

Bylaws

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BYLAWS

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1 **ARTICLE I**

2

3 **Name**

4

5 The name of this organization is the Appraisal Institute.

6

8

9 **Purposes and Limitations**

10

11

12 **Part A: Purposes**

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

31

32

33 **Part B: Powers**

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

36

37

38 **Part C: Limitations Upon Powers and Activities**

39 Notwithstanding any other provisions of these Bylaws to the contrary, the Appraisal Institute shall not,
40 except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not
41 in furtherance of the purposes of the Appraisal Institute. Further, the Appraisal Institute shall not carry on
42 any activities not permitted to be carried on:

- 43
- 44 1) by a corporation exempt from Federal income tax under Section 501(c)(6) of the Internal Revenue
45 Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law); or
 - 46
 - 47 2) pursuant to the Act.

48 The property, assets, profits and net income of the Appraisal Institute are dedicated irrevocably to the
49 purposes set forth in Part A above. No part of the net earnings of the Appraisal Institute shall inure to the
50 benefit of or be distributable to its Members, Candidates, Practicing Affiliates, Affiliates, Directors, Officers
51 or other private persons, except the Appraisal Institute shall be authorized and empowered to pay
52 reasonable compensation for services rendered and to make payments and distributions in furtherance of
53 the purposes set forth in Part A above.
54

56

57 **Offices**

58

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

62

64

65 **Membership Meetings**

66

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

69

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

73

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

77

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

84

85 Members, Candidates, Practicing Affiliates and 86 Affiliates

87

88 Part A: Members

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

91

92 Section 1. Designated Members

93 A Designated Member is an individual who holds an Appraisal Institute designation.

94

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

97

98 A Designated Member in good standing is an individual who:

99

100 a) holds an Appraisal Institute designation; and

101

102 b) is not suspended from membership.

103

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

105

106 a) conferring membership designations;

107

108 b) retention of the membership designations;

109

110 c) admitting and readmitting individuals to designated membership; and

111

112 d) continuing education for Designated Members.

113

114 Section 2. Honorary Members

115 An Honorary Member is an individual who, in the opinion of the Board of Directors, has made a significant
116 contribution to the appraisal profession, and is not engaged in Valuation Practice as defined by the Code
117 of Professional Ethics.

118 **Part B: Designated Membership Statuses**

119 Designated Members shall hold the status of Practicing Designated Member or Non-Practicing
120 Designated Member.

121

122 **Section 1. Practicing Designated Members**

123 A Practicing Designated Member is a Designated Member in good standing who is engaged in Valuation
124 Practice as defined by the Code of Professional Ethics. Some Practicing Designated Members may also
125 hold the status of Life Designated Member or Semi-Retired Designated Member:

126

127 a) Practicing Life Designated Members

128 A Practicing Life Designated Member is a Designated Member in good standing who has held
129 Designated membership in the Appraisal Institute or its predecessor organizations continuously for at
130 least forty (40) years and is current in the payment of full membership dues. A Practicing Life
131 Designated Member who was terminated from membership for any reason (including resignation)
132 may not be readmitted with Life Designated Member status unless readmission occurs within one (1)
133 year of the date of termination.

134

135 b) Practicing Semi-Retired Designated Members

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

140

141 **Section 2. Non-Practicing Designated Members**

142 A Non-Practicing Designated Member is a Designated Member in good standing who is not engaged in
143 Valuation Practice as defined by the Code of Professional Ethics. Some Non-Practicing Designated
144 Members may also hold the status of Retired Designated Member or Life Designated Member:

145

146 a) Non-Practicing Retired Designated Members

147 A Non-Practicing Retired Designated Member is a Designated Member in good standing who is at
148 least sixty (60) years of age and who is not engaged in Valuation Practice as defined by the Code of
149 Professional Ethics.

150

151 b) Non-Practicing Life Designated Members

152 A Non-Practicing Life Designated Member is a Designated Member in good standing who has held
153 Designated membership in the Appraisal Institute or its predecessor organizations continuously for at
154 least forty (40) years and is current in the payment of full membership dues. A Non-Practicing Life
155 Designated Member who was terminated from membership for any reason (including resignation)
156 may not be readmitted with Life Designated Member status unless readmission occurs within one (1)
157 year of the date of termination.

158

159

160

161 **Part C: Candidates**

162 A Candidate is an individual who:

- 163
- 164 a) is a Candidate for designation in the Appraisal Institute;
- 165
- 166 b) is state certified or has met other criteria equivalent to state certification as determined by the
- 167 Admissions and Designation Qualifications Committee (ADQC); and
- 168
- 169 c) has committed to attain an Appraisal Institute designation in accordance with the Appraisal Institute
- 170 Bylaws, Regulations and policies.

171

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

- 173
- 174 a) is not suspended from candidacy;
- 175
- 176 b) is not the subject of a disciplinary proceeding as defined in the Regulations of the Appraisal Institute;
- 177 and
- 178
- 179 c) is not the subject of a peer review proceeding in which the Candidate has been sent an offer of a
- 180 publishable disciplinary action as set forth in the Regulations of the Appraisal Institute.

181

182 An International Candidate is a Candidate whose principal place of business and residence falls outside

183 the United States, United States Territories and Canada.

184

185

186 **Part D: Practicing Affiliates**

187 A Practicing Affiliate is an individual who:

- 188
- 189 a) is a Practicing Affiliate with the Appraisal Institute; and
- 190
- 191 b) is engaged in Valuation Practice as defined by the Code of Professional Ethics.

192

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

- 194
- 195 a) suspended;
- 196
- 197 b) the subject of a disciplinary proceeding as defined in the Regulations of the Appraisal Institute; or
- 198
- 199 c) the subject of a peer review proceeding in which the Practicing Affiliate has been sent an offer of a
- 200 publishable disciplinary action as set forth in the Regulations of the Appraisal Institute.

201

202 An International Practicing Affiliate is a Practicing Affiliate whose principal place of business and

203 residence falls outside the United States, United States Territories and Canada.

205 **Part E: Affiliates**

206 An Affiliate is an individual who:

207

208 a) is an Affiliate with the Appraisal Institute;

209

210 b) is interested in property economics; and

211

212 c) is not engaged in Valuation Practice as defined by the Code of Professional Ethics.

213

214 An Affiliate in good standing is an individual who:

215

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

217

218 b) is not suspended from affiliation;

219

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

221 and

222

223 d) is not the subject of a peer review proceeding in which the Affiliate has been sent an offer of a

224 publishable disciplinary action as set forth in the Regulations of the Appraisal Institute.

225

226 Affiliates may include individuals such as, by way of example only, university faculty, students, brokers,

227 developers, lawyers, accountants, financial planners, researchers and investors.

228

229 An International Affiliate is an Affiliate whose principal place of business and residence falls outside the

230 United States, United States Territories and Canada.

231

233

234 **Rights and Obligations of Members, Candidates,**
235 **Practicing Affiliates and Affiliates**

236

237 **Part A: Obligations**

238 Each Member, Candidate, Practicing Affiliate and Affiliate of the Appraisal Institute shall abide by, uphold
239 and conform his or her actions to the Bylaws, Regulations, Code of Professional Ethics and Standards of
240 Professional Practice of the Appraisal Institute as each may be amended from time to time. Each
241 Member, Candidate, Practicing Affiliate and Affiliate shall also abide by, uphold, and conform his or her
242 actions to such policies and procedures as the Board of Directors or duly authorized bodies or individuals
243 of the Appraisal Institute may promulgate from time to time.

244

245 Each Member, Candidate, Practicing Affiliate and Affiliate shall cooperate with the Appraisal Institute and
246 its duly authorized bodies and individuals including, but not limited to, Boards of Directors, officers and
247 committees in all matters relating to the official activities of the Appraisal Institute at all levels of the
248 organization.

249

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

258

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

266

267 Suspension from membership, candidacy or affiliation is a temporary revocation of the rights and
268 privileges but not the obligations of Appraisal Institute membership, candidacy or affiliation.

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

271
272 No Member shall be permitted to transfer or assign his or her membership in the Appraisal Institute or the
273 rights, privileges and obligations attendant thereto. No Candidate shall be permitted to transfer or assign
274 his or her candidacy in the Appraisal Institute or the rights, privileges and obligations attendant thereto.

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

277
278 Each Designated Member, Candidate and Practicing Affiliate shall belong to a Chapter of the Appraisal
279 Institute, except where otherwise provided. Honorary Members and Affiliates may belong to a Chapter if
280 they so choose.

281
282 The Board of Directors shall adopt and maintain Regulations further establishing the rights and
283 obligations of Members, Candidates, Practicing Affiliates and Affiliates.

284

285

286 **Part B: Voting Rights**

287 **Section 1. Designated Members**

288 Designated Members in good standing shall be entitled to vote on:

289

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

291

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

294

295 c) any dissolution of the Appraisal Institute; and

296

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

300

301 Designated Members in good standing shall have one (1) vote and shall be entitled to attend membership
302 meetings and vote by proxy.

303

304 **Section 2. Honorary Members**

305 Honorary Members shall not have voting rights at any level of the organization.

306

307 **Section 3. Candidates**

308 Candidates in good standing:

309

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

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

313

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

316

317 **Section 4. Practicing Affiliates and Affiliates**

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

322

323

324 **Part C: Office Holding and Service**

325 **Section 1. Designated Members**

326 Subject to the requirements of the Bylaws, Regulations and policies of the Appraisal Institute, Designated
327 Members in good standing may hold any offices and serve on any boards, committees, panels, project
328 teams and other bodies at any level of the organization.

329

330 **Section 2. Honorary Members**

331 Honorary Members are not eligible to hold any offices, or serve on any boards, committees, panels,
332 project teams or other bodies at any level of the organization.

333

334 **Section 3. Candidates**

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

340

341 **Section 4. Practicing Affiliates and Affiliates**

342 Subject to the requirements of the Bylaws, Regulations and policies of the Appraisal Institute, Practicing
343 Affiliates and Affiliates in good standing may serve on panels, project teams and other bodies in positions
344 open to Practicing Affiliates and Affiliates. Practicing Affiliates also may serve on chapter committees
345 open to Practicing Affiliates as set forth in the Bylaws, Regulations and policies of the Appraisal Institute.
346 Practicing Affiliates and Affiliates may not participate in education issues where examination security is
347 impacted or in confidential admissions issues.

348

349

350 **Part D: Other Rights, Privileges and Obligations**

351 **Section 1. Designated Members**

352 The Board of Directors shall adopt and maintain Regulations governing the use by Designated Members
353 of the:

- 354 a) Appraisal Institute logo; and
355
356 b) the designations conferred upon Designated Members of the Appraisal Institute.

357
358 Designated Members shall have such other rights, privileges and obligations as set forth in the Bylaws,
359 Regulations and policies of the Appraisal Institute.

360
361 **Section 2. Honorary Members.**

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

366
367 **Section 3. Candidates**

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

371
372 **Section 4. Practicing Affiliates and Affiliates**

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

377
378
379 **Part E: Resignation**

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

392

393 **Disciplinary Actions**

394

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

404

406

407 **Dues, Fees and Assessments**

408

409 **Part A: Membership Dues**

410 The Board of Directors shall set from time to time annual national membership dues and late fees
411 payable by Designated Members of the Appraisal Institute, except for national Past Presidents, Non-
412 Practicing Retired Designated Members, Non-Practicing Life Designated Members and Honorary
413 Members.

414

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

419

420 The Board of Directors shall adopt a policy that sets forth a date by which membership dues at all levels
421 of the organization shall be due and payable, a date by which late fees at all levels of the organization will
422 begin accruing and the amount of such late fees if dues have not been paid, a date when an individual
423 will be automatically suspended if the individual has not paid dues and late fees, and a date on which an
424 individual's membership will be automatically terminated if the individual has not paid dues and late fees.

425

426 If an individual's membership terminates pursuant to this Part, the Appraisal Institute shall publish notice
427 of such termination in a manner it deems appropriate if, at the date of termination, the individual is the
428 subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer
429 review proceeding in which the individual has been sent an offer of disciplinary action. An individual
430 whose membership is terminated for failure to pay all membership dues and late fees authorizes but does
431 not obligate the Appraisal Institute to complete any peer review proceedings.

432

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

435

436 **Part B: Administrative Fees for Non-Practicing Life Designated Members 437 and Non-Practicing Retired Designated Members**

438

439 Non-Practicing Life Designated Members and Non-Practicing Retired Designated Members shall not be
440 assessed membership dues at any level of the organization; however:

- 441
- 442 1) The Board of Directors shall set from time to time annual national administrative fees and late fees
443 payable by such Designated Members;
 - 444
 - 445 2) Regions may set from time to time annual Region administrative fees and late fees payable by such
446 Designated Members within their Regions as permitted by the Bylaws, Regulations and policies of the
447 Appraisal Institute; and

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

451

452 Non-Practicing Life Designated Members and Non-Practicing Retired Designated Members who do not
453 timely pay administrative fees shall cease to receive any services provided to such members.

454

455 The Board of Directors shall adopt a policy that sets forth a date by which administrative fees at all levels
456 of the organization shall be payable and a date by which late fees at all levels of the organization will
457 begin accruing and the amount of such late fees if administrative fees have not been paid.

458

459

460 **Part C: Program Fees for Candidates**

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

465

466 The Board of Directors shall adopt a policy that sets forth a date by which program fees at all levels of the
467 organization shall be payable, a date by which late fees at all levels of the organization will begin accruing
468 and the amount of such late fees if program fees have not been paid, a date when an individual will be
469 automatically suspended if the individual has not paid program fees and late fees, and a date on which an
470 individual's candidacy will be automatically terminated if the individual has not paid program fees and late
471 fees.

472

473 If an individual's candidacy terminates pursuant to this Part, the Appraisal Institute shall publish notice of
474 such termination in a manner it deems appropriate if, at the date of termination, the individual is the
475 subject of the disciplinary action of suspension, a pending disciplinary proceeding, or a pending peer
476 review proceeding in which the individual has been sent an offer of disciplinary action. An individual
477 whose candidacy is terminated for failure to pay program fees and late fees authorizes but does not
478 obligate the Appraisal Institute to complete any peer review proceedings.

479

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

482

483

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

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

489

490 The Board of Directors shall adopt a policy that sets forth a date by which affiliation fees at all levels of
491 the organization shall be payable, a date by which late fees at all levels of the organization will begin

492 accruing and the amount of such late fees if affiliation fees have not been paid, a date when an individual
493 will be automatically suspended if the individual has not paid affiliation fees and late fees, and a date on
494 which an individual's affiliation will be automatically terminated if the individual has not paid affiliation fees
495 and late fees.

496

497 If an individual's affiliation terminates pursuant to this Part, the Appraisal Institute shall publish notice of
498 such termination in a manner it deems appropriate if, at the date of termination, the individual is the
499 subject of the disciplinary action of suspension, a pending disciplinary proceeding or a pending peer
500 review proceeding in which the individual has been sent an offer of disciplinary action. An individual
501 whose affiliation is terminated for failure to pay all affiliation fees and late fees authorizes but does not
502 obligate the Appraisal Institute to complete any peer review proceedings.

503

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

506

507

508 **Part E: Special Assessments**

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

513

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

516

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

518

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

520

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

522

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

530

531 If a special assessment has not been paid within one (1) year of the date it was assessed, the individual's
532 membership, candidacy or affiliation shall automatically terminate. The Appraisal Institute shall publish
533 notice of such termination in a manner it deems appropriate if, at the date of termination, the Designated
534 Member, Candidate, Practicing Affiliate or Affiliate is the subject of the disciplinary action of suspension, a
535 pending disciplinary proceeding or a pending peer review proceeding in which the Designated Member,

536 Candidate, Practicing Affiliate or Affiliate has been sent an offer of disciplinary action. A Designated
537 Member, Candidate, Practicing Affiliate or Affiliate who fails to pay a special assessment within one (1)
538 year of the date it was assessed authorizes, but does not obligate the Appraisal Institute to complete any
539 peer review proceedings.

540

541

542 **Part F: Waiver**

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

549

550 **National Governance: Board of Directors**

551

552 **Part A: Powers**

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

561

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

565

566

567 **Part B: Composition**

568 The Board of Directors shall consist of:

569

570 1) the officers of the Appraisal Institute;

571

572 2) the Chair and Vice Chair of each Regional Committee;

573

574 3) one International Designated Member in good standing elected by the Board of Directors;

575

576 4) any member of the Audit Committee who is not serving on the Board by virtue of holding the position
577 of Chair or Vice Chair of a Regional Committee;

578

579 5) the individual elected to serve in the office of Vice President beginning January 1st of the year
580 following election ("Vice President Elect") unless he or she already is a member of the Board of
581 Directors; and

582

583 6) the Chief Executive Officer of the Appraisal Institute.

584

585

586 **Part C: Terms**

587 The Officers shall serve terms on the Board of Directors commensurate with their terms as Officers. If not
588 already a Director at the time of election, the Vice President Elect shall serve as a Director while Vice
589 President Elect.

590 Members of the Board of Directors elected by the Regions shall serve a four (4) year term, which shall
591 commence on January 1st of the first year of each member's term, except where the Bylaws and
592 Regulations of the Appraisal Institute for filling vacancies provide otherwise. During the year prior to the
593 commencement of service on the Board, Third Regional Directors shall attend all meetings of the Board
594 of Directors but shall not have speaking or voting privileges.
595

596 The International Designated Member elected to serve on the Board of Directors shall serve a two (2)
597 year term that shall commence on January 1st of the first year of the International Designated Member's
598 term. Except as otherwise provided, the International Designated Member shall be elected at the third
599 regular Board of Directors meeting in the year prior to commencement of the International Designated
600 Member's term.
601

602

603 **Part D: Qualifications to Serve**

604 To be eligible for service on the Board of Directors, an individual shall:

605

- 606 a) be a Designated Member of the Appraisal Institute in good standing;
- 607
- 608 b) hold the status "continuing education program completed";
- 609
- 610 c) have not been subject to a publishable disciplinary action as defined by the Regulations of the
611 Appraisal Institute within the five (5) years prior to the date of election;
- 612
- 613 d) be able to read, speak and understand the English language;
- 614
- 615 e) stay up-to-date on the content of Appraisal Institute communications, including but not limited to, the
616 content of all non-commercial e-mails originating from all levels of the organization; and
- 617
- 618 f) have met such other minimum qualifications for service as may be adopted by the Board of Directors
619 from time to time.

620

621 The individual elected to fill the International Designated Member position on the Board of Directors must
622 be an International Designated Member at the time of the election.
623

624

625

625 **Part E: Resignation**

626 A Director may resign by notice delivered in writing to the President, however, such resignation shall not
627 become effective until accepted by the President.
628

629

630

630 **Part F: Removal**

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

633 A Director shall be automatically removed from serving on the Board of Directors if he or she:
634
635 1) ceases to be a Designated Member of the Appraisal Institute in good standing;
636
637 2) receives a publishable disciplinary action as defined in the Regulations of the Appraisal Institute;
638
639 3) ceases to hold the status "continuing education program completed"; or
640
641 4) fails to attend a regularly scheduled or special meeting of the Board of Directors, unless such
642 absence is excused.

643
644 The President shall determine whether an absence is excused, however, if there is any dispute as to
645 whether an absence should or should not be excused, the Board of Directors shall make the final
646 determination.

647
648 If, during the period between election to a Director position and the assumption of such position, the
649 elected individual:

650
651 1) ceases to be a Designated Member of the Appraisal Institute in good standing;
652
653 2) receives a publishable disciplinary action as defined in the Regulations of the Appraisal Institute;
654
655 3) ceases to hold the status "continuing education program completed"; or
656
657 4) fails to meet such other requirements as the Board of Directors may adopt from time to time and were
658 in effect at the time of the election, the elected individual shall be disqualified from serving and a new
659 election shall be held.

660
661 If the International Designated Member on the Board of Directors ceases to be an International
662 Designated Member during his or her term but continues to meet all other requirements for service on the
663 Board, such individual may serve the remainder of the term.

664 665 666 **Part G: Vacancies**

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

669
670 1) in the case of Directors elected by the Regional Committees, by automatic succession or election in
671 accordance with the Regulations of the Appraisal Institute;
672
673 2) in the case of officers of the Appraisal Institute, by Nominating Committee nomination and Board of
674 Directors election as provided in these Bylaws; and

675 3) in the case of any Director who was elected by the Board of Directors, by election of the Board at its
676 next meeting.

677

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

681

682

683 **Part H: Voting**

684 Each member of the Board of Directors shall have one (1) vote, except as provided below. Directors who
685 are serving on the Board of Directors solely by virtue of their membership on the Audit Committee shall
686 not have voting privileges or the right to make motions, but shall have speaking privileges. The Vice
687 President Elect, if serving on the Board solely by virtue of such position, shall not have voting privileges or
688 the right to make motions on the Board of Directors, but shall have speaking privileges. The Chief
689 Executive Officer shall not have voting privileges or the right to make motions on the Board of Directors,
690 but shall have speaking privileges.

691

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

695

696

697 **Part I: Meetings and Quorum**

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

700

701 1) by the President;

702

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

704

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

706

707 Such written petitions may be in electronic form.

708

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

714

715 Except as provided below, a majority of the members of the Board of Directors shall constitute a quorum
716 for the transaction of business at any meeting of the Board of Directors. Two-thirds (2/3) of the members
717 of the Board of Directors shall constitute a quorum for the transaction of business at any special meeting
718 of the Board of Directors where notice is delivered in writing less than fifteen (15) days in advance of such

719 special meeting. A meeting at which a quorum is initially present may continue to transact business,
720 notwithstanding the withdrawal of Directors, if any action is approved by a majority of the required quorum
721 for that meeting.

722

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

726

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

732

733

734 **Part J: Waiver of Notice**

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

741

742

743 **Part K: Action Without a Meeting**

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

749

750

751 **Part L: Past Officers**

752 All past officers of the Society of Real Estate Appraisers and the American Institute of Real Estate
753 Appraisers shall be past officers of the Appraisal Institute. All past Presidents of the Appraisal Institute
754 and its predecessors shall have floor privileges, but not voting privileges, except for the Immediate Past
755 President who shall serve on the Executive Committee and Board of Directors.

756

758

759 **National Governance: Officers**

760

761 **Part A: Elected Officers**

762 The elected officers of the Appraisal Institute shall be the President, President Elect, Vice President and
763 Immediate Past President. The Vice President shall also serve as Treasurer.

764

765

766 **Part B: Powers and Duties**

767 The President shall generally oversee the affairs of the Appraisal Institute and shall have the general
768 powers and duties usually vested in the Chief Elected Officer of a not for profit association. The President
769 shall preside at all meetings of the membership, the Board of Directors and the Executive Committee.

770 The President, or his or her designee, shall act as the spokesperson for the Appraisal Institute and shall
771 have the authority to represent the Appraisal Institute consistent with the directives, resolutions and
772 policies of the Board of Directors. The President shall act on behalf of the Appraisal Institute when the
773 Appraisal Institute is the sole voting member of another not for profit corporation. The President shall
774 have such other powers and perform such other duties as may be prescribed in the Bylaws and
775 Regulations of the Appraisal Institute or as directed by the Board of Directors from time to time.

776

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

781

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

787

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

791

792

793 **Part C: Election, Term and Succession**

794 The Nominating Committee shall submit its nomination(s) for Vice President to the Board of Directors
795 during the second regular Board of Directors meeting each year, unless a vacancy in the office of Vice
796 President occurs during the course of a Vice President's term, in which case the nomination(s) for Vice
797 President shall be submitted as soon as practicable after the vacancy occurs or after notice of the
798 impending vacancy is received. If a vacancy occurs in the office of President or President Elect and such
799 vacancy is not filled by automatic succession, the Nominating Committee shall submit its nomination(s)

800 for such vacant position as soon as practicable after the vacancy occurs or after notice of the impending
801 vacancy is received.

802

803 Additional nomination(s) for Vice President or any other vacant Officer position(s) not filled by automatic
804 succession may be received from the Board of Directors, provided a written petition and rationale signed
805 by at least thirty percent (30%) of voting Directors is delivered in writing to the Chief Executive Officer no
806 later than forty-five (45) days after the Nominating Committee's submission of its nomination(s) to the
807 Board. Such petition(s) may be in electronic form. The Chief Executive Officer shall promptly notify the
808 Board of Directors of any written petition for additional nomination(s) that is received. At the close of the
809 forty-five (45) day petition period, the membership, chapters and regions shall be notified of all the
810 nomination(s) and shall have the opportunity for input prior to the Board's decision.

811

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

818

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

824

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

830

831

832 **Part D: Qualifications to Serve**

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

834

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

836

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

839

840 c) hold the status "Continuing education program completed";

- 841 d) stay up-to-date on the content of Appraisal Institute communications, including but not limited to, the
842 content of all non-commercial e-mails originating from all levels of the organization; and
843
844 e) have met such other minimum qualifications for service as may be adopted by the Board of Directors
845 from time to time.
846

847

848 **Part E: Removal**

849 Officers may be removed from office, for cause, by the vote of two-thirds (2/3) of the members of the
850 Board of Directors voting at a quorum meeting of the Board of Directors.
851

852 An officer shall be automatically removed if he or she:

853

- 854 1) ceases to be a Designated Member in good standing;
855
856 2) becomes subject to a publishable disciplinary action by the Appraisal Institute while in office; or
857
858 3) ceases to hold the status "Continuing education program completed."
859

860

861 **Part F: Vacancies**

862 If a vacancy for whatever reason occurs in the office of the President, such vacancy shall be filled by the
863 President Elect who shall thereafter serve his or her own term as President. If a vacancy for whatever
864 reason occurs in the office of the President Elect, such vacancy shall be filled by the Vice President who
865 shall thereafter serve his or her own term as President Elect. If a vacancy occurs in the office of Vice
866 President during the course of a Vice President's term, the Nominating Committee shall nominate an
867 individual (or two (2) individuals if there is a deadlock after three consecutive votes between the same
868 candidates) for consideration by the Board of Directors in an election at its next regularly scheduled or
869 special meeting; however, the individual(s) so nominated must be qualified to serve from the time of
870 nomination until the election. If a vacancy occurs in the office of Immediate Past President, such office
871 shall remain vacant until the following year
872

873

874 **Part G: Chief Executive Officer**

875 There shall be a Chief Executive Officer of the Appraisal Institute approved by the Board of Directors. The
876 Chief Executive Officer shall report to the Executive Committee and the Board of Directors.
877

878

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

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

889

891

892 **National Governance: Committees**

893

894 **Part A: General**

895 **Section 1. Establishment**

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

898

899 **Section 2. Appointment and Terms**

900 Except as otherwise provided in the Bylaws and the Regulations of the Appraisal Institute:

901

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

904

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

906

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

913

914 **Section 3. Eligibility**

915 To be eligible for service on a committee, all members, including Chairs and Vice Chairs shall:

916

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

918

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

921

922 c) hold the status "Continuing education program completed" if a Designated Member;

923

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

926

927 e) have completed the Leadership Resource Registry;

928

929 f) stay up-to-date on the content of Appraisal Institute communications, including but not limited to, the
930 content of all non-commercial e-mails originating from all levels of the organization; and

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

933

934 **Section 4. Removal**

935 A committee Chair, Vice Chair, or member shall be automatically removed if he or she:

936

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

939

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

942

943 c) ceases to hold the status "Continuing education program completed" if a Designated Member.

944

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

947

948 **Section 5. Vacancies**

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

955

956 **Section 6. Meetings, Quorum, and Voting**

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

962

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

968

969 Except where otherwise provided, each member of a committee shall have one (1) vote on each matter
970 coming before that committee. A member of a committee may not attend a committee meeting by proxy
971 or vote by proxy. Each member of a committee shall vote his or her own conscience on every matter
972 brought before such committee using the best interests of the Appraisal Institute as a guide.

973 Any action required or permitted to be taken by a committee may be taken without a meeting if all
974 members of the committee consent in writing to that action. A member of the committee may provide such
975 written consent in electronic form. An action by written consent shall have the same force and effect as
976 any other validly approved action of the committee. Such written consent or consents shall be filed with
977 the minutes of the proceedings of the committee that took the action.

978

979 **Section 7. Miscellaneous**

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

982

983

984 **Part B: Committees of the Board**

985 **Section 1. Executive Committee**

986 a) Composition

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

991

992 b) Powers and Duties

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

994

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

997

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

1000

1001 3) advise, and counsel the Chief Executive Officer; and

1002

1003 4) perform such other duties as may be assigned to it by the Board of Directors.

1004

1005 The Executive Committee may also act on behalf of the Appraisal Institute between meetings of the
1006 Board of Directors provided that, in the judgment of the Executive Committee:

1007

1008 1) it is imprudent or impractical to defer taking such action until the Board of Directors can meet; or

1009

1010 2) there is an emergency that requires the Executive Committee to act on behalf of the Board.

1011

1012 However, the Executive Committee may not take any action that is inconsistent with any action previously
1013 taken by the Board of Directors and must report any action it takes to the Board of Directors. The Board
1014 of Directors shall decide whether to ratify such actions.

1015 **Section 2. Audit Committee**

1016 a) Composition

1017 There shall be an Audit Committee composed of five (5) members elected by the Board of Directors.

1018
1019 At its third regular meeting each year, the Board of Directors shall hold an election for those Audit
1020 Committee positions whose terms end that year. The elected members of the Audit Committee shall
1021 serve two (2) year staggered terms beginning on January 1 following election to office. When elected,
1022 members must be an Appraisal Institute Designated Member in good standing and be currently serving
1023 on the Board of Directors or serving as a Third Regional Director. Furthermore, at least one (1) of the
1024 members elected each year must have one (1) year remaining on his or her Board term or must be a
1025 Third Regional Director, whose Audit Committee term would commence concurrently with his or her term
1026 on the Board of Directors. Executive and Finance Committee members may not serve concurrently on
1027 the Audit Committee.

1028
1029 The Chair and Vice Chair of the Audit Committee shall be elected annually by the Audit Committee
1030 members. The Chair and Vice Chair of the Audit Committee shall be selected from among the members
1031 of the following year's Audit Committee, shall serve one (1) year terms and may be reelected. Annual
1032 election of the Chair and Vice Chair shall occur prior to the commencement of such terms and shall occur
1033 subsequent to the annual election of Audit Committee members. In the event of a vacancy in the Chair
1034 position, the Chair position shall be filled by the Vice Chair for the remainder of the term. In the event of a
1035 vacancy in the Vice Chair position, the Audit Committee shall elect a new Vice Chair as soon as
1036 practicable.

1037
1038 b) Powers and Duties

1039 The Audit Committee shall report to the Board of Directors. The Audit Committee shall:

- 1040
1041 1) receive monthly reports from the Finance Committee;
- 1042
1043 2) recommend independent auditors to the Board of Directors;
- 1044
1045 3) cause an annual audit of Appraisal Institute accounts to be made;
- 1046
1047 4) recommend as appropriate that an audit be made on the accounts of entities under the control of
1048 the Appraisal Institute;
- 1049
1050 5) conduct and/or oversee investigations in consultation with counsel to protect the integrity of the
1051 Appraisal Institute as related to the members of the Board of Directors;
- 1052
1053 6) oversee management and internal control structure and financial reporting processes of the
1054 Appraisal Institute;
- 1055
1056 7) recommend policies and actions to protect the financial integrity of the Appraisal Institute and
1057 entities under its control;
- 1058

- 1059 8) evaluate threats to the corporate assets of the Appraisal Institute and make appropriate
1060 recommendations;
1061
- 1062 9) inform the Board of Directors when boards, committees or other bodies have not complied with
1063 Appraisal Institute financial procedures and financial internal controls;
1064
- 1065 10) review potential conflicts of interest of individuals serving in the national governance structure
1066 with counsel and make appropriate recommendations to the Board of Directors;
1067
- 1068 11) otherwise act in accordance with Audit Committee Policies and Procedures approved by the
1069 Board of Directors; and
1070
- 1071 12) perform such other duties as may be assigned to it by the Board of Directors.
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1073 **Section 3. Nominating Committee**

1074 a) Composition

1075 There shall be a Nominating Committee that is composed of the Immediate Past President and one (1)
1076 member from each Region elected by the Regional Committee in each Region. The Immediate Past
1077 President shall serve as the Chair of the Nominating Committee without a vote. If the Immediate Past
1078 President is unavailable to serve his or her term, or any part thereof, as Chair of the Nominating
1079 Committee, the most recent Past President willing and able shall serve as Chair of the Nominating
1080 Committee without a vote.
1081

1082 The members of the Nominating Committee shall serve a one-year term commencing on January 1
1083 following their election. If an elected member of the Nominating Committee is unable to serve, an
1084 alternate member elected from the Region shall serve the remainder of the elected member's one (1)
1085 year term.
1086

1087 To be eligible to serve as a member elected by a Region on the Nominating Committee, an individual:
1088

- 1089 1) shall be a Designated Member in good standing;
1090
- 1091 2) shall have at least one (1) year of service as a Chapter President, two (2) years of service as a
1092 regional representative or two (2) years of service on a national committee or on the national
1093 Board of Directors;
1094
- 1095 3) shall not have served on the Nominating Committee or its predecessors in the previous six (6)
1096 years;
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- 1098 4) shall not be serving concurrently as a Board member or Third Regional Director unless the
1099 member's Region requests an exception that is approved by the Executive Committee;
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- 1101 5) shall not be serving concurrently on any other national Appraisal Institute board or committee;
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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.

Section 4. Compensation Committee

a) Composition

There shall be a Compensation Committee that is composed of the President, the President Elect, the Immediate Past President, the most recent Past President and one voting member elected each year by the Board of Directors. The Immediate Past President shall serve as the Chair of the Compensation

1147 Committee. If the Immediate Past President is unavailable to serve his or her term, or any part thereof, as
1148 Chair of the Compensation Committee, the most recent Past President willing and able shall serve as
1149 Chair of the Compensation Committee.

1150

1151 At the third regular meeting of the Board of Directors, the Board of Directors shall elect one voting
1152 member currently serving on the Board with at least one (1) year remaining in his or her Board term to
1153 serve on the Compensation Committee. The elected member shall serve on the Compensation
1154 Committee for a one-year term commencing on January 1st following election and shall serve no more
1155 than one (1) one-year term within a four-year period.

1156

1157 **b) Powers and Duties**

1158 The Compensation Committee shall report to the Board of Directors and shall:

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1160 1) Recommend to the Board of Directors the employment, any contract extension, and any
1161 termination, as the case may be, of the Chief Executive Officer;

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1163 2) Negotiate with the Chief Executive Officer the terms of his or her employment contract and any
1164 amendments or revisions of that contract;

1165

1166 3) Establish performance objectives for the Chief Executive Officer no later than March 31st of
1167 each calendar year;

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1169 4) Evaluate annually the performance of the Chief Executive Officer in accordance with the
1170 established performance objectives and any resolutions or decisions of the Board of Directors;

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1172 5) Recommend compensation for the CEO; and

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1174 6) Perform such other duties as may be assigned by the Board of Directors.

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1176 **Part C: Panels and Project Teams**

1177 The Board of Directors may from time to time establish and abolish Panels and Project Teams as it
1178 deems necessary or appropriate. The Board of Directors may adopt and maintain Regulations, directives
1179 and policies establishing the powers, duties and responsibilities of Panels and Project Teams.

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1181 **Part D: Other Entities**

1182 The Board of Directors may from time to time establish other entities and abolish those entities, subject to
1183 their bylaws or other governing documents, or applicable laws, as it deems necessary or appropriate. The
1184 Chairs or Presidents of such entities report to the Board of Directors as appropriate.

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1188 **Regional Governance**

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1190 **Part A: General**

1191 The Board of Directors of the Appraisal Institute shall establish geographic Regions and the territory
1192 associated with each such Region from time to time. Each Region shall exist solely by reason of action
1193 taken by the Board of Directors and shall hold all its property and assets in trust for the Appraisal Institute.

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1195 At least every five (5) years, the Board of Directors shall review regional populations and alignment and
1196 take whatever action it deems necessary and appropriate to maintain approximate balance of populations
1197 among the Regions.

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1200 **Part B: Purpose**

1201 The purpose of the regional structure shall be to facilitate the flow of information between the Board of
1202 Directors and the Chapters and among the Chapters within each Region and to provide opportunities for
1203 service to the Appraisal Institute.

1204

1205

1206 **Part C: Structure**

1207 Each Region shall have a Regional Committee as provided in the Regulation governing Regions. Each
1208 Regional Committee shall elect a Chair and Vice Chair, who shall administer the affairs of the Region and
1209 serve as members of the Board of Directors of the Appraisal Institute.

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1212 **Part D: Miscellaneous**

1213 The Board of Directors shall adopt and maintain Regulations governing the regional structure so as to
1214 achieve the purposes of the Articles of Incorporation and these Bylaws.

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Chapter Governance

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Part A: General

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Part B: Territory

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Part C: Requirements

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Part D: Miscellaneous

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Part E: International Chapters

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The terms of the affiliation agreement between the Appraisal Institute and any International Chapter shall set forth the policies and procedures with which the International Chapter must comply to maintain its status as an International Chapter of the Appraisal Institute.

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1259 **Indemnification and Insurance**

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1261 **Part A: Indemnification**

1262 The Appraisal Institute shall, in accordance with the procedures required by the Act and to the fullest
1263 extent permitted by law, indemnify its Directors, Officers, Members, Candidates, Practicing Affiliates,
1264 Affiliates, employees and agents from and against all expenses, judgments, fines, settlements and other
1265 amounts (including attorneys' fees) actually incurred in connection with any threatened, pending or
1266 completed action, suit or proceeding, whether civil, criminal, investigative or administrative brought by
1267 reason of the fact that such Director, officer, Member, Candidate, Practicing Affiliate, Affiliate, employee
1268 or agent is or was a Director, officer, committee member, panel member, Board member, project team
1269 member, employee or agent of the Appraisal Institute or is or was cooperating with any committee, panel
1270 or Board; provided, however, such individual was attempting in good faith to act according to the Bylaws
1271 and Regulations of the Appraisal Institute. This provision shall not apply to International Chapters unless
1272 the Appraisal Institute has undertaken such obligations separately in writing.

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1275 **Part B: Insurance**

1276 The Appraisal Institute shall have the right and power to purchase and maintain insurance to the fullest
1277 extent permitted by law on behalf of its Directors, officers, Members, Candidates, Practicing Affiliates,
1278 Affiliates, Chapters, Regions, employees and agents against any liability asserted against or incurred by a
1279 Director, officer, Member, Candidate, Practicing Affiliate, Affiliate, chapter, region, employee or agent in
1280 such capacity or arising out of the Director's, officer's, Member's, Candidate's, Practicing
1281 Affiliate's, Affiliate's, chapter's, region's, employee's or agent's status as such. This provision shall not
1282 apply to International Chapters unless the Appraisal Institute has undertaken such obligations separately
1283 in writing.

1284

Conduct of Meetings

The rules contained in *Robert's Rules of Order, Newly Revised*, shall govern meetings at all levels of the Appraisal Institute, unless inconsistent with the Articles of Incorporation, these Bylaws or the Regulations.

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Regulations

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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.

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1303 **Amendments**

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1305 The Board of Directors shall have the sole authority to adopt or amend these Bylaws and then only upon
1306 a vote of sixty percent (60%) of the Directors voting at a quorum meeting after notice has been delivered
1307 in writing to Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute not fewer
1308 than forty-five (45) days before such meeting.

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1310 The Board of Directors shall have the sole authority to adopt or amend the designation requirements in
1311 the Admissions Regulations and then only if:

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1313 a) sixty percent (60%) of the Directors with voting rights vote in favor at a quorum meeting, regardless of
1314 how many Directors are present at such meeting; and

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1316 b) notice has been delivered in writing to Members, Candidates, Practicing Affiliates and Affiliates of the
1317 Appraisal Institute not fewer than forty-five (45) days before such meeting.

1318

1319 The Board of Directors shall have the sole authority to adopt or amend the Code of Professional Ethics
1320 and Standards of Professional Practice, and then only upon a vote of a majority of the Directors voting at
1321 a quorum meeting after notice has been delivered in writing to Members, Candidates, Practicing Affiliates
1322 and Affiliates of the Appraisal Institute not fewer than forty-five (45) days before such quorum meeting.

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1324 The Board of Directors shall have the sole authority to adopt or amend the other Regulations of the
1325 Appraisal Institute and then only upon a vote of a majority of the Directors voting at a quorum meeting.

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1329 **Delivery of Notices and Other Documentation**

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1331 When the Bylaws and Regulations provide for notice or other documentation to be “delivered in writing,”
1332 or use some variation of that terminology such as “deliver in writing” or “delivers in writing,” such notice or
1333 documentation may be transmitted via United States mail, traceable carrier, personal delivery or
1334 electronic means, including but not limited to facsimile and e-mail.

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1336 Any notice to a Member, Candidate, Practicing Affiliate or Affiliate that is addressed to the principal place
1337 of business or home of such Member, Candidate, Practicing Affiliate or Affiliate, or the facsimile number
1338 or e-mail address of such Member, Candidate, Practicing Affiliate or Affiliate, as it appears in the official
1339 records of the Appraisal Institute and that is transmitted within the time limits set forth in the Bylaws or
1340 Regulations shall be deemed good and sufficient notice for all purposes. Unless specifically provided
1341 otherwise, the effective date of delivery for such notices shall be the date of mailing, transmittal, or
1342 delivery to a traceable carrier, or in the case of personal delivery, the date that the notice is delivered to
1343 the Member’s, Candidate’s, Practicing Affiliate’s or Affiliate’s principal place of business or home.

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1345 Each Member, Candidate, Practicing Affiliate or Affiliate shall keep the Appraisal Institute advised as to
1346 the current address of his or her principal place of business and home, current facsimile number and
1347 current e-mail address.

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1349 **ARTICLE XIX**

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1351 **Fiscal Year**

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1353 The fiscal year of the Appraisal Institute shall be the calendar year.

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1357 **Dissolution**

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1359 Upon the dissolution of the Appraisal Institute, the Board of Directors shall, after paying or adequately
1360 providing for the payment of all of the liabilities of the Appraisal Institute, dispose of all the assets of the
1361 Appraisal Institute to such organization or organizations organized and operated for educational, research
1362 and professional association purposes relating to appraisal services as shall at the time qualify as an
1363 exempt organization or as exempt organizations under Section 501(c)(3) or Section 501(c)(6) of the
1364 Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal
1365 Revenue Law), in such manner as the Board of Directors shall determine. Any such assets not so
1366 disposed of by the Board of Directors shall be disposed by the appropriate court of the county in which
1367 the principal office of the Appraisal Institute is located to an exempt organization or to exempt
1368 organizations organized and operated for the purposes described in Article II of these Bylaws.