

CONSTITUTION AND BY-LAWS
OF THE
DISTRICT OF COLUMBIA LAND TITLE ASSOCIATION
AS LAST AMENDED

APRIL 21, 1998

ARTICLE I ~ PURPOSE

The name of the Association shall be the District of Columbia Land Title Association. The Jurisdiction shall be the District of Columbia. The purpose of this Association shall be the advancement of the science of evidencing title to real property through its insurance, the promotion of the mutual advantage and general welfare of its members by the interchange of ideas, and by protective, remedial, or other measures to further the common interest of its members and the general public, in harmony with their respective rights, interests and duties, and in general to do any and all things that may be incidental to, implied from or appropriate to the promotion and encouragement of these objects and purposes.

The Association is not organized for any pecuniary profit. It shall not have any power to issue stock certificates or declare dividends and no part of its net earnings shall inure to the benefit of any member, director, officer or individual, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered to or for the Association in carrying out one or more of its purposes.

ARTICLE II ~ CODE OF ETHICS

The Association adopts as its Code of Ethics, the Code of Ethics of the American Land Title Association insofar as it is applicable to the business and affairs of the Association.

ARTICLE III ~ MEMBERS

3.1 CLASSES OF MEMBERSHIP. There shall be two classes of members designated as "Active Members" and "Associate Members."

(a) Active Members shall be limited to individuals, partnerships, corporations or other entities that who are actively engaged in the title insurance business in the District of Columbia. As a condition of membership each member shall subscribe to the Code of Ethics of this Association and agree to be governed by it By-Laws . Each member shall have one vote.

(b) Associate members shall be limited to persons, sole proprietorships, partnerships, corporations or other entities engaged in fields of endeavor closely related to the title insurance industry, including but not necessarily limited to financing, real estate sales,

appraisal and surveying. Associate Members may serve on committees and may hold office in the Association with the exception of the office of President, Executive Vice President and Vice President. Associate Members are not entitled to vote.

3.2 APPLICATION FOR MEMBERSHIP. All applications for membership shall be in writing and shall be addressed to the Secretary of the Association. No applicant shall become a member of the Association unless such application for membership shall have been approved by the Board of Directors.

3.3 MEMBER EMERITUS Upon majority vote of the members of the Association, Member Emeritus status may be conferred only upon those individuals who have given long and outstanding service to the Association. Member Emeritus status will be exempt from dues, and assessments and will carry no voting privileges, but will enjoy all other benefits of membership.

3.4 RESIGNATION -- TERMINATION OF MEMBERSHIP. Any member may terminate its membership in the Association by filing a written withdrawal from the Association with the Secretary. Such withdrawal will not relieve the member from the payment of all dues, accounts and other obligations which are due and owing to the Association as of the date of withdrawal, or obligations which the member has incurred for future payment, which payment shall be made when due.

3.5 MEMBERSHIP NOT TRANSFERRABLE. Membership and the rights afforded Members in this Association are not transferrable or assignable and any such attempted transfer or assignment shall be void.

ARTICLE IV ~ MEETING OF MEMBERS

4.1 ANNUAL MEETING. The Annual Meeting of members shall be held during the fourth quarter of each year at a time and place as shall be determined by the President; such date and time shall not be a legal holiday. The Annual Meeting shall be held for the purposes of election of Officers, board members and the transaction of other business.

4.2 REGULAR MEETING. The date, time and place of any regular meeting shall be determined by the Board of Directors.

4.3 SPECIAL MEETINGS. Special meetings of members may be called by the President or upon the written request of the majority of the membership. Each member shall receive no less than five days notice of a Special Meeting

4.4 NOTICE OF MEETINGS. Written or printed notices stating the place, day and time of any meeting of members shall be delivered either personally or by mail, postage prepaid, to each Member not less than ten (10) nor more than sixty (60) days before the date of such meeting, except as otherwise provided in these By-Laws. In the case of any special meeting, the purpose for which the meeting is called shall be stated in the notice.

45 QUORUM. The presence in person, or by duly registered proxy, as specified herein in Section 4.8, of one-fourth of the members of the Association shall constitute a quorum at all meetings of the membership except as otherwise provided by law, the Articles of Incorporation or these By-Laws.

If less than a quorum shall be in attendance at the time for which the meeting shall have been called in accordance with Article IV, Section 4.5, the meeting may be adjourned from time to time by a majority vote of the members present without any notice other than by announcement at the meeting, until a quorum shall attend. At any adjourned meeting at which a quorum shall attend, any business may be transacted which might have been transacted if the meeting had been held as originally called.

4.6 VOTING. Unless otherwise required or permitted by law, the Articles of Incorporation or these By-Laws, the action of a majority of members present, either in person or by proxy, should the Board determine the use of proxies is desirable, at a meeting at which a quorum is present shall be the action of the membership. The election of officers and directors shall be by plurality vote. For such election of officers and directors, each Active Member shall have one (1) vote, to be cast by the member in person or by proxy, should the Board determine the use of proxies is desirable.

4.7 IDENTITY OF MEMBERS. The members of the Association shall be composed of those members who shall have been approved as such by a majority of the Board of Directors, and shall retain their status as members so long as they pay any and all annual dues imposed by the Association upon its members.

4.8 PROXY FORM. Should the Board deem it advisable, a general proxy form, assigned to the Secretary of the Association or such person/party as designated by the member entitled to vote may be included with the Notice of Meetings. The person so designated must be a member eligible to vote. Said proxy when executed and received by the Secretary prior to the start of the Meeting shall be duly registered.

4.9 BALLOT FORM. The Association may include, should the Board deem it desirable, with the Notice of Meetings a ballot form solely for the election of officers and directors only to be executed by the member eligible to vote. Said ballot form when executed and received by the Secretary prior to the start of the Meeting shall be duly registered.

ARTICLE V ~ OFFICERS

5.1 OFFICERS. The elected officers of the Association shall be President, Executive Vice President, Vice President, Secretary and Treasurer. No person shall hold more than one office. Should the Association have more than one Vice President when these By-Laws are enacted, Exhibit A attached hereto shall set forth the plan for future elections so that numbered Vice

Presidents shall be phased out.

5.2 ELECTION AND TERM OF OFFICERS. The officers of the Association shall be elected annually at the Annual Meeting of the Association in accordance with Article IV, Section 4.1 and 4.6 and shall assume office immediately thereafter. Each officer shall hold office for one year commencing with the adjournment of the Annual Meeting and continuing until the adjournment of the next Annual Meeting or until a successor shall have been duly elected and qualified.

5.3 REMOVAL. Any or all of the officers may be removed with or without cause by a majority vote of the membership.

5.4 VACANCIES. A vacancy in any office because of death, resignation, removal for cause, disqualification or otherwise may be filled by the Board of Directors until the next regular meeting of members or special meetings of members, whichever shall occur first. At which meeting the successor of such office shall be elected. Vacancies occurring by reason of the removal of officers without cause shall be filled by vote of the membership. An officer elected or appointed to fill a vacancy caused by resignation, death or removal, shall hold office for the unexpired term of his predecessor.

5.5 PRESIDENT. The President shall be the principal executive officer of the Association and shall supervise all business and affairs of the Association. He shall preside at all meetings of the membership and the Board of Directors. He may sign with the Secretary or other proper officers of the Association, all agreements, documents or instruments executed on behalf of the Association. He shall perform such other duties as may be prescribed for him by the Board of Directors.

5.6 EXECUTIVE VICE PRESIDENT. In the absence of the President or in the event of his inability or refusal to act, the Executive Vice President shall perform the duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President. He shall perform such other duties as may from time to time be assigned to him by the President or Board of Directors.

5.7 VICE PRESIDENT. In the absence of the President and the Executive Vice President, the Vice President shall perform all duties of the President and when so acting shall have all the powers of and be subject to all the restrictions upon the President. He shall perform such other duties as shall be from time to time assigned to him by the President or Board of Directors.

5.8 TREASURER. The Treasurer shall have the charge and custody of and be responsible for all funds and securities of the Association. He shall receive and give receipt for any funds due and payable to the Association and shall deposit all monies of the Association in the name of the Association in such banks or other depositories as may be selected by the Board of Directors. The Treasurer shall present the Board of Directors on an as needed basis financial statement(s) accurately representing the financial affairs of the Association. He shall perform all duties as may be assigned to him by the President or the Board of Directors.

5.9 SECRETARY. The Secretary shall keep the minutes of the meeting of the Board of Directors and the membership. Said items shall be available for review by the Active Members. He shall see that all notices are given in accordance with the provisions of these By-Laws or as required by law. He shall be the custodian of the corporate records and the seal of the Association and shall cause a seal of the Association to be affixed to all documents where such seal shall be required. He shall keep a register of the post office address of each Active Member as furnished to him by such Active Member. He shall perform all duties incident to the office of the Secretary and such other duties as from time to time shall be assigned to him by the President or the Board of Directors.

ARTICLE VI ~ BOARD OF DIRECTORS

6.1 GENERAL POWERS. The property and business of the Association shall be managed under the direction of the Board of Directors of the Association.

6.2 NUMBER AND TERM OF OFFICE. The number of directors shall be twelve or such lesser number as determined by the Board if there are less than twelve eligible members. Each Director shall serve until the next Annual Meeting and until his successor is duly elected and qualified.

6.3 NOMINATION AND ELECTION OF DIRECTORS. At each Election Meeting, the membership shall first elect the officers of the Association as provided in Article V, Sections 5.1 and 5.2 of these By-Laws. The Board of Directors of the Association shall consist of the officers enumerated in Article V. Section 5.1 so elected and those Board Members as enumerated in Exhibit A, attached hereto and made a part hereof.

6.4 REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held without notice immediately after and at the same place as the Annual Meeting of the membership. The Board of Directors may provide, by resolution, the time and place for the holding of additional regular meetings without notice other than such resolution. Notwithstanding the foregoing, the Board of Directors shall meet at such times and with such frequency as necessary to effectively discharge its duties and, in any event, must meet not less than four times a year.

6.5 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by the President or upon the written request of any three directors. The President shall convene a special meeting of the full Board in person or via telephone conference call or other electronic medium. The person or persons authorized to call special meetings of the Board of Directors may fix the date, time and place for holding any special meeting of the Board of Directors called by them.

6.6 NOTICE. Notice of any special meeting shall be given at least three business days prior thereto by at least one of the following methods: (1) by written notice delivered personally, (2) by notice delivered by electronic medium or (3) by written notice mailed overnight postage prepaid to each director at his business address. If mailed overnight, such notice shall be deemed to be delivered when deposited in the overnight mail receptacle or delivered to the overnight mail carrier. If notice is given by electronic medium, such notice shall be deemed to be delivered when the transmission is completed. The attendance of a director at a meeting or his execution of a waiver of notice which is filed with the records of the Association shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

6.7 QUORUM. At any meeting of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business.

6.8 VOTING. The act of a majority of the directors eligible to vote and present at a meeting of the Board of Directors at which a quorum is present shall be the act of the Board of Directors.

6.9 REMOVAL OF DIRECTORS. Any or all of the Directors may be removed with or without cause by a majority vote of the membership.

6.10 RESIGNATION. A Director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Association. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the Board of Directors or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

6.11 VACANCY ON BOARD. Vacancies on the Board of Directors resulting from a Director's death, illness, resignation or any other cause shall be filled by the Board of Directors until the next regular meeting of members or special meetings of members, whichever shall occur first. Vacancies occurring by reason of the removal of a board member without cause shall be filled by vote of the membership. A board member elected or appointed to fill a vacancy caused by resignation, death or removal, shall hold office for the unexpired term of his predecessor.

6.12 COMPENSATION. No compensation shall be paid to directors for their services in such capacity, but, by resolution of the Board of Directors, expenses incurred for actual attendance at each regular or special meeting of the Board of Directors may be authorized. Nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving compensation therefor.

6.13 PRESUMPTION OF ASSENT. A director of the Association who is present at a meeting of the Board of Directors at which action on any association matter is taken shall be presumed to have assented to the action taken unless his dissent or abstention shall be entered in the minutes of the meeting or unless he shall file his written dissent or abstention to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward his dissent or abstention within 24 hours after the meeting is adjourned by certified mail, return receipt requested, to the Secretary of the Association. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

ARTICLE VII ~ COMMITTEES

7.1 SPECIAL COMMITTEES. The Board of Directors may designate committees to carry out the functions of the Association and shall appoint the members of each committee from among the members of the Association. Each such committee shall serve at the pleasure of the Board of Directors.

ARTICLE VIII ~ CONTRACTS, CHECKS, DEPOSITS AND FUNDS

8.1 CONTRACTS. All contracts of the Association with the exception of those contracts which are in the ordinary course of business of the Association and which are not for more than one thousand dollars (\$1,000.00), shall be approved by the Board of Directors and executed on behalf of the Association by the President and attested by the Secretary.

8.2 PAYMENT OF BILLS. All bills, invoices, or other demand for payment by the Association shall be approved prior to payment by the President, Executive Vice President, or Vice President, and if so approved, shall be paid by the Treasurer.

8.3 CHECKS AND DRAFTS. All instruments, checks, drafts or other orders for the payment of money, which are in the ordinary course of business of the Association and which are not for more than one thousand dollars (\$1,000.00) shall be signed by such officer or officers or agent or agents of the Association and in such manner as shall be determined from time to time by resolution of the Board of Directors. In the absence of such resolution, all such instruments shall be valid when signed by the Treasurer, provided that any check, draft, or other order for payment in an amount in excess of \$5,000 shall only be valid and properly issued when signed by the Treasurer and countersigned by the President, Executive Vice President or Secretary.

8.4 DEPOSITS. All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may approve.

8.5 GIFTS. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest or devise. Such gift shall be placed in a special fund and shall be held for the general purposes and uses of the Association or for such purpose or use as is set forth by the terms of the gift.

8.6 DISTRIBUTION OF ASSETS UPON DISSOLUTION. In the event of the dissolution of the Association, or in the event it shall cease to carry out the objectives and purposes herein set forth, all the business, property and assets of the Association shall be distributed to such non-profit Association, municipal Association or Associations as may be selected by the Board of Directors in a manner to best perpetuate the purposes of this Association. In no way shall any of the assets or property of this Association or the proceeds of any assets or property of the Association be distributed to members in the event of dissolution and liquidation.

ARTICLE X ~ MEMBERSHIP FEES AND DUES

9.1 MEMBERSHIP FEE. The Board of Directors shall determine from time to time the amount of the membership fee, if any, payable by new members to the Association.

9.2 STATEMENT OF FEE A statement of dues payable for the ensuing year shall be mailed to each member at least two (2) weeks in advance of the commencement of the fiscal year of the Association.

9.3 FAILURE TO PAY DUES Failure to pay the required dues and/or such assessments as may from time to time be voted by the Association within thirty days of the receipt of written notice from the Secretary that such dues and/or assessments are delinquent, shall result in the forfeiture of membership. Application for reinstatement of forfeited membership shall not be considered by the Association for a period of one year after forfeiture.

ARTICLE X ~ FISCAL YEAR

The fiscal year of the Association for dues purposes shall be from November 1 to October 31. The fiscal year of the Association for tax purposes shall be as determined by resolution of the Board of Directors.

ARTICLE XI ~ LIABILITY AND INDEMNIFICATION OF DIRECTORS AND OFFICERS

11.1 LIABILITY OF DIRECTORS AND OFFICERS. No director or officer of the Association shall have any liability in connection with his performance as a director or officer of the Association for money damages, except that such officer or director shall be liable to the Association or its stockholders:

(a) to the extent that it is proved that the officer or director actually received an improper benefit or profit in money, property or services, for the amount of the benefit or profit in money, property or services actually received;

or

(b) to the extent that a judgment or other final adjudication adverse to the director or officer is entered in a proceeding based on a finding in the proceeding that the officer's or director's action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding.

11.2 INDEMNIFICATION. The Association may indemnify any director or officer of the Association made a party to any proceeding, upon the action of a majority of directors not made a party to such proceeding, against judgments, penalties, fines, settlements and expenses, including attorneys' fees, actually incurred and when incurred by the director or officer in connection with the proceedings for his action and in an official capacity, unless it is proved that:

(a) the act or omission of the director or officer was material to the cause of action adjudicated in the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty;

(b) the director or officer, with actual knowledge thereof, actually received an improper personal benefit in money, property or services;

or

- (c) in the case of any criminal proceeding, the director or officer had actual knowledge that the act or omission was unlawful.

Payments under this Section 11.2 shall be made upon the terms and conditions determined by the action of a majority of the directors not made a party to such proceeding, and, unless otherwise required, shall not require that a determination be made that indemnification is proper, provided that the Association has received (i) a written affirmation by the director or officer of his good faith belief that the standard of conduct necessary for indemnification by the Association has been met and (ii) a written undertaking by or on behalf of the director or officer to repay the amount if it shall ultimately be determined that the standard of conduct has not been met. The undertaking required herein shall be an unlimited general obligation of the director, need not be secured, and may be accepted without reference to the financial ability to make the repayment.