. Election of Officers/Terms of Office:

1. Election of Officers shall take place at the first meeting following May 19 of each year.

a. The Chairperson shall serve until the election of a new Chairperson or the expiration of his/her Board term, whichever comes first. The Chairperson may serve consecutive terms of office.

b. The Vice-Chairperson shall serve until the election of a new Vice-Chairperson or the expiration of his/her Board term, whichever comes first. The Vice-Chairperson may serve consecutive terms of office.

c. The Secretary shall serve until the election of a new Secretary or the expiration of his/her Board term, whichever comes first. The Secretary may serve consecutive terms of office.

Article V – Duties of Officers/DIFS Staff

A. The Chairperson shall be the executive officer of the Board and shall:

1. Convene meetings of the Board.

2. Preside at all meetings of the Board.

3. Vote.

4. Work with DIFS staff to ensure Board policies are carried out and that Board needs are met.

5. Establish and dissolve all standing committees.

6. Orient new members of the Board in the mission and procedures of the Board.

B. The Vice-Chairperson shall:

1. Perform all the duties of the Chairperson in the absence of the Chairperson.

2. Perform such duties as may be assigned by the Chairperson.
- C. The Secretary shall:
1. Monitor the activities of the Board to assure that procedures comply with the established bylaws.
 2. Review minutes taken by DIFS staff prior to distribution to the Board for review and approval.
 3. Present past Board decisions on matters of relevance. This information is drawn from the thorough knowledge of the minutes of Board meetings.
- D. DIFS staff will:
1. Notify each member of the Board in advance of regular and special meetings.
 2. Be responsible for keeping complete minutes of all meetings of the Board, including retention of minutes for at least 10 years and making those minutes and records available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
 3. Collect and collate all data necessary for Board review.
 4. Serve as consultants to the Board in such matters as procedural and legal issues.
 5. Do those additional duties enumerated in a Memorandum dated February 7, 2014 sent to the Director of DIFS and attached as Attachment A.

Article VI – Meetings

- A. Regular meetings of the Board shall be held quarterly. Meetings may be cancelled at the discretion of the Chairperson of the Board.
- B. Special meetings may be called by the Chairperson of the Board or upon written request of three members of the Board.
- C. Meetings shall be held in the State of Michigan at a location determined by the Chairperson.
- D. A simple majority of the members of the Board shall constitute a quorum for the transaction of business at a meeting or the exercise of a power or function of the Board, notwithstanding the existence of one or more vacancies.

- E. Notwithstanding any provision of law, action may be taken by the Board at a meeting upon a vote of the majority of its members present in person or through the use of amplified telephonic equipment.
- F. The vote of a majority of the members of the Board present and voting shall govern.

Article VII – Committee

- A. The Chairperson of the Board shall appoint special committees as needed and shall be an ex-officio member of each committee.
- B. A special committee shall be appointed for a stated duration.

Article VIII – Parliamentary Authority

All meetings shall be governed by Robert’s Rules of Order. The rules of order may be temporarily suspended with the consent of two-thirds of those present and voting. In the event the Bylaws and Robert’s Rules of Order conflict, the Bylaws will control under Parliamentary authority.

Article IX – Amendments to Bylaws

- A. These Bylaws may be amended at any meeting of the Board by a two-thirds vote of the members of the Board present.
- B. Any member of the Board may propose amendments to these Bylaws by submitting them in writing to the Chairperson at least ten days before the next meeting.
- C. Notice of proposed amendments shall be transmitted by a member of the Board or DIFS staff to all members of the Board prior to the next meeting.
- D. Upon adoption of new or revised Bylaws, DIFS staff shall provide Board members with a copy of the new or revised Bylaws.
- E. Amendments to the Bylaws shall become effective immediately unless otherwise stated in the amendment.

Recommendation to the Director

Summary of Department of Insurance and Financial Services (DIFS) and Mortgage Industry Advisory Board (MIAB) Roles
Revised February 7, 2014

Per Statute and MIAB Bylaws, the objectives of the MIAB shall be:

To communicate to the Director of DIFS (“Director”) issues of concern to the residential mortgage industry and shall review and make recommendations to the Director concerning all of the following:

1. Rules proposed under the Mortgage Brokers, Lenders, and Servicers Licensing Act, the Secondary Mortgage Loan Act, or the Mortgage Loan Originator Licensing Act.
2. Procedures for maintaining the confidentiality of personal identifying information and other information concerning all of the following:
 - a) Licenses, registrants, and applicants for licensure or registration under the Mortgage Brokers, Lenders, and Servicers Licensing Act.
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 - c) Licenses or applicants for licensure under the Mortgage Loan Originator Licensing Act.
3. Any other issue referred to the Board by the Director.

DIFS Role

- Facilitate Board activities and assist with defining role of MIAB
- Continue to identify needs to utilize the NMLS
- Continue to establish fees as provided in statute
- Continue to provide communications to industry outlining DIFS processes, reporting, and fees
- Provide guidance and communicate NMLS processes regarding testing and education for loan originators
- Provide website access/information with links to mortgage industry websites
- Support mortgage licensee locator on DIFS or NMLS website
- Seek MIAB review and recommendation(s) on proposed Rules

MIAB Role

- Review and revise bylaws as needed
- Review and recommend any administrative rule development or other action needed by DIFS
- Bring industry comments, concerns, and recommendations to the attention of DIFS
- Give recommendations and/or interpretations to DIFS regarding items referred to MIAB by the Director
- Serve as liaison between DIFS and the mortgage industry to address comments and concerns from the mortgage industry, and then to share, discuss, or resolve with DIFS