

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

7

9

10 Purposes and Limitations

11

12

13 Part A: Purposes

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

32

33

34 Part B: Powers

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

37

38

39 Part C: Limitations Upon Powers and Activities

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

44

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

49

50 The property, assets, profits and net income of the Appraisal Institute are dedicated irrevocably to the
51 purposes set forth in Part A above. No part of the net earnings of the Appraisal Institute shall inure to the
52 benefit of or be distributable to its Members, Candidates, Practicing Affiliates, Affiliates, Directors, Officers
53 or other private persons, except the Appraisal Institute shall be authorized and empowered to pay
54 reasonable compensation for services rendered and to make payments and distributions in furtherance of
55 the purposes set forth in Part A above.
56

58

59 **Offices**

60

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

64

65

67

68 **Membership Meetings**

69

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

72

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

76

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

80

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

86

88

89 **Members, Candidates, Practicing Affiliates and**
90 **Affiliates**

91

92 **Part A: Members**

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

95

96 **Section 1. Designated Members**

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

98

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

101

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

103

104 a) holds an Appraisal Institute designation; and

105

106 b) is not suspended from membership.

107

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

109

110 a) conferring membership designations;

111

112 b) retention of the membership designations;

113

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

115

116 d) continuing education for Designated Members.

117

118 **Section 2. Honorary Members**

119 An Honorary Member is an individual who, in the opinion of the Board of Directors, has made a significant
120 contribution to the appraisal profession, but does not provide appraisal or review services.

121

122 **Part B: Designated Membership Statuses**

123 Designated Members shall hold the status of Practicing Designated Member or Non-Practicing
124 Designated Member.

125

126 **Section 1. Practicing Designated Members**

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

130

131 a) Practicing Life Designated Members

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

135

136 b) Practicing Semi-Retired Designated Members

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

141

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

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

146

147 a) Non-Practicing Retired Designated Members

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

151

152 b) Non-Practicing Life Designated Members

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

156

157

158 **Part C: Candidates**

159 A Candidate is an individual who:

160

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

162

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

165

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

168

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

170

171 a) is not suspended from candidacy;

172

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

175

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

178

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

181

182

183 **Part D: Practicing Affiliates**

184 A Practicing Affiliate is an individual who:

185

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

187

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

189

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

191

192 a) suspended;

193

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

195

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

198

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

201

202

203 **Part E: Affiliates**

204 An Affiliate is an individual who:

205

206 a) is an Affiliate with the Appraisal Institute;

207

208 b) is interested in property economics; and

209

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

211

212 An Affiliate in good standing is an individual who:

213

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

215

216 b) is not suspended from affiliation;

217

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

220

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

223

224 Affiliates may include individuals such as, by way of example only, university faculty, students, brokers,
225 developers, lawyers, accountants, financial planners, researchers and investors.

226

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

229

231

232 Rights and Obligations of Members, Candidates, 233 Practicing Affiliates and Affiliates

234

235 Part A: Obligations

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

242

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

247

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

256

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

264

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

267

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

270
271 No Member shall be permitted to transfer or assign his or her membership in the Appraisal Institute or the
272 rights, privileges and obligations attendant thereto. No Candidate shall be permitted to transfer or assign
273 his or her candidacy in the Appraisal Institute or the rights, privileges and obligations attendant thereto.
274 No Practicing Affiliate or Affiliate shall be permitted to transfer or assign his or her affiliation in the
275 Appraisal Institute or the rights, privileges and obligations attendant thereto.

276
277 Each Designated Member, Candidate and Practicing Affiliate shall belong to a Chapter of the Appraisal
278 Institute, except where otherwise provided. Honorary Members and Affiliates may belong to a Chapter if
279 they so choose.

280
281 The Board of Directors shall adopt and maintain Regulations further establishing the rights and
282 obligations of Members, Candidates, Practicing Affiliates and Affiliates.

283

284

285 **Part B: Voting Rights**

286 **Section 1. Designated Members**

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

288

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

290

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

293

294 c) any dissolution of the Appraisal Institute; and

295

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

299

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

302

303 **Section 2. Honorary Members**

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

305

306 **Section 3. Candidates**

307 Candidates in good standing:

308

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

310

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

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

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

361
362 **Section 2. Honorary Members.**

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

367
368 **Section 3. Candidates**

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

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

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

378
379
380 **Part E: Resignation**

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

393

394 **Disciplinary Actions**

395

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

405

406

408

409 **Dues, Fees and Assessments**

410

411 **Part A: Membership Dues**

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

416

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

421

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

427

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

434

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

437

438 **Part B: Administrative Fees for Non-Practicing Life Designated Members 439 and Non-Practicing Retired Designated Members**

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

- 442
- 443 1) The Board of Directors shall set from time to time annual national administrative fees and late fees
444 payable by such Designated Members;
 - 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
449

450

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

454

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

457

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

461

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

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

467

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

474

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

481

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

484

485

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

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

491

492 The Board of Directors shall adopt a policy that sets forth a date by which affiliation fees at all levels of
493 the organization shall be payable, a date by which late fees at all levels of the organization will begin
494 accruing and the amount of such late fees if affiliation fees have not been paid, a date when an individual
495 will be automatically suspended if the individual has not paid affiliation fees and late fees, and a date on
496 which an individual's affiliation will be automatically terminated if the individual has not paid affiliation fees
497 and late fees.

498

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

505

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

508

509

510 **Part E: Special Assessments**

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

515

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

518

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

520

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

522

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

524

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

532

533 If a special assessment has not been paid within one (1) year of the date it was assessed, the individual's
534 membership, candidacy or affiliation shall automatically terminate. The Appraisal Institute shall publish
535 notice of such termination in a manner it deems appropriate if, at the date of termination, the Designated

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

542

543

544 **Part F: Waiver**

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

550

552

553 **National Governance: Board of Directors**

554

555 **Part A: Powers**

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

564

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

568

569

570 **Part B: Composition**

571 The Board of Directors shall consist of:

572

- 573 1) the officers of the Appraisal Institute;
- 574
- 575 2) the Chair and Vice Chair of each Regional Committee;
- 576
- 577 3) one International Designated Member in good standing elected by the Board of Directors;
- 578
- 579 4) any member of the Audit Committee who is not serving on the Board by virtue of holding the position
580 of Chair or Vice Chair of a Regional Committee;
- 581
- 582 5) the individual elected to serve in the office of Vice President beginning January 1st of the year
583 following election ("Vice President Elect") unless he or she already is a member of the Board of
584 Directors; and
- 585
- 586 6) the Chief Executive Officer of the Appraisal Institute.

587

588

589 **Part C: Terms**

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

593

594 Members of the Board of Directors elected by the Regions shall serve a four (4) year term, which shall
595 commence on January 1st of the first year of each member's term, except where the Bylaws and
596 Regulations of the Appraisal Institute for filling vacancies provide otherwise. During the year prior to the
597 commencement of service on the Board, Third Regional Directors shall attend all meetings of the Board
598 of Directors but shall not have speaking or voting privileges.
599

600 The International Designated Member elected to serve on the Board of Directors shall serve a two (2)
601 year term that shall commence on January 1st of the first year of the International Designated Member's
602 term. Except as otherwise provided, the International Designated Member shall be elected at the third
603 regular Board of Directors meeting in the year prior to commencement of the International Designated
604 Member's term.
605

606

607 **Part D: Qualifications to Serve**

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

609

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

611

612 b) hold the status "continuing education program completed";

613

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

616

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

618

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

621

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

624

625 The individual elected to fill the International Designated Member position on the Board of Directors must
626 be an International Designated Member at the time of the election.
627

628

629

629 **Part E: Resignation**

630 A Director may resign by notice delivered in writing to the President, however, such resignation shall not
631 become effective until accepted by the President.
632

633

634

634 **Part F: Removal**

635 The body that elected a Director may remove such Director, for cause, upon the vote of two-thirds (2/3) of
636 those voting at a quorum meeting of the body that voted to elect the Director.
637

637

638 A Director shall be automatically removed from serving on the Board of Directors if he or she:
639
640 1) ceases to be a Designated Member of the Appraisal Institute in good standing;
641
642 2) receives a publishable disciplinary action as defined in the Regulations of the Appraisal Institute;
643
644 3) ceases to hold the status "continuing education program completed"; or
645
646 4) fails to attend a regularly scheduled or special meeting of the Board of Directors, unless such
647 absence is excused.

648
649 The President shall determine whether an absence is excused, however, if there is any dispute as to
650 whether an absence should or should not be excused, the Board of Directors shall make the final
651 determination.

652
653 If, during the period between election to a Director position and the assumption of such position, the
654 elected individual:

- 655
656 1) ceases to be a Designated Member of the Appraisal Institute in good standing;
657
658 2) receives a publishable disciplinary action as defined in the Regulations of the Appraisal Institute;
659
660 3) ceases to hold the status "continuing education program completed"; or
661
662 4) fails to meet such other requirements as the Board of Directors may adopt from time to time and were
663 in effect at the time of the election, the elected individual shall be disqualified from serving and a new
664 election shall be held.

665
666 If the International Designated Member on the Board of Directors ceases to be an International
667 Designated Member during his or her term but continues to meet all other requirements for service on the
668 Board, such individual may serve the remainder of the term.

670 **Part G: Vacancies**

671
672 Each vacancy on the Board of Directors, whether by reason of death, incapacity, removal, resignation or
673 otherwise, shall be filled:

- 674
675 1) in the case of Directors elected by the Regional Committees, by automatic succession or election in
676 accordance with the Regulations of the Appraisal Institute;
677
678 2) in the case of officers of the Appraisal Institute, by Nominating Committee nomination and Board of
679 Directors election as provided in these Bylaws; and
680

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

683
684 Each individual so elected to fill a vacancy shall serve on the Board of Directors in the previous
685 incumbent's position for the unexpired portion of the term of the previous incumbent. If a vacancy occurs
686 in the office of Immediate Past President, such office shall remain vacant until the following year.

687
688

689 **Part H: Voting**

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

697

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

701

702

703 **Part I: Meetings and Quorum**

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

706

707 1) by the President;

708

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

710

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

712

713 Such written petitions may be in electronic form.

714

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

720

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

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

728

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

732

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

738

739

740 **Part J: Waiver of Notice**

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

747

748

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

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

755

756

757 **Part L: Past Officers**

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

762

764

765 **National Governance: Officers**

766

767 **Part A: Elected Officers**

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

770

771

772 **Part B: Powers and Duties**

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

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

782

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

787

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

793

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

797

798

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

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

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

808
809 Additional nomination(s) for Vice President or any other vacant Officer position(s) not filled by automatic
810 succession may be received from the Board of Directors, provided a written petition signed by at least
811 twenty percent (20%) of the Directors is delivered in writing to the Chief Executive Officer no later than
812 forty-five (45) days after the Nominating Committee's submission of its nomination(s) to the Board. Such
813 petition(s) may be in electronic form. The Chief Executive Officer shall promptly notify the Board of
814 Directors of any written petition for additional nomination(s) that is received. At the close of the forty-five
815 (45) day petition period, the membership, chapters and regions shall be notified of all the nomination(s)
816 and shall have the opportunity for input prior to the Board's decision.

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

824
825 A special election to fill a vacancy in the office of Vice President, President Elect or President shall occur
826 at the first regular or special Board of Directors meeting that occurs after the period for additional
827 nomination(s) has closed. The elected officers shall serve for a term of one (1) year in the office to which
828 he or she has been elected, unless filling a vacancy pursuant to Part F of this Article. The term of office
829 shall commence on January 1 following election to office.

830
831 The Vice President shall automatically succeed to the office of President Elect, the President Elect shall
832 automatically succeed to the office of President and the President shall automatically succeed to the
833 office of Immediate Past President. The automatic succession will not occur if good cause is shown and a
834 motion to the contrary is passed by two-thirds (2/3) of the Directors voting on the issue at a quorum
835 meeting of the Board of Directors.

836
837

838 **Part D: Qualifications to Serve**

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

840

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

842

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

845

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

847

848

- 849 d) stay up-to-date on the content of Appraisal Institute communications, including but not limited to, the
850 content of all non-commercial e-mails originating from all levels of the organization; and
851
852 e) have met such other minimum qualifications for service as may be adopted by the Board of Directors
853 from time to time.
854

855 **Part E: Removal**

857 Officers may be removed from office, for cause, by the vote of two-thirds (2/3) of the members of the
858 Board of Directors voting at a quorum meeting of the Board of Directors.
859

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

- 861
862 1) ceases to be a Designated Member in good standing;
863
864 2) becomes subject to a publishable disciplinary action by the Appraisal Institute while in office; or
865
866 3) ceases to hold the status "Continuing education program completed."
867

868 **Part F: Vacancies**

870 If a vacancy for whatever reason occurs in the office of the President, such vacancy shall be filled by the
871 President Elect who shall thereafter serve his or her own term as President. If a vacancy for whatever
872 reason occurs in the office of the President Elect, such vacancy shall be filled by the Vice President who
873 shall thereafter serve his or her own term as President Elect. If a vacancy occurs in the office of Vice
874 President during the course of a Vice President's term, the Nominating Committee shall nominate an
875 individual (or two (2) individuals if there is a deadlock after three consecutive votes between the same
876 candidates) for consideration by the Board of Directors in an election at its next regularly scheduled or
877 special meeting; however, the individual(s) so nominated must be qualified to serve from the time of
878 nomination until the election. If a vacancy occurs in the office of Immediate Past President, such office
879 shall remain vacant until the following year
880

881 **Part G: Chief Executive Officer**

883 There shall be a Chief Executive Officer of the Appraisal Institute approved by the Board of Directors. The
884 Chief Executive Officer shall report to the Executive Committee and the Board of Directors.
885

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

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

897

898

900

901 National Governance: Committees

902

903 **Part A: General**

904 **Section 1. Establishment**

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

907

908 **Section 2. Appointment and Terms**

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

910

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

913

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

915

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

922

923 **Section 3. Eligibility**

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

925

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

927

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

930

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

932

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

935

936 e) have completed the Leadership Resource Registry;

937

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

940

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

943

944 **Section 4. Removal**

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

946

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

949

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

952

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

954

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

957

958 **Section 5. Vacancies**

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

965

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

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

972

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

978

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

983

984 Any action required or permitted to be taken by a committee may be taken without a meeting if all
985 members of the committee consent in writing to that action. A member of the committee may provide such
986 written consent in electronic form. An action by written consent shall have the same force and effect as
987 any other validly approved action of the committee. Such written consent or consents shall be filed with
988 the minutes of the proceedings of the committee that took the action.
989

990 **Section 7. Miscellaneous**

991 The Board of Directors shall adopt and maintain Regulations establishing the composition, powers, duties
992 and responsibilities of committees.
993

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

995 **Section 1. Executive Committee**

996 a) Composition

997 There shall be an Executive Committee composed of the elected officers (President, President Elect, Vice
998 President and Immediate Past President) and the Chief Executive Officer, who shall serve as a nonvoting
999 member. If a vacancy for whatever reason occurs in the position of Immediate Past President, such
1000 position shall remain vacant for the remainder of the year.
1001

1002 b) Powers and Duties

1003 The Executive Committee shall report to the Board of Directors and shall:

- 1004
- 1005 1) monitor implementation of strategic and operating plans and take appropriate actions to advance
1006 such implementation;
1007
 - 1008 2) develop and monitor relationships with external parties consistent with the directives and policies
1009 of the Board of Directors;
1010
 - 1011 3) advise, counsel and evaluate the Chief Executive Officer; and
1012
 - 1013 4) perform such other duties as may be assigned to it by the Board of Directors.
1014
- 1015

1016 The Executive Committee may also act on behalf of the Appraisal Institute between meetings of the
1017 Board of Directors provided that, in the judgment of the Executive Committee:

- 1018
- 1019 1) it is imprudent or impractical to defer taking such action until the Board of Directors can meet; or
1020
 - 1021 2) there is an emergency that requires the Executive Committee to act on behalf of the Board.
1022

1023 However, the Executive Committee may not take any action that is inconsistent with any action previously
1024 taken by the Board of Directors and must report any action it takes to the Board of Directors. The Board
1025 of Directors shall decide whether to ratify such actions.
1026

1027

1028 **Section 2. Audit Committee**

1029 a) Composition

1030 There shall be an Audit Committee composed of five (5) members elected by the Board of Directors.

1031
1032 At its third regular meeting each year, the Board of Directors shall hold an election for those Audit
1033 Committee positions whose terms end that year. When elected, members must be an Appraisal Institute
1034 Designated Member in good standing and be currently serving on the Board of Directors or serving as a
1035 Third Regional Director. Furthermore, at least one (1) of the members elected each year must have one
1036 (1) year remaining on his or her Board term or must be a Third Regional Director, whose Audit Committee
1037 term would commence concurrently with his or her term on the Board of Directors. Executive and
1038 Finance Committee members may not serve concurrently on the Audit Committee.

1039
1040 The elected members of the Audit Committee shall serve two (2) year staggered terms beginning on
1041 January 1 following election to office. The Chair of the Audit Committee shall be selected annually by the
1042 Audit Committee members.

1043
1044 b) Powers and Duties

1045 The Audit Committee shall report to the Board of Directors. The Audit Committee shall:

- 1046
1047 1) receive monthly reports from the Finance Committee;
- 1048
1049 2) recommend independent auditors to the Board of Directors;
- 1050
1051 3) cause an annual audit of Appraisal Institute accounts to be made;
- 1052
1053 4) recommend as appropriate that an audit be made on the accounts of entities under the control of
1054 the Appraisal Institute;
- 1055
1056 5) conduct and/or oversee investigations to protect the integrity of the Appraisal Institute;
- 1057
1058 6) oversee management and internal control structure and financial reporting processes of the
1059 Appraisal Institute;
- 1060
1061 7) recommend policies and actions to protect the financial integrity of the Appraisal Institute and
1062 entities under its control;
- 1063
1064 8) evaluate threats to the corporate assets of the Appraisal Institute and make appropriate
1065 recommendations;
- 1066
1067 9) inform the Board of Directors when boards, committees or other bodies have not complied with
1068 Appraisal Institute financial procedures and financial internal controls;
- 1069
1070 10) review potential conflicts of interest of individuals serving in the national governance structure
1071 with counsel and make appropriate recommendations to the Board of Directors;

1072 11) otherwise act in accordance with Audit Committee Policies and Procedures approved by the
1073 Board of Directors; and

1074
1075 12) perform such other duties as may be assigned to it by the Board of Directors.
1076

1077 **Section 3. Nominating Committee**

1078 a) Composition

1079 There shall be a Nominating Committee that is composed of the Immediate Past President and one (1)
1080 member from each Region elected by the Regional Committee in each Region. The Immediate Past
1081 President shall serve as the Chair of the Nominating Committee without a vote. If the Immediate Past
1082 President is unavailable to serve his or her term, or any part thereof, as Chair of the Nominating
1083 Committee, the most recent Past President willing and able shall serve as Chair of the Nominating
1084 Committee without a vote.

1085
1086 The members of the Nominating Committee shall serve a one-year term commencing on January 1
1087 following their election. If an elected member of the Nominating Committee is unable to serve, an
1088 alternate member elected from the Region shall serve the remainder of the elected member's one (1)
1089 year term.

1090
1091 To be eligible to serve as a member elected by a Region on the Nominating Committee, an individual:

- 1092
- 1093 1) shall be a Designated Member in good standing;
 - 1094
 - 1095 2) shall have at least one (1) year of service as a Chapter President, two (2) years of service as a
1096 regional representative or two (2) years of service on a national committee or on the national
1097 Board of Directors;
 - 1098
 - 1099 3) shall not have served on the Nominating Committee or its predecessors in the previous six (6)
1100 years;
 - 1101
 - 1102 4) shall not be serving concurrently as a Board member or Third Regional Director unless the
1103 member's Region requests an exception that is approved by the Executive Committee;
 - 1104
 - 1105 5) shall not be serving concurrently on any other national Appraisal Institute board or committee;
1106 and
 - 1107
 - 1108 6) shall satisfy the other requirements for committee service set forth in these Bylaws.

1109
1110 b) Powers and Duties

1111 The Nominating Committee shall report to the Board of Directors and shall:

- 1112
- 1113 1) interview and evaluate candidates for Vice President and for any other vacant Officer position(s);

1114

- 1115 2) identify key issues for the written questionnaire that candidates for Vice President and for any
1116 other vacant Officer position(s) must complete;
1117
- 1118 3) identify key issues for the oral interviews of candidates for Vice President and for any other
1119 vacant Officer position(s);
1120
- 1121 4) solicit input from the membership, chapters and regions on the candidates for Vice President and
1122 for any other vacant Officer position(s) prior to finalization of the Nominating Committee's
1123 decision;
1124
- 1125 5) nominate for Board of Directors consideration an individual (or two (2) individuals if there is a
1126 deadlock after three consecutive votes between the same candidates) for Vice President and for
1127 any other vacant Officer position(s);
1128
- 1129 6) submit its nomination (or two (2) nominations if there is a tie vote as noted above) for Vice
1130 President to the Board of Directors at its second regular meeting, with the rationale for its
1131 decision, unless a vacancy in the office of Vice President occurs during the course of a Vice
1132 President's term, in which case the nomination(s) for Vice President and rationale shall be
1133 submitted to the Board of Directors as soon as practicable after notice of the impending vacancy
1134 is received or after the vacancy occurs;
1135
- 1136 7) submit its nomination (or two (2) nominations if there is a tie vote as noted above) for any other
1137 vacant Officer position(s) to the Board of Directors, with the rationale for its decision, as soon as
1138 practicable after notice of the impending vacancy is received or after the vacancy occurs;
1139
- 1140 8) nominate for Board of Directors consideration one (1) or more International Designated Members
1141 for election to the International Designated Member position on the national Board of Directors;
1142 and
1143
- 1144 9) perform such other duties as may be assigned to it by the Board of Directors.
1145
1146

Part C: Panels and Project Teams

1148 The Board of Directors may from time to time establish and abolish Panels and Project Teams as it deems
1149 necessary or appropriate. The Board of Directors may adopt and maintain Regulations, directives and
1150 policies establishing the powers, duties and responsibilities of Panels and Project Teams.
1151

Part D: Other Entities

1152
1153 The Board of Directors may from time to time establish other entities and abolish those entities, subject to
1154 their bylaws or other governing documents, or applicable laws, as it deems necessary or appropriate. The
1155 Chairs or Presidents of such entities report to the Board of Directors as appropriate.
1156
1157
1158

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1161 **Regional Governance**

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1163 **Part A: General**

1164 The Board of Directors of the Appraisal Institute shall establish geographic Regions and the territory
1165 associated with each such Region from time to time. Each Region shall exist solely by reason of action
1166 taken by the Board of Directors and shall hold all its property and assets in trust for the Appraisal Institute.

1167

1168 At least every five (5) years, the Board of Directors shall review regional populations and alignment and
1169 take whatever action it deems necessary and appropriate to maintain approximate balance of populations
1170 among the Regions.

1171

1172

1173 **Part B: Purpose**

1174 The purpose of the regional structure shall be to facilitate the flow of information between the Board of
1175 Directors and the Chapters and among the Chapters within each Region and to provide opportunities for
1176 service to the Appraisal Institute.

1177

1178

1179 **Part C: Structure**

1180 Each Region shall have a Regional Committee as provided in the Regulation governing Regions. Each
1181 Regional Committee shall elect a Chair and Vice Chair, who shall administer the affairs of the Region and
1182 serve as members of the Board of Directors of the Appraisal Institute.

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1185 **Part D: Miscellaneous**

1186 The Board of Directors shall adopt and maintain Regulations governing the regional structure so as to
1187 achieve the purposes of the Articles of Incorporation and these Bylaws.

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1193 Chapter Governance

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1195 **Part A: General**

1196 The Board of Directors shall establish from time to time such Chapters of the Appraisal Institute as it
1197 deems necessary and appropriate. Each Chapter shall exist solely by reason of the charter granted to it
1198 by the Appraisal Institute or by written affiliation agreement with the Appraisal Institute. Except as
1199 provided in Part E below, each Chapter shall hold all its property and assets in trust for the Appraisal
1200 Institute.

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1203 **Part B: Territory**

1204 The geographic territory assigned to each Chapter shall be determined by the Board of Directors of the
1205 Appraisal Institute and shall be clearly defined in the charter issued by the Board of Directors to each
1206 Chapter or in the written affiliation agreement. Only the Board of Directors can change the geographic
1207 territory of a Chapter.

1208

1209

1210 **Part C: Requirements**

1211 Except as provided in Part E below:

1212

- 1213 1. Each Chapter is required to adopt standard Bylaws that conform to the Bylaws and Regulations of the
- 1214 Appraisal Institute;
- 1215 2. Each Chapter is prohibited from acting in any manner inconsistent with the Bylaws and Regulations of
- 1216 the Appraisal Institute; and
- 1217 3. Chapter Bylaws and any amendments thereto must be approved by the Appraisal Institute.

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1219

1220 **Part D: Miscellaneous**

1221 The Board of Directors of the Appraisal Institute shall adopt and maintain Regulations governing
1222 Chapters, including dues, fees, elections, meetings, committees, Chapter charters, written affiliation
1223 agreements, and any other matter that the Board of Directors deems appropriate to achieve the purposes
1224 of the Articles of Incorporation and these Bylaws.

1225

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1227 **Part E: International Chapters**

1228 The terms of the affiliation agreement between the Appraisal Institute and any International Chapter shall
1229 set forth the policies and procedures with which the International Chapter must comply to maintain its
1230 status as an International Chapter of the Appraisal Institute.

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1234 **Indemnification and Insurance**

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1236 **Part A: Indemnification**

1237 The Appraisal Institute shall, in accordance with the procedures required by the Act and to the fullest
1238 extent permitted by law, indemnify its Directors, Officers, Members, Candidates, Practicing Affiliates,
1239 Affiliates, employees and agents from and against all expenses, judgments, fines, settlements and other
1240 amounts (including attorneys' fees) actually incurred in connection with any threatened, pending or
1241 completed action, suit or proceeding, whether civil, criminal, investigative or administrative brought by
1242 reason of the fact that such Director, officer, Member, Candidate, Practicing Affiliate, Affiliate, employee
1243 or agent is or was a Director, officer, committee member, panel member, Board member, project team
1244 member, employee or agent of the Appraisal Institute or is or was cooperating with any committee, panel
1245 or Board; provided, however, such individual was attempting in good faith to act according to the Bylaws
1246 and Regulations of the Appraisal Institute. This provision shall not apply to International Chapters unless
1247 the Appraisal Institute has undertaken such obligations separately in writing.

1248

1249

1250 **Part B: Insurance**

1251 The Appraisal Institute shall have the right and power to purchase and maintain insurance to the fullest
1252 extent permitted by law on behalf of its Directors, officers, Members, Candidates, Practicing Affiliates,
1253 Affiliates, Chapters, Regions, employees and agents against any liability asserted against or incurred by a
1254 Director, officer, Member, Candidate, Practicing Affiliate, Affiliate, chapter, region, employee or agent in
1255 such capacity or arising out of the Director's, officer's, Member's, Candidate's, Practicing
1256 Affiliate's, Affiliate's, chapter's, region's, employee's or agent's status as such. This provision shall not
1257 apply to International Chapters unless the Appraisal Institute has undertaken such obligations separately
1258 in writing.

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1262 **Conduct of Meetings**

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1264 The rules contained in *Robert's Rules of Order, Newly Revised*, shall govern meetings at all levels of the
1265 Appraisal Institute, unless inconsistent with the Articles of Incorporation, these Bylaws or the Regulations.

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1271 **Regulations**

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1273 Regulations shall have the same force and effect as the Bylaws; however, if there is a conflict between
1274 the Bylaws and any Regulation, the Bylaws shall prevail. The Board of Directors shall adopt such
1275 Regulations as are required by these Bylaws and such other Regulations that it deems necessary or
1276 appropriate from time to time and which are not inconsistent with the Act, the Articles of Incorporation or
1277 these Bylaws. The Board of Directors shall be empowered to enforce all Regulations of the Appraisal
1278 Institute.

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1283 **Amendments**

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1285 The Board of Directors shall have the sole authority to adopt or amend these Bylaws and then only upon
1286 a vote of sixty percent (60%) of the Directors voting at a quorum meeting after notice has been delivered
1287 in writing to Members, Candidates, Practicing Affiliates and Affiliates of the Appraisal Institute not fewer
1288 than forty-five (45) days before such meeting.

1289

1290 The Board of Directors shall have the sole authority to adopt or amend the designation requirements in
1291 the Admissions Regulations and then only if:

1292

1293 a) sixty percent (60%) of the Directors with voting rights vote in favor at a quorum meeting, regardless of
1294 how many Directors are present at such meeting; and

1295

1296 b) notice has been delivered in writing to Members, Candidates, Practicing Affiliates and Affiliates of the
1297 Appraisal Institute not fewer than forty-five (45) days before such meeting.

1298

1299 The Board of Directors shall have the sole authority to adopt or amend the Code of Professional Ethics
1300 and Standards of Professional Practice, and then only upon a vote of a majority of the Directors voting at
1301 a quorum meeting after notice has been delivered in writing to Members, Candidates, Practicing Affiliates
1302 and Affiliates of the Appraisal Institute not fewer than forty-five (45) days before such quorum meeting.

1303

1304 The Board of Directors shall have the sole authority to adopt or amend the other Regulations of the
1305 Appraisal Institute and then only upon a vote of a majority of the Directors voting at a quorum meeting.

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1312 **Delivery of Notices and Other Documentation**

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1314 When the Bylaws and Regulations provide for notice or other documentation to be “delivered in writing,”
1315 or use some variation of that terminology such as “deliver in writing” or “delivers in writing,” such notice or
1316 documentation may be transmitted via United States mail, traceable carrier, personal delivery or
1317 electronic means, including but not limited to facsimile and e-mail.

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1319 Any notice to a Member, Candidate, Practicing Affiliate or Affiliate that is addressed to the principal place
1320 of business or home of such Member, Candidate, Practicing Affiliate or Affiliate, or the facsimile number
1321 or e-mail address of such Member, Candidate, Practicing Affiliate or Affiliate, as it appears in the official
1322 records of the Appraisal Institute and that is transmitted within the time limits set forth in the Bylaws or
1323 Regulations shall be deemed good and sufficient notice for all purposes. Unless specifically provided
1324 otherwise, the effective date of delivery for such notices shall be the date of mailing, transmittal, or
1325 delivery to a traceable carrier, or in the case of personal delivery, the date that the notice is delivered to
1326 the Member’s, Candidate’s, Practicing Affiliate’s or Affiliate’s principal place of business or home.

1327

1328 Each Member, Candidate, Practicing Affiliate or Affiliate shall keep the Appraisal Institute advised as to
1329 the current address of his or her principal place of business and home, current facsimile number and
1330 current e-mail address.

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1335 **ARTICLE XIX**

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1337 **Fiscal Year**

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1339 The fiscal year of the Appraisal Institute shall be the calendar year.

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1344 **Dissolution**

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1346 Upon the dissolution of the Appraisal Institute, the Board of Directors shall, after paying or adequately
1347 providing for the payment of all of the liabilities of the Appraisal Institute, dispose of all the assets of the
1348 Appraisal Institute to such organization or organizations organized and operated for educational, research
1349 and professional association purposes relating to appraisal services as shall at the time qualify as an
1350 exempt organization or as exempt organizations under Section 501(c)(3) or Section 501(c)(6) of the
1351 Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal
1352 Revenue Law), in such manner as the Board of Directors shall determine. Any such assets not so
1353 disposed of by the Board of Directors shall be disposed by the appropriate court of the county in which
1354 the principal office of the Appraisal Institute is located to an exempt organization or to exempt
1355 organizations organized and operated for the purposes described in Article II of these Bylaws.

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