

# CONSTITUTION AND BY-LAWS OF THE WASHINGTON LAND TITLE ASSOCIATION

## ARTICLE I

### Name

The name of this Association shall be the "WASHINGTON LAND TITLE ASSOCIATION." Its principle place of business shall be as designated from time to time by the Executive Committee.

## ARTICLE II

### Objects and Purposes

The objects and purposes of this Association shall be to promote sound and ethical business practices among its members; to provide for the collection, study and dissemination of information relating to problems of and improvements in land title evidence; to promote the safe and efficient transfer of ownership and interest in real property within the free enterprise system; to promote and encourage sound legislation affecting land titles; to recommend, prepare and encourage use of policy forms, endorsements and practices which will best serve the public interest; to do any and all things that may be incidental to, implied from or appropriate for the promotion and encouragement of these objects and purposes.

Neither this Association nor any member thereof shall engage in any act or enter any agreement 1) whereby any person or entity is restrained from lawfully engaging in the business of title insurance in this state or 2) that is in violation of any law or regulation of the State of Washington.

## ARTICLE III

### Membership

## 1. CLASSES OF MEMBERSHIP

Members of the Association shall be classified as regular members, associate members, affiliate members and honorary members.

## 2. REGULAR MEMBERS

### (a) Title Insurers:

Any individual, partnership or corporation holding a certificate of authority to guarantee or insure title to real property in the State of Washington is eligible for membership and can retain membership in this Association as a regular member if said entity meets all of the following requirements:

(1) Is legally engaged in the business of title insurance in the State of Washington, and...

(2) Undertakes to maintain financial integrity and provide competent services to the public according to the ethical standards set forth in the Code of Ethics of the American Land Title Association and this Association, and who agree to be governed by the Constitution and By-laws of this Association.

(3) Bases its policies in the State of Washington (other than those of reinsurance or excess coinsurance) upon adequate examination of title.

### (b) Agencies:

Any individual, partnership or corporation holding an Agent's License pursuant to the Washington Insurance Code is eligible for membership and can retain membership in this Association if said entity meets all of the following requirements:

(1) Is legally engaged in the title business in the State of Washington;

(2) Undertakes to maintain financial integrity and provide competent services to the public according to the ethical standards set forth in the Code of Ethics of the American Land Title Association and this Association, and who agree to be governed by the Constitution and By-laws of this Association.

(3) Bases its title evidence in the State of Washington upon adequate examination of title.

Any entity entitled to Regular membership in this Association, as herein defined, which maintains an office in more than one county, must qualify each office under the provisions of this section for membership in this Association.

### 3. ASSOCIATE MEMBERS

Any individual, partnership or corporation regularly and generally engaged in the business of abstracting, certifying, guaranteeing or insuring title to real property in any state other than Washington is eligible to apply for and maintain membership in the Association as an Associate member, provided, that said entity (a) is a member of the state title association in its home state, if such an association exists, and (b) is a member of the American Land Title Association.

### 4. AFFILIATE MEMBERS

Any individual, partnership or corporation engaged in the business of a real estate related industry, including but not limited to the fields of real estate, construction, conveyancing, finance, law, sales, or surveying, or an individual, partnership or corporation who is engaged in the business of supplying goods or services to such an entity, is eligible for and can retain an Affiliate membership in this Association.

Affiliate membership is designed for the benefit of inter-industry education and communication on matters of common interest. Affiliate members may not hold office in the Association nor have voting privileges on any committee. An Affiliate member may serve on any committee as a non-voting member unless the President or Executive Committee decides that membership of a particular committee is to be composed exclusively of regular members.

### 5. HONORARY MEMBERS

Honorary members shall be those individuals who have performed distinguished and meritorious service in furtherance of the objects of this Association.

### 6. ELECTION TO MEMBERSHIP

a. Any individual, partnership or corporation that is eligible for membership in this Association as a Regular member, as an Associate member, or as an Affiliate member may apply by filing with the Executive Secretary of this Association a written application for membership in the class for which the applicant is eligible.

Thereupon the application shall be referred to the Membership Committee who shall consider such application, determine whether the applicant meets the qualifications set forth in Article III of these Bylaws and with respect to an application for membership as a Regular, or Associate member, transmit the application with a recommendation thereon to the Executive Committee. An application for membership as an Affiliate member shall become effective upon a determination by the Membership Committee that the applicant meets the requirements of Article III of these Bylaws.

At the next succeeding meeting of the Executive Committee, or at such succeeding meeting to which the matter may be continued, the Executive Committee shall consider the application for membership as a Regular or Associate member and the recommendation of the Membership Committee thereon, and take such action on the application as it deems proper. b. Election of any person to Honorary membership may be made by any Regular member to the Executive Committee. At the next successive meeting thereof, or at such succeeding meeting to which the matter may be continued, the Executive Committee shall consider the nomination and the recommendation of the Regular member, and take such action thereon as it deems proper. An affirmative majority vote of the members of the Executive Committee present, or duly represented by proxy, at any meeting thereof in which a quorum has been constituted shall be deemed to have been elected to Honorary membership status.

#### 7. PREREQUISITES:

Membership in this Association shall be a prerequisite to membership in the American Land Title Association for any individual, partnership or corporation engaged in the land title evidencing industry in Washington, excepting therefrom, however, such individual, partnership or corporation otherwise qualified for membership in the American Land Title Association by reason of similar or corresponding operations in states other than Washington.

#### 8. GRANDFATHER CLAUSE:

Each member in good standing on the effective date of the adoption of these Bylaws, against whom or which no grievance is then pending, shall be deemed as of said date to have met the qualifications for membership set forth in this Article.

## 9. TERMINATION OF MEMBERSHIP

There shall be three (3) methods to terminate membership in this Association:

### (a) Withdrawal:

Any Regular, Associate or Affiliate member may terminate membership in the Association by filing a written withdrawal from the Association with the Executive Secretary, or by failing to pay delinquent dues after receiving notice from the Executive Secretary as set forth in Article VI, Section 2, but shall not be released by reason of such withdrawal from liability for arrears in dues or other obligations to the Association.

### (b) Suspension:

Any member whose business is taken over for conservation or liquidation by a duly constituted authority may be suspended by action of the Executive Committee from membership in this Association for and during the period of such conservatorship or liquidation, and upon final liquidation of such business, the membership in this Association of such member shall thereupon cease and terminate. If such taking over be adjudged to have been wrongful by a court of competent jurisdiction, and such adjudication shall become final prior to liquidation of the business of such member, the suspension shall cease.

### (c) Revocation:

The Executive Committee of this Association shall have power to revoke the membership of any member of the Association following a proper report by the subcommittee duly appointed by the President for such purpose, and a proper hearing before the Executive Committee to which the complained of member shall be afforded the right to be heard and to present any pertinent evidence in its behalf, all as contained in Exhibit "B" attached hereto. Any complaint against a member of this Association shall be addressed to the Executive Secretary and shall be referred to the Grievance Committee for investigation and report pursuant to the procedures set forth in Exhibit "A" attached hereto.

## 10. DIVESTMENT OF PROPERTY INTEREST:

No member shall have or acquire any right, title or interest, either legal or equitable in or to the property of this Association. In the event of dissolution, any assets of this Association remaining after payment of its obligations shall be distributed in a manner and method to be determined solely by the Executive Committee.

#### ARTICLE IV Voting Power

The voting power of the Association, the Executive Committee and the other committees of the Association shall be vested and exercised as follows:

##### 1. THE ASSOCIATION:

###### (a) Voting Power:

(1) The voting power of the Association shall be vested in the Regular members. The voting power of the Association may be exercised either at a general meeting of the Association or, upon the call of the President in the absence of a general meeting, by written ballot filed with the Executive Secretary of the Association. In either case each Regular member shall have one vote for each county in this state in which it maintains a regular business office and is a member in good standing.

(2) Associate members, Affiliate members and Honorary members may attend any general meeting of the Association and participate in the discussion but shall have no vote.

(3) Votes may be voice or ballot except in the case of an election of President of the Association at which time the voting must be done by ballot if demand is made by any voting member before the vote begins.

###### (b) Votes Required and Proxies:

The votes of a majority of the voting power present in person or by proxy at any general meeting of the Association or, in the absence of a general meeting, written ballots representing a majority of the total voting power of the Association shall be sufficient to authorize or approve any action taken by or on behalf of the Association.

Only Regular members in good standing with the Association shall vote. One person from each qualified office in attendance at any meeting or, in the absence of a general meeting, one written ballot from each qualified office shall have a vote.

Votes may be cast by proxy in the following manner:

Any Regular member entitled to vote may, by an instrument in writing bearing a date not more than thirty (30) days in advance of the meeting, designate another Regular member to vote in his/her place and stead at any regular, special or annual meeting of the Association.

Associate members, Affiliate members and Honorary members may attend any meeting of this Association, may participate in the deliberations and discussions, but shall not have a vote.

## 2. THE EXECUTIVE COMMITTEE:

(a) Voting Power: At any meeting of the Executive Committee each member of the Committee shall have one vote.

(b) The votes of a majority of the members present in person or by proxy at any meeting of the Executive Committee shall be sufficient to authorize or approve any action taken or to be taken by the Committee. Any member of the Committee may, by an instrument in writing bearing a date not more than thirty (30) days in advance of the meeting, designate another Executive Committee member to vote in his/her place and stead at any regular, special or annual meeting of the Executive Committee.

(c) Quorum: At any meeting of the Executive Committee a quorum shall consist of a majority of the members thereof, present in person or by general proxy.

## 3. OTHER COMMITTEES OF THE ASSOCIATION:

(a) Voting Power: At any meeting of any other committees of the Association each committee member who is a Regular member or a full-time employee of a Regular member shall have one vote.

(b) Votes Required: The votes of a majority of the committee members present in person or by proxy at any committee meeting shall be sufficient to authorize or approve any action taken or to be

taken by the committee. A proxy shall be in such written form as is acceptable to the chair of the committee, but the holder of the proxy shall be a full-time employee of a Regular member.

(c) Quorum: At any committee meeting a quorum shall consist of a majority of the committee members, present in person or by proxy.

## ARTICLE V

### Meetings

#### 1. ANNUAL CONVENTION:

This Association shall hold an Annual Convention at such time and place as may be fixed at the preceding annual meeting or by the Executive Committee.

If, at the time for the selection of the place and date of the annual meeting, there shall exist a national or state emergency which in the opinion of the Executive Committee makes the holding of the annual meeting impractical, the Executive Committee may, by resolution, waive the holding of such annual meeting and convention, and cause notice of their action to be given to the membership immediately.

The Executive Secretary of the Association shall cause to be mailed a notice of the time and place of every meeting of the Association to each of its members at least thirty (30) days before the opening date of the meeting.

#### 2. SPECIAL MEETING:

Special meetings of the membership may be called at any time by the Executive Committee or by the President of the Association whenever seven or more Regular members in good standing shall, in writing, so request. Notice of every special meeting shall be mailed to each member at his last known address at least two weeks prior to such meeting, and shall state fully the objects for which it is called. No other business shall be transacted at such special meeting than that set forth in the call of such meeting.

## ARTICLE VI

## Dues

### 1. RESPONSIBILITY FOR PAYMENT:

Each Regular, Associate and Affiliate member shall pay dues in accordance with a schedule to be fixed by the Executive committee. No dues shall be levied or assessed for Honorary members of this Association. Dues shall be payable on or before the last day of the first month of such ensuing year.

### 2. NOTICE:

The Executive Secretary shall mail a notice of the amount of dues assessed to each member at least thirty (30) days prior to their due date.

### 3. DEFAULT IN PAYMENT OF DUES:

Any member in default in the payment of dues as of the first day of the Annual Convention shall be suspended from the Association upon a majority vote in the affirmative by the members present at such annual convention. Upon such action the Executive Secretary, without further notice, shall strike the name of such member from the roll for non-payment of dues and inform the Board of Governors of the American Land Title Association of such action.

The Executive Committee may, in its discretion by affirmative vote of a majority of the whole committee, reinstate such member upon payment of all unpaid items.

## ARTICLE VII

### Officers and Committees

#### 1. OFFICERS:

The officers of this Association shall consist of a President, Vice President and Executive Secretary. The President and Vice President shall be a Regular member, or a partner of a Regular member firm or an officer or full time employee of a company or corporation which is a Regular member. The Executive Secretary may be an Honorary Member or other competent person outside the industry. The Executive Committee may appoint such other officers as it deems

necessary and in such event shall prescribe their duties and fix their compensation and terms of employment. The Executive Secretary shall be nominated by the President and confirmed by the Executive Committee. Each officer shall be elected or appointed at the annual convention to a term of one year commencing with the adjournment of the convention during which he/she is elected and continuing until his/her successor has been elected and has assumed office.

## 2. VACANCIES:

If the office of President shall become vacant, the Vice President shall thereupon become President for the unexpired term and continue in office until his/her successor is elected and has assumed office. In the event the office of President becomes vacant when the office of Vice President is also vacant, the Executive Committee shall, by majority vote, appoint an eligible person to the office of President for the remainder of the unexpired term. In the event the office of Vice President becomes vacant, the Executive Committee, upon recommendation of the Nominating Committee, shall, by majority vote, appoint an eligible person to the office of Vice President for the remainder of the unexpired term.

## 3. EXECUTIVE COMMITTEE:

The government of this Association shall be vested in the Executive Committee which shall be composed of the President, the immediate past President, the Vice President, the Chairperson of the Agents' Committee, and not less than twelve (12) nor more than seventeen (17) additional members equitably appointed by the incoming President from the membership at large, one-half of which shall be members of the Agents' Committee as defined in Article VII, Section 4(a) and one-half from the Title Insurer members as defined in Article III, Section 2(a). One half of such additional members shall be appointed each year to serve for a period of two years.

Notwithstanding any of the above, the incoming President shall not appoint in aggregate more than three members who are 1) full time employees of the President's company or 2) who are employed by an underwritten company which is owned more than 50% by the title insurance company which the President is associated with or 3) who are employed by the title insurance company which the President is associated with.

#### 4. AGENTS' COMMITTEE:

(a) Membership. The Agents' Committee shall include all members which are defined as Agencies in Article III, Section 2(b) herein and are not more than 50% owned or controlled by any title insurer as defined in Article III, Section 2(a) herein.

(b) Powers and Voting. This Committee may adopt such By-laws and conduct such activities as will not conflict with the Articles of Incorporation and By-laws of the Washington Land Title Association. Voting on Committee procedures and actions shall be limited to members of this committee. The votes of a majority of the voting power present in person or by proxy at any meeting of the Committee or, in the absence of a meeting, written ballots representing a majority of the total voting power of the committee shall be sufficient to authorize or approve any action taken by or on behalf of the Committee. Any member of the Agents' Committee entitled to vote may, by an instrument in writing bearing a date not more than thirty (30) days in advance of the meeting in which the proxy is to be used, designate another member of the Agents' Committee to vote in his/her place and stead.

(c) Administration of the activities of the Agents' Committee shall be vested in an Executive Committee composed of the Chair, Vice Chair and Secretary and two other members, each of whom shall be a partner of a firm or officer of a corporation which is a member of the Committee or an employee of either. Each member of the Executive Committee of the Agents' Committee shall be elected at the Agents Committee meeting held at the annual convention of the Association to a term of one year commencing with the adjournment of the Convention during which he/she is elected and continuing until his/her successor has been elected and has assumed office. Election to the Chair of the Agents' Committee gives that person the right to represent the Agents' Committee on the Executive Committee.

#### 5. OTHER COMMITTEES:

The President, within two weeks after election, shall appoint Co-Chairs of the Legislative Committee and the Customer, Community and Insurance Commissioner Liaison Committee, consisting of a Co-chair representing the Underwriters and a Co-chair representing the Agents, and Chairs of the Judiciary, Standard Title Insurance Forms, Nominating, Auditing, Membership, Publications, Continuing Education

and Training, and Indian Affairs Committees, and such other committees as may have been authorized by the Executive Committee or by the members at any annual convention. Each committee shall consist of a chair/co-chair and at least three other members named by the President only after consultation with the respective chairs/co-chairs, no two of which shall be from the same member company, unless otherwise provided herein. Nothing in this section, however, shall be construed as prohibiting the President from appointing such special committees as he may deem necessary in the interval between meetings of the Executive Committee.

The Chair and members of each of the committees referred to in this Section shall continue in office until their respective successors are appointed.

## ARTICLE VIII

### Duties of Officers and Executive Committee

1. President - the President shall be the executive head of this Association and the Chairperson of the Executive Committee, a member ex-officio of all committees (except the Agents' Committee unless he/she qualifies for membership under Article VII Section 4(a)); and, except as otherwise herein provided, shall appoint all committees of this Association (except the Agents' Committee), fill all vacancies in office, and preside at all meetings of this Association (except the Agents' Committee).

2. Vice President - The Vice President shall preside over all regular, special and annual meetings in the absence of the President and shall perform the duties of the President during the period of his/her absence or inability to act.

3. Executive Secretary - The Executive Secretary shall be nominated by the President and confirmed by the Executive Committee and hold office at the pleasure of the Executive Committee. He/she shall receive such salary as the Executive Committee may fix from time to time. He/she shall attend and act as secretary of all meetings of the Executive Committee as may be practical and keep accurate minutes thereof. He/she shall have charge of the office of the Association and of the records thereof; collect dues from members and issue to members receipts thereof; keep proper and accurate accounts of monies of the Association coming into his/her hands and the

disbursements thereof; make arrangements for the meetings of the committees of this association and give due and proper notices thereof; compile and cause to be published the official report of the proceedings of the Annual Meeting and furnish to each member a copy thereof, and he/she shall submit to the Association at its annual meeting a report of the business of the Association for the past year. He/she shall deliver promptly to his/her successor, to an auditing committee or to such other person or person as the Executive Committee may direct, all books, vouchers, securities, documents and property of every kind for which he/she is the custodian for the Association, and he/she shall do and perform such further acts as may be directed by the Executive Committee.

4. The Executive Committee: The Executive Committee shall have the care of the welfare of this Association and shall have authority to perform all acts or duties necessary for its benefit.

It shall direct the activities of the Association; determine annually the amount of money which may be required during its term for the expenses of the Association and shall apportion that amount among, and collect the same from, the members of the Association in such manner and in such proportions as the Committee deems advisable; authorize the expenditures of the funds of the association; direct the activities of the Association and the Executive Secretary in fulfilling the objects of the Association and furthering its purposes; arrange for and have charge of the program and other details of all meetings of the Association and generally and in all things manage, direct and carry into effect the affairs and business of the Association.

The Executive Committee shall meet within 30 days after the final adjournment of each annual meeting of the Association and shall meet from time to time throughout the year on the call of the President or upon one week's notice in writing signed by any two members of the Committee and mailed to each member of the Committee at the office of the company with which he/she was affiliated at the time of his/her appointment.

It shall be the duty of the President to preside at each meeting of the Executive Committee and a majority of the committee members shall be necessary to constitute a quorum for the conduct of business.

## ARTICLE IX

## Committees

The committees of this Association, their membership, duties and powers, shall be as follows:

1. AUDITING COMMITTEE - shall examine the records of the corporation and report its findings and recommendations to the Executive Committee and to the membership at the annual meeting.
2. CONTINUING EDUCATION AND TRAINING COMMITTEE - shall act as the oversight and editorial review board to insure the ongoing development and updating of a Title Manual for the use and betterment of the title industry. It shall promote educational seminars and other meetings for employees of the members to the end that said employees be better informed in the technical aspects of the title industry, its problems and future goals.
3. CUSTOMER, COMMUNITY AND INSURANCE COMMISSIONER LIAISON COMMITTEE - shall consider and recommend to the Association ways and means of affectively advertising and publicizing the title industry and securing a more wide-spread understanding and knowledge of the functions and purposes of title insurance. It shall act as liaison between the Insurance Commissioner's office and the Association for the purpose of exchanging information and ideas for the betterment of the industry.
4. GRIEVANCE COMMITTEE - shall operate under the procedures outlined in Exhibits "A" and "B" attached hereto.
5. INDIAN AFFAIRS COMMITTEE - shall be composed of three or more members who will study and follow the activities of Native Americans, collect information with respect thereto and advise the Executive Committee and the membership of matters of concern. This committee shall help formulate policy and make recommendations as to proper actions for the Association in connection therewith.
6. JUDICIARY COMMITTEE - shall investigate and report to the Executive Committee periodically and at each annual convention important decisions rendered in Federal and State Courts relating to the duties, liabilities and responsibilities of the agents and insurers of title to real property or liens and obligations thereon and other decisions relative to land titles.

7. LEGISLATIVE COMMITTEE - shall be composed of a co-chair representing Title Insurers, as defined in Article III, section 2(a), and a co-chair representing Agencies, as defined in Article III, Section 2(b), and a minimum of three (3) members chosen from the Title Insurers and three (3) members chosen from Agencies, with the approval of the Executive Committee, and shall support, oppose, propose and/or monitor such legislation as may be deemed necessary by the Executive Committee for the welfare of or affecting or relating to the interest of members of the land title industry generally. The Committee shall have the authority to respond to urgent bills, amendments to bills and other time-sensitive matters without specific approval by the Executive Committee provided it adheres to the following procedure:

The Co-chairs of the Committee shall contact as many members of the Legislative Committee as practical in the circumstances and a consensus is reached as to what action shall be taken. The action to be taken must be approved by the President of the WLTA or, if the President is unavailable, the Vice-President. Any action taken under this procedure must be referred to the next Executive Committee meeting for ratification.

8. MEMBERSHIP COMMITTEE- shall be composed of 4 or more members appointed by the President and which shall consider all applications for membership, make its recommendation of approval or rejection thereof, and transmit the application, together with a report thereon, to the Executive Committee.

9. NOMINATING - shall be appointed by the President and shall be composed of the most recent Past Presidents of the Association, not more, however, than five in number, who are still active in the business of title evidencing. The most recent Past President shall be the Chairperson. The Committee shall select candidates at each annual convention for the offices of President and Vice President. The report of the nominating Committee shall be made on the floor of the convention and such additional nominations, if any, shall be made immediately following such report from the floor of a general session of the convention.

10. PUBLICATIONS - shall publish a News Letter at least quarterly at the direction of the President or the Executive Committee, which publication shall cover reports of the Judiciary Committee, the Legislative Committee and other committees, as well as activities of general interest to the membership.

## 11. STANDARD TITLE INSURANCE FORMS - shall

(1) review from time to time the standard title insurance forms approved and recommended for use by Association members, (2) recommend for such use new standard forms or revisions of existing standard forms in a continuing effort to keep title insurance coverage responsive to the justifiable needs of insureds and the title insurance industry, and consistent with the requirements of supervisory authorities, and (3) study common or frequently recurring circumstances or conditions affecting insurance of titles to interest in real property and develop uniform language recommended for use in Schedules A and B or other blank spaces of the standard title insurance forms.

Recommendations of the Committee shall be subject to approval by a majority of the Executive Committee.

## ARTICLE X

### Termination or Suspension of Officer or Committee Member

In the event that any officer or committee member of this Association shall cease to be an owner, officer or employee of the member which he/she represented at the time of his/her election or appointment, his/her right to act as such officer or committee member of the Association shall, by reason of that fact, cease and terminate.

In the event that the membership of any member of this association is suspended or terminated than the powers and duties of any officer or committee member of this Association who represented such member at the time of his/her election or appointment shall, during the period of such suspension, be suspended, or upon such termination, be terminated.

Upon termination of the powers and duties of any such officer or committee member as provided in this article, the position in this Association held by him/her shall be vacant, but nothing herein contained shall be construed to prevent the reappointment of any such officer or committee member who thereafter affiliates himself/herself with another member of this Association.

## ARTICLE XI National Organization

This Association, being affiliated with the American Land Title Association, acknowledges and declares its allegiance and loyalty thereto.

## ARTICLE XII Amendment or Revision

1. Motions or Resolutions for amendment or revision of the Constitution and By-Laws may be adopted at any regular or special meeting of the members of this Association by a vote of two-thirds (2/3rds) of the Regular members in attendance thereat. Notice of such proposed amendments or revisions shall be sent to each member not less than twenty (20) days nor more than sixty (60) days before such regular or special meeting.

2. Motions or Resolutions for amendment or revision of the Constitution and By-Laws may be offered at any Annual Convention without prior notice thereof as required in Section 1 of the Article provided a three-fourths (3/4ths) affirmative vote of all Regular members of this Association in attendance shall be given approving such amendment or revision.