Bylaws

Effective January 1, 2013
BYLAWS

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ARTICLE I

Name

The name of this organization is the Appraisal Institute.
ARTICLE II

Purposes and Limitations

Part A: Purposes
The Appraisal Institute is an Illinois not for profit corporation organized under the Illinois General Not For Profit Corporation Act of 1986, as amended, (the “Act”) for general education, research and professional association purposes relating to appraisal services. The objectives of the Appraisal Institute are to serve the general public; to establish, maintain and publicize minimum requirements for designated membership and confer appropriate membership designations to properly qualified appraisers; to formulate and maintain a Code of Professional Ethics and Standards of Professional Appraisal Practice for the real estate appraisal profession and enforce that Code and Standards on and for Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute; to identify the body of knowledge in which the appraisal profession operates; to establish, maintain and publicize educational standards and the means for education for its Members, Candidates, Practicing Affiliates, Affiliates and others interested in the appraisal and real estate professions; to promote research and publication of materials that further the education and professional needs of the appraisal and real estate professions; to establish and maintain effective liaison with governmental agencies concerned with appraising and represent itself in legislative and regulatory matters concerning the appraisal and real estate professions; to provide and maintain an effective and responsive organization and staff that serves the needs of Members, Candidates, Practicing Affiliates and Affiliates; to conduct meetings, conferences, seminars, educational courses and other activities that further the objectives of the Appraisal Institute; and to cooperate with other organizations on issues of mutual concern such as legislative and regulatory matters, education and research activities.

Part B: Powers
Consistent with the purposes set forth in Part A above, the Appraisal Institute may exercise all powers available to corporations organized under the Act.

Part C: Limitations Upon Powers and Activities
Notwithstanding any other provisions of these Bylaws to the contrary, the Appraisal Institute shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of the Appraisal Institute. Further, the Appraisal Institute shall not carry on any activities not permitted to be carried on:

1) by a corporation exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law); or

2) pursuant to the Act.
The property, assets, profits and net income of the Appraisal Institute are dedicated irrevocably to the purposes set forth in Part A above. No part of the net earnings of the Appraisal Institute shall inure to the benefit of or be distributable to its Members, Candidates, Practicing Affiliates, Affiliates, Directors, Officers or other private persons, except the Appraisal Institute shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Part A above.
ARTICLE III

Offices

The Appraisal Institute shall have and continuously maintain in Illinois a principal office and may have other subordinate offices at any place or places within or without the state as the Board of Directors may from time to time establish.
ARTICLE IV

Membership Meetings

There shall be an annual meeting of the membership of the Appraisal Institute on or before June 30 of each year.

Special meetings of the membership of the Appraisal Institute shall be held if authorized by: (1) the President; or (2) a written petition signed by at least one-third (1/3) of the members of the Board of Directors. Such petition may be in electronic form.

Notice of any meeting of the membership shall be delivered in writing to Designated Members at least forty-five (45) days in advance of the meeting and shall specify the time, date, purpose and location of the meeting.

Those Designated Members in good standing in attendance at any meeting of the membership shall constitute a quorum for the transaction of business at such meeting. Except as provided otherwise by these Bylaws or the Regulations of the Appraisal Institute, the vote of a majority of Designated Members in good standing present and voting at a duly held quorum meeting shall be regarded as the act of the membership.
ARTICLE V

Members, Candidates, Practicing Affiliates and Affiliates

Part A: Members
The Appraisal Institute shall have two (2) categories of Members: Designated Members and Honorary Members.

Section 1. Designated Members
A Designated Member is an individual who holds an Appraisal Institute designation.

An International Designated Member is a Designated Member whose principal place of business and residence falls outside the United States, United States Territories and Canada.

A Designated Member in good standing is an individual who:

a) holds an Appraisal Institute designation; and

b) is not suspended from membership.

The Board of Directors shall adopt and maintain Regulations establishing the requirements for:

a) conferring membership designations;

b) retention of the membership designations;

b) admitting and readmitting individuals to designated membership; and

d) continuing education for Designated Members.

Section 2. Honorary Members
An Honorary Member is an individual who, in the opinion of the Board of Directors, has made a significant contribution to the appraisal profession. An Honorary Member does not provide any Service as defined by the Code of Professional Ethics.

Part B: Designated Membership Statuses
Designated Members shall hold the status of Practicing Designated Member or Non-Practicing Designated Member.
Section 1. Practicing Designated Members

A Practicing Designated Member is a Designated Member in good standing who provides Service(s) as defined by the Code of Professional Ethics. Some Practicing Designated Members may also hold the status of Past President Designated Member, Life Designated Member or Semi-Retired Designated Member:

a) Practicing Past President Designated Members

A Practicing Past President Designated Member is a Designated Member in good standing who served as President of the Society of Real Estate Appraisers prior to 1991 or as President of the American Institute of Real Estate Appraisers prior to 1991 or as President of the Appraisal Institute since 1991.

b) Practicing Life Designated Members

A Practicing Life Designated Member is a Designated Member in good standing who has held membership in the Appraisal Institute or its predecessor organizations continuously for at least forty (40) years and is current in the payment of full membership dues.

c) Practicing Semi-Retired Designated Members

A Practicing Semi-Retired Designated Member is a Designated Member in good standing who is at least sixty (60) years of age and earns no more than a certain dollar amount in each calendar year from Service(s) as defined by the Code of Professional Ethics. The Board of Directors shall establish such dollar amount from time to time.

Section 2. Non-Practicing Designated Members

A Non-Practicing Designated Member is a Designated Member in good standing who does not provide any Service as defined by the Code of Professional Ethics. Some Non-Practicing Designated Members may also hold the status of Temporarily Non-Practicing Designated Member, Retired Designated Member, Past President Designated Member or Life Designated Member:

a) Temporarily Non-Practicing Designated Members

A Temporarily Non-Practicing Designated Member is a Designated Member in good standing who is temporarily unavailable to provide any Service as defined by the Code of Professional Ethics due to:

(i) poor health or physical disability;

(ii) family obligation or responsibility;

(iii) military service; or

(iv) other good cause shown.
b) Non-Practicing Retired Designated Members

A Non-Practicing Retired Designated Member is a Designated Member in good standing who is at least sixty (60) years of age and who does not provide any Service as defined by the Code of Professional Ethics.

c) Non-Practicing Past President Designated Members

A Non-Practicing Past President Designated Member is a Designated Member in good standing who served as President of the Society of Real Estate Appraisers prior to 1991, as President of the American Institute of Real Estate Appraisers prior to 1991, or as President of the Appraisal Institute since 1991. Non-Practicing Past President Designated Members shall enjoy all the rights and privileges of Practicing Members.

d) Non-Practicing Life Designated Members

A Non-Practicing Life Designated Member is a Designated Member in good standing who has held membership in the Appraisal Institute or its predecessor organizations continuously for at least forty (40) years and is current in the payment of full membership dues.

Part C: Candidates

Section 1. Candidate Definitions

A Candidate is an individual who:

a) is a Candidate for designation in the Appraisal Institute;

b) is state certified or has met other criteria equivalent to state certification as determined by the Admissions and Designation Qualifications Committee (ADQC); and

c) has committed to attain an Appraisal Institute designation in accordance with the Appraisal Institute Bylaws, Regulations and policies.

A Candidate in good standing is an individual who meets the criteria set forth above in this section and:

a) is not suspended from candidacy;

b) is not the subject of a disciplinary proceeding as defined in the Regulations of the Appraisal Institute; and

c) is not the subject of a peer review proceeding in which the Candidate has been sent an offer of a publishable disciplinary action as set forth in the Regulations of the Appraisal Institute.

An International Candidate is a Candidate whose principal place of business and residence falls outside the United States, United States Territories and Canada.
Section 2. Candidate Statuses

Candidates shall hold the status of Practicing Candidate or Temporarily Non-Practicing Candidate. A Practicing Candidate is a Candidate in good standing who provides Service(s) as defined by the Code of Professional Ethics. A Temporarily Non-Practicing Candidate is a Candidate in good standing who temporarily is unavailable to provide any Service(s) as defined by the Code of Professional Ethics due to:

a) poor health or physical disability;

b) family obligation or responsibility;

c) military service; or

d) other good cause shown.

Part D: Practicing Affiliates

Section 1. Practicing Affiliate Definitions

A Practicing Affiliate is an individual who:

a) is a Practicing Affiliate with the Appraisal Institute; and

b) provides Service(s) as defined by the Code of Professional Ethics.

A Practicing Affiliate in good standing meets the criteria set forth above in this Section and is not:

a) suspended;

b) the subject of a disciplinary proceeding as defined in the Regulations of the Appraisal Institute; or

c) the subject of a peer review proceeding in which the Practicing Affiliate has been sent an offer of a publishable disciplinary action as set forth in the Regulations of the Appraisal Institute.

An International Practicing Affiliate is a Practicing Affiliate whose principal place of business and residence falls outside the United States, United States Territories and Canada.

Section 2. Individuals Who Are Not State Certified

An individual may be admitted as a Practicing Affiliate on or after January 1, 2013 if the individual:

a) was not a member of the Appraisal Institute as of December 31, 2012;

b) does not hold a state certification (or equivalent as determined by the ADQC) as of the date of admission; and
c) meets such other requirements as may be set forth in the Bylaws, Regulations and policies of the Appraisal Institute.

An individual admitted as a Practicing Affiliate under this Section may remain a Practicing Affiliate until the earliest of the following:

a) the date on which the individual becomes a Candidate;

b) one (1) year from the date the Practicing Affiliate becomes state certified (or equivalent as determined by the ADQC);

c) the sixth December 31st following the date of admission; or

d) the date of termination due to resignation, failure to pay fees, failure to satisfy the Ethics and Standards education requirements, failure to satisfy continuing education requirements, the disciplinary action of expulsion or other basis set forth in the Bylaws, Regulations or policies of the Appraisal Institute.

A Practicing Affiliate who terminates as a Practicing Affiliate under this Section may not apply to become a Practicing Affiliate with the Appraisal Institute for two (2) years from the date of termination.

Section 3. Individuals Who Are State Certified (or Equivalent)

An individual may be admitted as a Practicing Affiliate on or after January 1, 2013 if the individual:

a) was not a member of the Appraisal Institute as of December 31, 2012;

b) is state certified (or equivalent as determined by the ADQC) as of the date of admission;

c) never before was a Practicing Affiliate; and

d) meets such other requirements as may be set forth in the Bylaws, Regulations and policies of the Appraisal Institute.

An individual admitted as a Practicing Affiliate under this Section may remain a Practicing Affiliate until the earliest of the following:

a) the date on which the individual becomes a Candidate;

b) one (1) year from the date of admission as a Practicing Affiliate; or

c) the date of termination due to resignation, failure to pay fees, failure to satisfy the Ethics and Standards education requirements, failure to satisfy continuing education requirements, the disciplinary action of expulsion or other basis set forth in the Bylaws, Regulations or policies of the Appraisal Institute.
Section 4. Individuals Who Were Members as of December 31, 2012

An individual who was an Appraisal Institute member as of December 31, 2012 may be admitted as a Practicing Affiliate on January 1, 2013. An individual admitted as a Practicing Affiliate under this Section may remain a Practicing Affiliate until the earliest of the following:

a) the date on which the individual becomes a Candidate; or

b) the date of termination due to resignation, failure to pay fees, failure to satisfy the Ethics and Standards education requirements, failure to satisfy continuing education requirements, the disciplinary action of expulsion or other basis set forth in the Bylaws, Regulations or policies of the Appraisal Institute.

If an individual admitted as a Practicing Affiliate under this Section terminates, the individual may not be re-admitted as a Practicing Affiliate under this Section.

Part E: Affiliates

An Affiliate is an individual who:

a) is an Affiliate with the Appraisal Institute;

b) is interested in property economics; and

c) does not provide any Services as defined by the Code of Professional Ethics.

An Affiliate in good standing is an individual who:

a) meets the criteria as set forth above in this Part;

b) is not suspended from affiliation;

c) is not the subject of a disciplinary proceeding as defined in the Regulations of the Appraisal Institute; and

d) is not the subject of a peer review proceeding in which the Affiliate has been sent an offer of a publishable disciplinary action as set forth in the Regulations of the Appraisal Institute.

Affiliates may include individuals such as, by way of example only, university faculty, students, brokers, developers, lawyers, accountants, financial planners, researchers and investors.
An International Affiliate is an Affiliate whose principal place of business and residence falls outside the United States, United States Territories and Canada.
ARTICLE VI

Rights and Obligations of Members, Candidates, Practicing Affiliates and Affiliates

Part A: Responsibilities

Each Member, Candidate, Practicing Affiliate and Affiliate of the Appraisal Institute shall abide by, uphold and conform his or her actions to the Bylaws, Regulations, Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute as each may be amended from time to time.

Each Member, Candidate, Practicing Affiliate and Affiliate shall also abide by, uphold, and conform his or her actions to such policies and procedures as the Board of Directors or duly authorized bodies or individuals of the Appraisal Institute may promulgate from time to time.

Each Member, Candidate, Practicing Affiliate and Affiliate shall cooperate with the Appraisal Institute and its duly authorized bodies and individuals including, but not limited to, national and chapter Boards of Directors, national and chapter officers, national and chapter committees and Regional Committees in all matters relating to the official activities of the Appraisal Institute.

Each Member, Candidate, Practicing Affiliate and Affiliate shall irrevocably waive any claims or rights of action at law or equity that he or she may have at any time against the Appraisal Institute, its Board of Directors or its duly authorized bodies and individuals, either as a group or as individuals, for any act in connection with the business of the Appraisal Institute. The Board of Directors may require that each Member, Candidate, Practicing Affiliate and Affiliate execute and deliver to the Appraisal Institute a written waiver of claim in connection with any application or request made by such Member, Candidate, Practicing Affiliate and Affiliate and directed to the Appraisal Institute or its duly authorized bodies or individuals.

Any certificate, emblem or other indicia of membership in the Appraisal Institute that may be issued to any Member, and any designation that is conferred on any individual by the Appraisal Institute, shall be used in accordance with the Bylaws and the Regulations of the Appraisal Institute, shall at all times remain the property of the Appraisal Institute, held by the Member in trust, and shall be returned to the Appraisal Institute upon written demand by the Chief Executive Officer or his or her delegate if, for any reason an individual’s membership in the Appraisal Institute is suspended or terminated.

Any certificate, emblem or other indicia of candidacy in the Appraisal Institute that may be issued to any Candidate shall be used in accordance with the Bylaws and the Regulations of the Appraisal Institute, shall at all times remain the property of the Appraisal Institute, held by the Candidate in trust, and shall be returned to the Appraisal Institute upon written demand by the Chief Executive Officer or his or her delegate, if for any reason an individual’s candidacy in the Appraisal Institute is suspended or terminated.

Any certificate, emblem or other indicia of affiliation in the Appraisal Institute that may be issued to any Practicing Affiliate or Affiliate shall be used in accordance with the Bylaws and the Regulations of the
Appraisal Institute, shall at all times remain the property of the Appraisal Institute, held by the Practicing Affiliate or Affiliate in trust, and shall be returned to the Appraisal Institute upon written demand by the Chief Executive Officer or his or her delegate, if for any reason an individual’s affiliation in the Appraisal Institute is suspended or terminated.

No Member, Candidate, Practicing Affiliate or Affiliate shall be entitled to bring or otherwise pursue legal action in the name or on behalf of the Appraisal Institute.

No Member shall be permitted to transfer or assign his or her membership in the Appraisal Institute or the rights, privileges and obligations attendant thereto. No Candidate shall be permitted to transfer or assign his or her candidacy in the Appraisal Institute or the rights, privileges and obligations attendant thereto. No Practicing Affiliate or Affiliate shall be permitted to transfer or assign his or her affiliation in the Appraisal Institute or the rights, privileges and obligations attendant thereto.

Each Designated Member, Candidate and Practicing Affiliate shall belong to a Chapter of the Appraisal Institute, except where otherwise provided. Honorary Members and Affiliates may belong to a Chapter if they so choose.

The Board of Directors shall adopt and maintain Regulations further establishing the rights and obligations of Members, Candidates, Practicing Affiliates and Affiliates.

**Part B: Voting Rights**

**Section 1. Designated Members**

Designated Members in good standing, except Temporarily Non-Practicing Designated Members, shall be entitled to vote on:

a) the disposition of all or substantially all of the assets of the Appraisal Institute;

b) any merger or consolidation and the substantial terms, and any substantial amendment of the terms, of any such transaction;

c) any dissolution of the Appraisal Institute; and

d) any amendment, restatement or repeal of the Articles of Incorporation, with all such votes requiring a sixty percent (60%) majority of those Designated Members in good standing present and voting for approval.

Designated Members in good standing, except Temporarily Non-Practicing Designated Members, shall have one (1) vote and shall be entitled to attend membership meetings and vote by proxy.

**Section 2. Honorary Members**

Honorary Members shall not have voting rights at the national, regional or chapter levels.
Section 3. Candidates

Candidates in good standing:

a) shall be entitled to vote at the chapter level; and

b) may vote at the regional and national levels where specifically permitted by the Bylaws, Regulations and policies of the Appraisal Institute.

Candidates may not vote on education issues where examination security is impacted or on admissions issues.

Section 4. Practicing Affiliates and Affiliates

Practicing Affiliates and Affiliates in good standing may vote at the chapter level where specifically permitted by the Bylaws, Regulations and policies of the Appraisal Institute. Practicing Affiliates and Affiliates may not vote on education issues where examination security is impacted or on admissions issues.

Part C: Office Holding and Service

Section 1. Designated Members

Subject to the requirements of the Bylaws, Regulations and policies of the Appraisal Institute, Designated Members in good standing, except Temporarily Non-Practicing Designated Members, may hold national, regional and chapter offices and serve on national, regional and chapter boards, committees, panels, project teams and other bodies.

Section 2. Honorary Members

Honorary Members are not eligible to hold national, regional or chapter offices, or serve on national, regional or chapter boards, committees, panels, project teams or other bodies.

Section 3. Candidates

Subject to the requirements of the Bylaws, Regulations and policies of the Appraisal Institute, Candidates in good standing may serve on national, regional and chapter committees, subcommittees, panels, project teams and other bodies in positions open to Candidates. Candidates also may serve on Chapter Boards of Directors and in Chapter offices other than President. Candidates may not participate in education issues where examination security is impacted or in confidential admissions issues.

Section 4. Practicing Affiliates and Affiliates

Subject to the requirements of the Bylaws, Regulations and policies of the Appraisal Institute, Practicing Affiliates and Affiliates in good standing may serve on national, regional and chapter panels, project teams and other bodies in positions open to Practicing Affiliates and Affiliates. Practicing Affiliates and Affiliates may not participate in education issues where examination security is impacted or in confidential admissions issues.
Part D: Other Rights, Privileges and Obligations

Section 1. Designated Members
The Board of Directors shall adopt and maintain Regulations governing the use by Designated Members of the:

a) Appraisal Institute logo; and

b) the designations conferred upon Designated Members of the Appraisal Institute.

Designated Members shall have such other rights, privileges and obligations as set forth in the Bylaws, Regulations and policies of the Appraisal Institute.

Section 2. Honorary Members.
Honorary Members only may refer to their honorary membership and their relationship with the Appraisal Institute as provided in the Bylaws, Regulations and policies of the Appraisal Institute. Honorary Members shall have such other rights, privileges and obligations as set forth in the Bylaws, Regulations and policies of the Appraisal Institute.

Section 3. Candidates
Candidates only may refer to their candidacy and their relationship with the Appraisal Institute as provided in the Bylaws, Regulations and policies of the Appraisal Institute. Candidates shall have such other rights, privileges and obligations as set forth in the Bylaws, Regulations and policies of the Appraisal Institute.

Section 4. Practicing Affiliates and Affiliates
Practicing Affiliates and Affiliates only may refer to their affiliation with the Appraisal Institute as provided in the Bylaws, Regulations and policies of the Appraisal Institute. Practicing Affiliates and Affiliates shall have such other rights, privileges and obligations as set forth in the Bylaws, Regulations and policies of the Appraisal Institute.

Part E: Resignation
No Member, Candidate, Practicing Affiliate or Affiliate shall be permitted to voluntarily resign from the Appraisal Institute unless and until such Member, Candidate, Practicing Affiliate or Affiliate has given the Chief Executive Officer formal written notice of his or her desire to resign accompanied by any indicia of membership, candidacy or affiliation issued to such Member, Candidate, Practicing Affiliate or Affiliate and such resignation has been accepted by the Chief Executive Officer or his or her delegate. If the resigning individual is the subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer review proceeding in which the Member, Candidate, Practicing Affiliate or Affiliate has been sent an offer of disciplinary action, the Appraisal Institute shall publish such resignation in a manner it deems appropriate. A Member, Candidate, Practicing Affiliate or Affiliate who is the subject of any pending peer review proceeding and who resigns authorizes, but does not obligate, the Appraisal Institute to complete any such peer review proceedings.
ARTICLE VII

Disciplinary Actions

The Board of Directors shall adopt a Code of Professional Ethics and Standards of Professional Appraisal Practice, which in addition to the Bylaws, Regulations and policies of the Appraisal Institute shall govern the conduct of all Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute. The Board of Directors shall adopt and maintain Regulations with respect to the enforcement of the Code of Professional Ethics and the Standards of Professional Appraisal Practice. Such Regulations shall establish the causes, procedures and forms of remedial and disciplinary actions of the Appraisal Institute with regard to the conduct of Members, Candidates, Practicing Affiliates and Affiliates. Such forms of remedial and disciplinary actions may include suspension or expulsion from membership, candidacy or affiliation in or with the Appraisal Institute.
ARTICLE VIII

Dues, Fees and Assessments

Part A: Membership Dues
The Board of Directors shall set from time to time annual national membership dues and late fees payable by Designated Members of the Appraisal Institute, except for Practicing Past President Designated Members, Non-Practicing Past President Designated Members, Non-Practicing Retired Designated Members, Non-Practicing Life Designated Members, Temporarily Non-Practicing Designated Members and Honorary Members.

Chapters may set from time to time annual Chapter dues and late fees for Designated Members as permitted by the Bylaws, Regulations and policies of the Appraisal Institute. Regions may set from time to time annual Region dues and late fees for Designated Members as permitted by the Bylaws, Regulations and policies of the Appraisal Institute.

Membership dues (which includes national, Region and Chapter dues) shall be due and payable on January 1 of each year. Late fees (which includes national late fees, Region late fees, and Chapter late fees) shall be charged to all Members who have not paid their membership dues by April 1 of each year. Any Member who fails to pay membership dues and late fees by June 1 of any year shall automatically be suspended from all rights and privileges of membership and shall return all indicia of membership to the Chief Executive Officer or his or her delegate. If the suspended Member pays the delinquent membership dues and late fees by September 1, all indicia of membership shall be returned and the rights and privileges of membership shall be restored.

If membership dues and late fees have not been paid by September 1, the individual's membership shall automatically terminate. The Appraisal Institute shall publish notice of such termination in a manner it deems appropriate if, at the date of termination, the Member is the subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer review proceeding in which the Member has been sent an offer of disciplinary action. A Member who fails to pay all membership dues and late fees by September 1 authorizes but does not obligate the Appraisal Institute to complete any peer review proceedings.

The membership dues of a new Member shall be prorated monthly. The dues of Members joining after November 1 shall be credited to the following fiscal year.

Part B: Administrative Fees for Temporarily Non-Practicing Designated Members, Non-Practicing Life Designated Members and Non-Practicing Retired Designated Members
Temporarily Non-Practicing Designated Members, Non-Practicing Life Designated Members and Non-Practicing Retired Designated Members shall not be assessed national, Region and Chapter membership dues; however:
The Board of Directors shall set from time to time annual national administrative fees and late fees payable by such Designated Members;

Regions may set from time to time annual Region administrative fees and late fees payable by such Designated Members within their Regions as permitted by the Bylaws, Regulations and policies of the Appraisal Institute; and

Chapters may set from time to time annual Chapter administrative fees and late fees payable by such Designated Members who are members of their Chapters as permitted by the Bylaws, Regulations and policies of the Appraisal Institute.

National, Region and Chapter administrative fees shall be due and payable on January 1 of each year.

Non-Practicing Life Designated Members and Non-Practicing Retired Designated Members who do not pay administrative fees (including any national, Region and Chapter administrative fees) shall cease to receive any services provided to such members.

Temporarily Non-Practicing Designated Members who have not paid their administrative fees by April 1 of each year may be assessed late fees (including any national, Region and Chapter late fees).

Any Temporarily Non-Practicing Designated Member who fails to pay administrative fees and late fees by June 1 of any year shall automatically be suspended from all rights and privileges of membership and shall return all indicia of membership to the Chief Executive Officer or his or her delegate. If the suspended Temporarily Non-Practicing Designated Member pays the delinquent administrative fees and late fees by September 1, all indicia of membership shall be returned and the rights and privileges of membership shall be restored.

If the administrative fees and late fees have not been paid by September 1, the individual’s membership shall automatically terminate. The Appraisal Institute shall publish notice of such termination in a manner it deems appropriate if, at the date of termination, the Temporarily Non-Practicing Designated Member is the subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer review proceeding in which the Member has been sent an offer of disciplinary action. A Temporarily Non-Practicing Designated Member who fails to pay all administrative fees and late fees by September 1, authorizes, but does not obligate the Appraisal Institute to complete any peer review proceedings.

The administrative fees for Temporarily Non-Practicing Designated Members shall be prorated as of the first day of the month in which the application for such status is accepted.

**Part C: Program Fees for Candidates**

The Board of Directors shall set from time to time annual program fees and late fees payable by Candidates of the Appraisal Institute. Chapters may set from time to time annual program fees and late
fees payable by Candidates of the Appraisal Institute as permitted by the Bylaws, Regulations and policies of the Appraisal Institute.

Candidate program fees (which includes national program fees and any chapter program fees) shall be due and payable on January 1 of each year. Late fees shall be charged to all Candidates who have not paid their program fees by April 1 of each year. Any Candidate who fails to pay program fees and late fees by June 1 of any year shall automatically be suspended from all rights and privileges of candidacy and shall return all indicia of candidacy to the Chief Executive Officer or his or her delegate. If the suspended Candidate pays the delinquent program fees and late fees by September 1, all indicia of candidacy shall be returned and the rights and privileges of candidacy shall be restored.

If program fees and late fees have not been paid by September 1, the individual’s candidacy shall automatically terminate. The Appraisal Institute shall publish notice of such termination in a manner it deems appropriate if, at the date of termination, the Candidate is the subject of the disciplinary action of suspension, a pending disciplinary proceeding, or a pending peer review proceeding in which the Candidate has been sent an offer of disciplinary action. A Candidate who fails to pay program fees and late fees by September 1 authorizes but does not obligate the Appraisal Institute to complete any peer review proceedings.

The program fees of a new Candidate shall be prorated monthly. The program fees of Candidates joining after November 1 shall be credited to the following fiscal year.

**Part D: Affiliation Fees for Practicing Affiliates and Affiliates**

The Board of Directors shall set from time to time annual national affiliation fees and late fees payable by Practicing Affiliates and Affiliates of the Appraisal Institute. Chapters may set from time to time annual affiliation fees and late fees payable by Practicing Affiliates and Affiliates of the Appraisal Institute as permitted by the Bylaws, Regulations and policies of the Appraisal Institute.

Annual affiliation fees (including national and chapter affiliation fees) for Practicing Affiliates and Affiliates shall be due and payable on January 1 of each year. Late fees (including national and chapter late fees) shall be charged to all Practicing Affiliates and Affiliates who have not paid their annual affiliation fees by April 1 of each year. Any Practicing Affiliate or Affiliate who fails to pay annual affiliation fees and late fees by June 1 of any year shall automatically be suspended from all rights and privileges of affiliation and shall return any indicia of affiliation to the Chief Executive Officer or his or her delegate. If the suspended Practicing Affiliate or Affiliate pays the delinquent annual affiliation fees and late fees by September 1, any indicia of affiliation shall be returned and the rights and privileges of affiliation shall be restored.

If annual affiliation fees and late fees have not been paid by September 1, the individual’s affiliation shall automatically terminate. The Appraisal Institute shall publish notice of such termination in a manner it deems appropriate if, at the date of termination, the Practicing Affiliate or Affiliate is the subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer review proceeding in which the Practicing Affiliate or Affiliate has been sent an offer of disciplinary action. A Practicing
Affiliate or Affiliate who fails to pay all affiliation fees and late fees by September 1 authorizes but does not obligate the Appraisal Institute to complete any peer review proceedings.

The affiliation fees for a new Practicing Affiliate or Affiliate shall be prorated monthly. The affiliation fees of a Practicing Affiliate or Affiliate joining after November 1 shall be credited to the following fiscal year.

Part E: Special Assessments
The Board of Directors may levy from time to time special assessments upon Designated Members, Candidates Practicing Affiliates and Affiliates, when in its opinion circumstances warrant. Such special assessments shall be levied upon the vote of sixty percent (60%) of the Board of Directors voting at a quorum meeting. In no event shall special assessments in any calendar year:

1) for any Designated Member exceed the amount of the annual national membership dues for such year;

2) for any Candidate exceed the annual national program fees for such year; or

3) for any Practicing Affiliate or Affiliate exceed the annual national affiliation fee for such year.

Special assessments shall be payable on the date(s) specified by the Board of Directors.

Any Designated Member, Candidate, Practicing Affiliate or Affiliate who fails to pay a special assessment within ninety (90) days from the date of such assessment shall automatically be suspended from all privileges of membership, candidacy or affiliation and shall return all indicia of membership, candidacy or affiliation to the Chief Executive Officer or his or her delegate. If the suspended Designated Member, Candidate, Practicing Affiliate or Affiliate pays the delinquent assessment within one (1) year of the date of such assessment, all indicia of membership, candidacy or affiliation shall be returned and the rights and privileges of membership, candidacy or affiliation shall be restored.

If a special assessment has not been paid within one (1) year of the date it was assessed, the individual's membership, candidacy or affiliation shall automatically terminate. The Appraisal Institute shall publish notice of such termination in a manner it deems appropriate if, at the date of termination, the Designated Member, Candidate, Practicing Affiliate or Affiliate is the subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer review proceeding in which the Designated Member, Candidate, Practicing Affiliate or Affiliate has been sent an offer of disciplinary action. A Designated Member, Candidate, Practicing Affiliate or Affiliate who fails to pay a special assessment within one (1) year of the date it was assessed authorizes, but does not obligate the Appraisal Institute to complete any peer review proceedings.
Part F: Waiver

The Chief Executive Officer may, in his or her reasonable judgment, grant extensions of payment or fully or partially waive the payment of any Member’s annual membership dues, any Candidate’s annual program fees, any Practicing Affiliate’s or Affiliate’s annual affiliation fees, any administrative fees, any late fees and/or any special assessments of the Appraisal Institute. If the Chief Executive Officer denies an extension or waiver request, the Executive Committee shall review such decision.
ARTICLE IX

National Governance: Board of Directors

Part A: Powers
The Board of Directors shall be the governing body of the Appraisal Institute and shall have the final authority in all matters relating to the Appraisal Institute. In addition to such powers as are set forth in these Bylaws, the Board of Directors shall have and may exercise all of the powers of the Appraisal Institute, subject only to the provisions of the Act, the Articles of Incorporation and these Bylaws. The Board of Directors may delegate to committees or other appropriate bodies such of its activities and powers as are legal, reasonable and proper and not inconsistent with the Articles of Incorporation or these Bylaws. The Board of Directors is responsible for the exercise of delegated power and liable for the abuse of it.

The Board of Directors shall adopt and maintain Regulations and policies governing the nomination and election of members to the Board of Directors by the Regional Committees and policies governing the nomination and election of the International Designated Member to the Board of Directors.

Part B: Composition
The Board of Directors shall consist of:

1) the officers of the Appraisal Institute;
2) the Chair and Vice Chair of each Regional Committee;
3) one International Designated Member in good standing elected by the Board of Directors;
4) any member of the Audit Committee who is not serving on the Board by virtue of holding the position of Chair or Vice Chair of a Regional Committee; and
5) the Chief Executive Officer of the Appraisal Institute.

Part C: Terms
The Officers shall serve terms on the Board of Directors commensurate with their terms as Officers.

Members of the Board of Directors elected by the Regions shall serve a four (4) year term, which shall commence on January 1st of the first year of each member’s term. During the year prior to the commencement of service on the Board, members shall attend all meetings of the Board of Directors but shall not have speaking or voting privileges.
The International Designated Member elected to serve on the Board of Directors shall serve a two (2)
year term that shall commence on January 1st of the first year of the International Designated Member’s
term. Except as otherwise provided, the International Designated Member shall be elected at the third
regular Board of Directors meeting in the year prior to commencement of the International Designated
Member’s term.

Part D: Qualifications to Serve
To be eligible for service on the Board of Directors, an individual shall:

a) be a Designated Member of the Appraisal Institute in good standing;

b) hold the status “continuing education program completed”;

c) have not been subject to a publishable disciplinary action as defined by the Regulations of the
   Appraisal Institute within the five (5) years prior to the date of election;

d) be able to read, speak and understand the English language;

e) stay up-to-date on the content of Appraisal Institute communications, including but not limited to, the
   content of all non-commercial e-mails originating from the national organization, the individual’s
   region and the individual’s chapter; and

f) have met such other minimum qualifications for service as may be adopted by the Board of Directors
   from time to time.

The individual elected to fill the International Designated Member position on the Board of Directors must
be an International Designated Member at the time of the election.

Part E: Resignation
A Director may resign by notice delivered in writing to the President, however, such resignation shall not
become effective until accepted by the President.

Part F: Removal
The body that elected a Director may remove such Director, for cause, upon the vote of two-thirds (2/3) of
those voting at a quorum meeting of the body that voted to elect the Director.

A Director shall be automatically removed from serving on the Board of Directors if he or she:

1) ceases to be a Designated Member of the Appraisal Institute in good standing;

2) receives a publishable disciplinary action as defined in the Regulations of the Appraisal Institute;
3) ceases to hold the status "continuing education program completed"; or
4) fails to attend a regularly scheduled or special meeting of the Board of Directors, unless such absence is excused.

The President shall determine whether an absence is excused, however, if there is any dispute as to whether an absence should or should not be excused, the Board of Directors shall make the final determination.

If, during the period between election to a Director position and the assumption of such position, the elected individual:

1) ceases to be a Designated Member of the Appraisal Institute in good standing;
2) receives a publishable disciplinary action as defined in the Regulations of the Appraisal Institute;
3) ceases to hold the status "continuing education program completed"; or
4) fails to meet such other requirements as the Board of Directors may adopt from time to time and were in effect at the time of the election, the elected individual shall be disqualified from serving and a new election shall be held.

If the International Designated Member on the Board of Directors ceases to be an International Designate during his or her term but continues to meet all other requirements for service on the Board, such individual may serve the remainder of the term.

Part G: Vacancies
Each vacancy on the Board of Directors, whether by reason of death, incapacity, removal, resignation or otherwise, shall be filled:

1) in the case of Directors elected by the Regional Committees, by automatic succession in accordance with the Regulations of the Appraisal Institute;
2) in the case of officers of the Appraisal Institute, by Nominating Committee nomination and Board of Directors election as provided in these Bylaws; and
3) in the case of any Director who was elected by the Board of Directors, by election of the Board at its next meeting.

Each individual so elected to fill a vacancy shall serve on the Board of Directors in the previous incumbent's position for the unexpired portion of the term of the previous incumbent. If a vacancy occurs in the office of Immediate Past President, such office shall remain vacant until the following year.
Part H: Voting

Each member of the Board of Directors shall have one (1) vote, except as provided below. Directors who are serving on the Board of Directors solely by virtue of their membership on the Audit Committee shall not have voting privileges or the right to make motions, but shall have speaking privileges. The Chief Executive Officer shall not have voting privileges or the right to make motions on the Board of Directors, but shall have speaking privileges.

Each member of the Board of Directors shall vote his or her own conscience on every matter brought before the Board of Directors using the best interests of the Appraisal Institute as a guide. A member of the Board of Directors may not attend a meeting by proxy or vote by proxy.

Part I: Meetings and Quorum

The Board of Directors shall hold four (4) regular meetings each calendar year. Special meetings of the Board of Directors may be called:

1) by the President;

2) pursuant to a written petition signed by a majority of the Executive Committee; or

3) pursuant to a written petition signed by one-third (1/3) of the members of the Board of Directors.

Such written petitions may be in electronic form.

Notice of a regular meeting of the Board of Directors shall be delivered in writing to each Director at least forty-five (45) days in advance of such meeting and shall specify the time, date, purpose and location of the meeting. Unless otherwise provided, notice of a special meeting of the Board of Directors shall be delivered in writing to each Director at least forty-eight (48) hours in advance of such meeting and shall specify the time, date, purpose and location of the meeting.

Except as provided below, a majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Two-thirds (2/3) of the members of the Board of Directors shall constitute a quorum for the transaction of business at any special meeting of the Board of Directors where notice is delivered in writing less than fifteen (15) days in advance of such special meeting. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action is approved by a majority of the required quorum for that meeting.

Except as provided otherwise by the Bylaws or the Regulations of the Appraisal Institute, the vote of a majority of Directors voting at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

The Board of Directors may hold meetings either in person or by interactive technology, so long as all Directors participating in the meeting can communicate with one another. Interactive technology includes
but is not limited to conference telephone, electronic transmission, Internet usage and remote
communication. Action taken at a meeting held via interactive technology shall be as effective as if the
Directors had met in person.

Part J: Waiver of Notice
Notice of a meeting need not be delivered in writing to any Director who signs a waiver of notice or a
written consent to holding the meeting or an approval of the minutes thereof, whether before or after the
meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers,
consents and approvals shall be filed with the corporate records or made a part of the minutes of the
meeting. Notice of a meeting need not be delivered in writing to any Director who attends the meeting
without protesting before or at its commencement the lack of proper notice to such Director.

Part K: Action Without a Meeting
Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if
all members of the Board of Directors consent in writing to that action. A member of the Board of
Directors may provide such written consent in electronic form. An action by written consent shall have the
same force and effect as any other validly approved action of the Board of Directors. Such written
consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Part L: Past Officers
All past officers of the Society of Real Estate Appraisers and the American Institute of Real Estate
Appraisers shall be past officers of the Appraisal Institute. All past Presidents of the Appraisal Institute
and its predecessors shall have floor privileges, but not voting privileges, except for the Immediate Past
President who shall serve on the Executive Committee and Board of Directors.
ARTICLE X

National Governance: Officers

Part A: Elected Officers
The elected officers of the Appraisal Institute shall be the President, President Elect, Vice President and Immediate Past President. The Vice President shall also serve as Treasurer.

Part B: Powers and Duties
The President shall generally oversee the affairs of the Appraisal Institute and shall have the general powers and duties usually vested in the Chief Elected Officer of a not for profit association. The President shall preside at all meetings of the membership, the Board of Directors and the Executive Committee. The President, or his or her designee, shall act as the spokesperson for the Appraisal Institute and shall have the authority to represent the Appraisal Institute consistent with the directives, resolutions and policies of the Board of Directors. The President shall act on behalf of the Appraisal Institute when the Appraisal Institute is the sole voting member of another not for profit corporation. The President shall have such other powers and perform such other duties as may be prescribed in the Bylaws and Regulations of the Appraisal Institute or as directed by the Board of Directors from time to time.

Except as otherwise provided in the Bylaws and Regulations of the Appraisal Institute, the President shall appoint the Chair and members of committees, boards, and panels, subject to the approval of the Board of Directors. The President may appoint project teams as he or she deems necessary or appropriate from time to time.

The President Elect shall preside at meetings of the membership, the Board of Directors and the Executive Committee in the event the President is for whatever reason unable to preside and shall act for the President in other matters when the President is unable to act. The President Elect shall have such other powers and perform such other duties as may be prescribed in these Bylaws and the Regulations and as directed by the Board of Directors or the President from time to time.

The Vice President shall serve as Chair of the Finance Committee and shall have such other powers and duties as may be prescribed in the Bylaws and the Regulations and as directed by the Board of Directors or the President from time to time.

Part C: Election, Term and Succession
The Nominating Committee shall submit its nomination(s) for Vice President to the Board of Directors during the second regular Board of Directors meeting each year, unless a vacancy in the office of Vice President occurs during the course of a Vice President’s term, in which case the nomination(s) for Vice President shall be submitted as soon as practicable after the vacancy occurs or after notice of the impending vacancy is received. If a vacancy occurs in the office of President or President-Elect and such vacancy is not filled by automatic succession, the Nominating Committee shall submit its nomination(s)
for such vacant position as soon as practicable after the vacancy occurs or after notice of the impending
vacancy is received.

Additional nomination(s) for Vice President or any other vacant Officer position(s) not filled by automatic
succession may be received from the Board of Directors, provided a written petition signed by at least
twenty percent (20%) of the Directors is delivered in writing to the Chief Executive Officer no later than
forty-five (45) days after the Nominating Committee’s submission of its nomination(s) to the Board. Such
petition(s) may be in electronic form. The Chief Executive Officer shall promptly notify the Board of
Directors of any written petition for additional nomination(s) that is received. At the close of the forty-five
(45) day petition period, the membership, chapters and regions shall be notified of all the nomination(s)
and shall have the opportunity for input prior to the Board’s decision.

Provided that there are at least seventy-five (75) days between the second and third regular Board
meetings, the annual election of officers shall occur at the third regularly scheduled Board of Directors
meeting each year. If there are not at least seventy-five (75) days between the second and third regular
Board meetings, the annual election of the officers shall occur at the fourth regular Board of Directors
meeting or at a special Board of Directors meeting at least seventy-five (75) days after the second regular
Board meeting and called with at least thirty (30) days notice.

A special election to fill a vacancy in the office of Vice President, President-Elect or President shall occur
at the first regular or special Board of Directors meeting that occurs after the period for additional
nomination(s) has closed. The elected officers shall serve for a term of one (1) year in the office to which
he or she has been elected, unless filling a vacancy pursuant to Part F of this Article. The term of office
shall commence on January 1 following election to office.

The Vice President shall automatically succeed to the office of President Elect, the President Elect shall
automatically succeed to the office of President and the President shall automatically succeed to the
office of Immediate Past President. The automatic succession will not occur if good cause is shown and a
motion to the contrary is passed by two-thirds (2/3) of the Directors voting on the issue at a quorum
meeting of the Board of Directors.

**Part D: Qualifications to Serve**

To be eligible for service as an elected officer of the Appraisal Institute, an individual shall:

a) be a Designated Member in good standing of the Appraisal Institute;

b) not have been subject to a publishable disciplinary action as defined by the Regulations of the
   Appraisal Institute within five (5) years of the date of election;

c) hold the status “Continuing education program completed”;

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Part E: Removal
Officers may be removed from office, for cause, by the vote of two-thirds (2/3) of the members of the Board of Directors voting at a quorum meeting of the Board of Directors.

An officer shall be automatically removed if he or she:

1. ceases to be a Designated Member in good standing;

2. becomes subject to a publishable disciplinary action by the Appraisal Institute while in office; or

3. ceases to hold the status “Continuing education program completed.”

Part F: Vacancies
If a vacancy for whatever reason occurs in the office of the President, such vacancy shall be filled by the President Elect who shall thereafter serve his or her own term as President. If a vacancy for whatever reason occurs in the office of the President Elect, such vacancy shall be filled by the Vice President who shall thereafter serve his or her own term as President Elect. If a vacancy occurs in the office of Vice President during the course of a Vice President’s term, the Nominating Committee shall nominate an individual (or two (2) individuals if there is a deadlock after three consecutive votes between the same candidates) for consideration by the Board of Directors in an election at its next regularly scheduled or special meeting; however, the individual(s) so nominated must be qualified to serve from the time of nomination until the election. If a vacancy occurs in the office of Immediate Past President, such office shall remain vacant until the following year.

Part G: Chief Executive Officer
There shall be a Chief Executive Officer of the Appraisal Institute approved by the Board of Directors. The Chief Executive Officer shall report to the Executive Committee and the Board of Directors.

The Chief Executive Officer shall have the general powers and duties of management usually vested in the position of chief executive officer of a not for profit association and such other powers and duties as may be prescribed by the Bylaws, the Regulations and the Board of Directors from time to time. The Chief Executive Officer shall oversee office operations and staffing, manage the execution of the Appraisal Institute’s strategic and operating plans and represent the Appraisal Institute at the direction of the Board.
of Directors or the President, consistent with the directives, resolutions and policies of the Board of Directors.

The Chief Executive Officer shall also serve as and perform all of the functions of corporate secretary of the Appraisal Institute. The Chief Executive Officer shall be an administrative officer of the Appraisal Institute and shall hold this position for the term of his or her employment or until such time as he or she retires, resigns or is removed by the Board of Directors.
ARTICLE XI

National Governance: Committees

Part A: General

Section 1. Establishment
The Board of Directors may from time to time establish and abolish committees as it deems necessary or appropriate. Committees shall report to the Board of Directors.

Section 2. Appointment and Terms
Except as otherwise provided in the Bylaws and the Regulations of the Appraisal Institute:

a) the President shall appoint the Chairs and other members of committees, subject to the approval of the Board of Directors; and

b) Committee Chairs shall appoint their respective Vice Chairs from among the committee members.

The duration of the terms of Chairs and whether Chairs may be re-appointed shall be as specified in the Bylaws and the Regulations of the Appraisal Institute. Vice Chairs shall serve one (1) year terms and may be reappointed. The other members of committees shall serve two (2) year terms with staggered expiration dates and may serve two (2) consecutive full terms, unless otherwise provided in the Bylaws and the Regulations of the Appraisal Institute. Such terms shall commence on January 1 of the appointing President’s term.

Section 3. Eligibility
To be eligible for service on a committee, all members, including Chairs and Vice Chairs shall:

a) be in good standing if a Designated Member of the Appraisal Institute;

b) not have been subject to a publishable disciplinary action by the Appraisal Institute within the five (5) years prior to appointment or election;

c) hold the status “Continuing education program completed” if a Designated Member, or have completed any continuing education requirements for Candidates if a Candidate;

d) be adept at and possess technical capability for prompt Internet communication including the ability to access and respond to e-mail;

e) have completed the Leadership Resource Registry;

f) stay up-to-date on the content of Appraisal Institute communications, including but not limited to, the content of all non-commercial e-mails originating from the national organization, the individual’s region and the individual’s chapter; and
g) have met such other minimum qualifications for service as may be adopted by the Board of Directors from time to time.

Section 4. Removal
A committee Chair, Vice Chair, or member shall be automatically removed if he or she:

a) ceases to be a Designated Member or Candidate in good standing if such status is required for the position;

b) becomes subject to a publishable disciplinary action by the Appraisal Institute while in such position; or

c) ceases to hold the status "Continuing education program completed" if a Designated Member or fails to complete any continuing education requirements for Candidates if a Candidate.

Further, the Board of Directors may remove a Chair, Vice Chair, or member of a committee for cause by a sixty percent (60%) vote.

Section 5. Vacancies
Unless otherwise established by these Bylaws, if a vacancy for whatever reason occurs in a committee position, such vacancy shall be filled by appointment by the President or election, depending on the means by which the position is regularly filled. However, the committee member so appointed or elected must be qualified to serve in the position from the time of appointment or election. Any appointment by the President to fill a vacant committee position shall be subject to approval by the Board of Directors at its next regularly scheduled or special meeting.

Section 6. Meetings, Quorum, and Voting
A committee may hold meetings either in person or by interactive technology, so long as all members of the committee participating in the meeting can communicate with one another. Interactive technology includes, but is not limited to, conference telephone, electronic transmission, Internet usage and remote communication. Action taken at a meeting held via interactive technology shall be as effective as if the committee members had met in person.

A majority of the members of a committee shall constitute a quorum for the transaction of the business of that committee, except as otherwise provided in these Bylaws. The vote of a majority of members of a committee voting at a duly held meeting shall be regarded as the act of that committee. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of members, if any action taken is approved by a majority of the required quorum for that meeting.

Except where otherwise provided, each member of a committee shall have one (1) vote on each matter coming before that committee. A member of a committee may not attend a committee meeting by proxy or vote by proxy. Each member of a committee shall vote his or her own conscience on every matter brought before such committee using the best interests of the Appraisal Institute as a guide.
Any action required or permitted to be taken by a committee may be taken without a meeting if all members of the committee consent in writing to that action. A member of the committee may provide such written consent in electronic form. An action by written consent shall have the same force and effect as any other validly approved action of the committee. Such written consent or consents shall be filed with the minutes of the proceedings of the committee that took the action.

Section 7. Miscellaneous

The Board of Directors shall adopt and maintain Regulations establishing the composition, powers, duties and responsibilities of committees.

Part B: Committees of the Board

Section 1. Executive Committee

a) Composition

There shall be an Executive Committee composed of the elected officers (President, President Elect, Vice President and Immediate Past President) and the Chief Executive Officer, who shall serve as a nonvoting member. If a vacancy for whatever reason occurs in the position of Immediate Past President, such position shall remain vacant for the remainder of the year.

b) Powers and Duties

The Executive Committee shall report to the Board of Directors and shall:

1) monitor implementation of strategic and operating plans and take appropriate actions to advance such implementation;

2) develop and monitor relationships with external parties consistent with the directives and policies of the Board of Directors;

3) advise, counsel and evaluate the Chief Executive Officer; and

4) perform such other duties as may be assigned to it by the Board of Directors.

The Executive Committee may also act on behalf of the Appraisal Institute between meetings of the Board of Directors provided that, in the judgment of the Executive Committee:

1) it is imprudent or impractical to defer taking such action until the Board of Directors can meet; or

2) there is an emergency that requires the Executive Committee to act on behalf of the Board.

However, the Executive Committee may not take any action that is inconsistent with any action previously taken by the Board of Directors and must report any action it takes to the Board of Directors. The Board of Directors shall decide whether to ratify such actions.
Section 2. Audit Committee

a) Composition

There shall be an Audit Committee composed of five (5) members elected by the Board of Directors.

At its third regular meeting each year, the Board of Directors shall hold an election for those Audit Committee positions whose terms end that year. When elected, members must be an Appraisal Institute Designated Member in good standing and be currently serving on the Board of Directors or serving as a Third Regional Director. Furthermore, at least one (1) of the members elected each year must have one (1) year remaining on his or her Board term or must be a Third Regional Director, whose Audit Committee term would commence concurrently with his or her term on the Board of Directors. Executive and Finance Committee members may not serve concurrently on the Audit Committee.

The elected members of the Audit Committee shall serve two (2) year staggered terms beginning on January 1 following election to office. The Chair of the Audit Committee shall be selected annually by the Audit Committee members.

b) Powers and Duties

The Audit Committee shall report to the Board of Directors. The Audit Committee shall:

1) receive monthly reports from the Finance Committee;

2) recommend independent auditors to the Board of Directors;

3) cause an annual audit of Appraisal Institute accounts to be made;

4) recommend as appropriate that an audit be made on the accounts of entities under the control of the Appraisal Institute;

5) conduct and/or oversee investigations to protect the integrity of the Appraisal Institute;

6) oversee management and internal control structure and financial reporting processes of the Appraisal Institute;

7) recommend policies and actions to protect the financial integrity of the Appraisal Institute and entities under its control;

8) evaluate threats to the corporate assets of the Appraisal Institute and make appropriate recommendations;

9) inform the Board of Directors when boards, committees or other bodies have not complied with Appraisal Institute financial procedures and financial internal controls;

10) review potential conflicts of interest of individuals serving in the national governance structure with counsel and make appropriate recommendations to the Board of Directors;
11) otherwise act in accordance with Audit Committee Policies and Procedures approved by the Board of Directors; and

12) perform such other duties as may be assigned to it by the Board of Directors.

Section 3. Nominating Committee

a) Composition

There shall be a Nominating Committee that is composed of the Immediate Past President and one (1) member from each Region elected by the Regional Committee in each Region. The Immediate Past President shall serve as the Chair of the Nominating Committee without a vote. If the Immediate Past President is unavailable to serve his or her term, or any part thereof, as Chair of the Nominating Committee, the most recent Past President willing and able shall serve as Chair of the Nominating Committee without a vote.

The members of the Nominating Committee shall serve a one-year term commencing on January 1 following their election. If an elected member of the Nominating Committee is unable to serve, an alternate member elected from the Region shall serve the remainder of the elected member’s one (1) year term.

To be eligible to serve as a member elected by a Region on the Nominating Committee, an individual:

1) shall be a Designated Member in good standing;

2) shall have at least one (1) year of service as a Chapter President, two (2) years of service as a regional representative or two (2) years of service on a national committee or on the national Board of Directors;

3) shall not have served on the Nominating Committee or its predecessors in the previous six (6) years;

4) shall not be serving concurrently as a Board member or third Regional Director unless the member’s Region requests an exception that is approved by the Executive Committee;

5) shall not be serving concurrently on any other national Appraisal Institute board or committee; and

6) shall satisfy the other requirements for committee service set forth in these Bylaws.

b) Powers and Duties

The Nominating Committee shall report to the Board of Directors and shall:

1) interview and evaluate candidates for Vice President and for any other vacant Officer position(s);
2) identify key issues for the written questionnaire that candidates for Vice President and for any other vacant Officer position(s) must complete;

3) identify key issues for the oral interviews of candidates for Vice President and for any other vacant Officer position(s);

4) solicit input from the membership, chapters and regions on the candidates for Vice President and for any other vacant Officer position(s) prior to finalization of the Nominating Committee’s decision;

5) nominate for Board of Directors consideration an individual (or two (2) individuals if there is a deadlock after three consecutive votes between the same candidates) for Vice President and for any other vacant Officer position(s);

6) submit its nomination (or two (2) nominations if there is a tie vote as noted above) for Vice President to the Board of Directors at its second regular meeting, with the rationale for its decision, unless a vacancy in the office of Vice President occurs during the course of a Vice President’s term, in which case the nomination(s) for Vice President and rationale shall be submitted to the Board of Directors as soon as practicable after notice of the impending vacancy is received or after the vacancy occurs;

7) submit its nomination (or two (2) nominations if there is a tie vote as noted above) for any other vacant Officer position(s) to the Board of Directors, with the rationale for its decision, as soon as practicable after notice of the impending vacancy is received or after the vacancy occurs;

8) nominate for Board of Directors consideration one (1) or more International Designated Members for election to the International Designated Member position on the national Board of Directors; and

9) perform such other duties as may be assigned to it by the Board of Directors.

Part C: Panels and Project Teams

The Board of Directors may from time to time establish and abolish Panels and Project Teams as it deems necessary or appropriate. The Board of Directors may adopt and maintain Regulations, directives and policies establishing the powers, duties and responsibilities of Panels and Project Teams.

Part D: Other Entities

Section 1. Trust Fund Committee

There shall be a Trust Fund Committee, the composition of which shall be governed by the Bylaws of the Appraisal Institute Education Trust. The Trust Fund Committee shall report to the Board of Directors. The Trust Fund Committee shall oversee the trust funds of the Appraisal Institute, shall recommend the policies and criteria for the Appraisal Institute’s recognition of special professional
achievement, shall determine the recipients of the various awards given by the Appraisal Institute and shall be the nominees for the Board of Directors of the not for profit Appraisal Institute Education Trust corporation.

Section 2. REAGIT

The Real Estate Appraisers Group Insurance Trust (REAGIT) is a group insurance trust established in 1976. REAGIT’s trust agreement, as amended and restated, describes its purpose, terms and governance. The Chair of REAGIT shall report to the Appraisal Institute Board of Directors on matters relating to administration of the trust.

Section 3. ALIP

The Appraisers Liability Insurance Program, Inc. (ALIP) is an Illinois corporation, of which the Appraisal Institute is the sole shareholder. ALIP’s Articles of Incorporation and Bylaws describe its purpose and governance. The President of ALIP shall report to the Appraisal Institute Board of Directors concerning matters relating to administration of ALIP.
ARTICLE XII

Regional Governance

Part A: General
The Board of Directors of the Appraisal Institute shall establish geographic Regions and the territory
associated with each such Region from time to time. Each Region shall exist solely by reason of action
taken by the Board of Directors and shall hold all its property and assets in trust for the Appraisal Institute.

At least every five (5) years, the Board of Directors shall review regional populations and alignment and
take whatever action it deems necessary and appropriate to maintain approximate balance of populations
among the Regions.

Part B: Purpose
The purpose of the regional structure shall be to facilitate the flow of information between the Board of
Directors and the Chapters and among the Chapters within each Region and to provide opportunities for
service to the Appraisal Institute.

Part C: Structure
Each Region shall have a Regional Committee as provided in the Regulation governing Regions. Each
Regional Committee shall elect a Chair and Vice Chair, who shall administer the affairs of the Region and
serve as members of the Board of Directors of the Appraisal Institute.

Part D: Miscellaneous
The Board of Directors shall adopt and maintain Regulations governing the regional structure so as to
achieve the purposes of the Articles of Incorporation and these Bylaws.
ARTICLE XIII

Chapter Governance

Part A: General
The Board of Directors shall establish from time to time such Chapters of the Appraisal Institute as it deems necessary and appropriate. Each Chapter shall exist solely by reason of the charter granted to it by the Appraisal Institute and shall hold all its property and assets in trust for the Appraisal Institute.

Part B: Territory
The geographic territory assigned to each Chapter shall be determined by the Board of Directors of the Appraisal Institute and shall be clearly defined in the charter issued by the Board of Directors to each Chapter. Only the Board of Directors can change the geographic territory of a Chapter.

Part C: Requirements
Each Chapter is required to adopt standard Bylaws that conform to the Bylaws and Regulations of the Appraisal Institute. Each Chapter is prohibited from acting in any manner inconsistent with the Bylaws and Regulations of the Appraisal Institute. Chapter Bylaws and any amendments thereto must be approved by the Appraisal Institute.

Part D: Miscellaneous
The Board of Directors of the Appraisal Institute shall adopt and maintain Regulations governing Chapters, including dues, fees, elections, meetings, committees, revocation of Chapter charters and any other matter that the Board of Directors deems appropriate to achieve the purposes of the Articles of Incorporation and these Bylaws.
ARTICLE XIV

Indemnification and Insurance

Part A: Indemnification

The Appraisal Institute shall, in accordance with the procedures required by the Act and to the fullest extent permitted by law, indemnify its Directors, Officers, Members, Candidates, Practicing Affiliates, Affiliates, employees and agents from and against all expenses, judgments, fines, settlements and other amounts (including attorneys’ fees) actually incurred in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, investigative or administrative brought by reason of the fact that such Director, officer, Member, Candidate, Practicing Affiliate, Affiliate, employee or agent is or was a Director, officer, committee member, panel member, Board member, project team member, employee or agent of the Appraisal Institute or is or was cooperating with any committee, panel or Board; provided, however, such individual was attempting in good faith to act according to the Bylaws and Regulations of the Appraisal Institute.

Part B: Insurance

The Appraisal Institute shall have the right and power to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Directors, officers, Members, Candidates, Practicing Affiliates, Chapters, Regions, employees and agents against any liability asserted against or incurred by a Director, officer, Member, Candidate, Practicing Affiliate, Affiliate, chapter, region, employee or agent in such capacity or arising out of the Director’s, officer’s, Member’s, Candidate’s, Practicing Affiliate’s, Affiliate’s, chapter’s, region’s, employee’s or agent’s status as such.
Conduct of Meetings

The rules contained in *Robert's Rules of Order, Newly Revised*, shall govern the meetings of the Appraisal Institute, whether at the national, regional or chapter level, unless inconsistent with the Articles of Incorporation, these Bylaws or the Regulations.
ARTICLE XVI

Regulations

Regulations shall have the same force and effect as the Bylaws; however, if there is a conflict between the Bylaws and any Regulation, the Bylaws shall prevail. The Board of Directors shall adopt such Regulations as are required by these Bylaws and such other Regulations that it deems necessary or appropriate from time to time and which are not inconsistent with the Act, the Articles of Incorporation or these Bylaws. The Board of Directors shall be empowered to enforce all Regulations of the Appraisal Institute.
ARTICLE XVII

Amendments

The Board of Directors shall have the sole authority to adopt or amend these Bylaws and then only upon a vote of sixty percent (60%) of the Directors voting at a quorum meeting after notice has been delivered in writing to Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute not fewer than forty-five (45) days before such meeting.

The Board of Directors shall have the sole authority to adopt or amend the designation requirements in the Admissions Regulations and then only if:

a) sixty percent (60%) of the Directors with voting rights vote in favor at a quorum meeting, regardless of how many Directors are present at such meeting; and

b) notice has been delivered in writing to Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute not fewer than forty-five (45) days before such meeting.

The Board of Directors shall have the sole authority to adopt or amend the Code of Professional Ethics and Standards of Professional Appraisal Practice, and then only upon a majority of the Directors voting at a quorum meeting after notice has been delivered in writing to Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute not fewer than forty-five (45) days before such quorum meeting.

The Board of Directors shall have the sole authority to adopt or amend the other Regulations of the Appraisal Institute and then only upon a vote of a majority of the Directors voting at a quorum meeting.
ARTICLE XVIII

Delivery of Notices and Other Documentation

When the Bylaws and Regulations provide for notice or other documentation to be “delivered in writing,” or use some variation of that terminology such as “deliver in writing” or “delivers in writing,” such notice or documentation may be transmitted via United States mail, traceable carrier, personal delivery or electronic means, including but not limited to facsimile and e-mail.

Any notice to a Member, Candidate, Practicing Affiliate or Affiliate that is addressed to the principal place of business or home of such Member, Candidate, Practicing Affiliate or Affiliate, or the facsimile number or e-mail address of such Member, Candidate, Practicing Affiliate or Affiliate, as it appears in the official records of the Appraisal Institute and that is transmitted within the time limits set forth in the Bylaws or Regulations shall be deemed good and sufficient notice for all purposes. Unless specifically provided otherwise, the effective date of delivery for such notices shall be the date of mailing, transmittal, or delivery to a traceable carrier, or in the case of personal delivery, the date that the notice is delivered to the Member’s, Candidate’s, Practicing Affiliate’s or Affiliate’s principal place of business or home.

Each Member, Candidate, Practicing Affiliate or Affiliate shall keep the Appraisal Institute advised as to the current address of his or her principal place of business and home, current facsimile number and current e-mail address.
ARTICLE XIX

Fiscal Year

The fiscal year of the Appraisal Institute shall be the calendar year.
ARTICLE XX

Dissolution

Upon the dissolution of the Appraisal Institute, the Board of Directors shall, after paying or adequately providing for the payment of all of the liabilities of the Appraisal Institute, dispose of all the assets of the Appraisal Institute to such organization or organizations organized and operated for educational, research and professional association purposes relating to appraisal services as shall at the time qualify as an exempt organization or as exempt organizations under Section 501(c)(3) or Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), in such manner as the Board of Directors shall determine. Any such assets not so disposed of by the Board of Directors shall be disposed of by the appropriate court of the county in which the principal office of the Appraisal Institute is located to an exempt organization or to exempt organizations organized and operated for the purposes described in Article II of these Bylaws.

10/30/13