

Bylaws

Effective February 7, 2012

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1 **ARTICLE I**

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3 **Name**

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5 The name of this organization is the Appraisal Institute.

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10 **Purposes and Limitations**

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12 **Part A: Purposes**

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

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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.

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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
41 not in furtherance of the purposes of the Appraisal Institute. Further, the Appraisal Institute shall not
42 carry on any activities not permitted to be carried on: (1) by a corporation exempt from Federal
43 income tax under Section 501(c)(6) of the Internal Revenue Code of 1986 (or the corresponding
44 provision of any future United States Internal Revenue Law); or (2) pursuant to the Act.

45
46 The property, assets, profits and net income of the Appraisal Institute are dedicated irrevocably to the
47 purposes set forth in Part A above. No part of the net earnings of the Appraisal Institute shall inure to
48 the benefit of or be distributable to its Members, Directors, Officers or other private persons, except
49 the Appraisal Institute shall be authorized and empowered to pay reasonable compensation for
50 services rendered and to make payments and distributions in furtherance of the purposes set forth in
51 Part A above.

53 **ARTICLE III**

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55 **Offices**

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

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64 Membership Meetings

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

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

72

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

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

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Membership Categories, Statuses and International Members

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Part A: Membership Categories

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The Appraisal Institute shall have four (4) categories of Members: Designated Members, Associate Members, Affiliate Members, and Honorary Members.

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Section 1. Designated Member

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A Designated Member in good standing is an individual who: (a) holds an Appraisal Institute designation; and (b) is not suspended from membership.

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

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(a) conferring the MAI and SRA designations; (b) retention of the membership designations; (c)

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admitting and readmitting individuals to membership in the Appraisal Institute; and (d) continuing

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education for Designated Members of the Appraisal Institute.

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Section 2. Associate Member

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An Associate Member in good standing is an individual who: (a) Either (1) engages in or has engaged

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in business activity identified by the Standards of Professional Appraisal Practice; or (2) is seeking an

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appraiser trainee license or equivalent license and has not completed the education required for an

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appraiser trainee or equivalent license in the jurisdiction in which the individual is pursuing such

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license; (b) holds Associate Member status with the Appraisal Institute; (c) is not suspended from

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membership; (d) is not the subject of a disciplinary proceeding as defined in the Regulations of the

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Appraisal Institute; and (e) is not the subject of a peer review proceeding where the Associate

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Member has been sent an offer of a publishable disciplinary action as set forth in the Regulations of

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the Appraisal Institute.

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An individual may qualify for Associate Member status under the criteria identified in (a)(2) above for

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a maximum of two (2) years.

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Section 3. Affiliate Member

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An Affiliate Member in good standing is an individual who: (a) holds Affiliate Member status with the

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Appraisal Institute; (b) is interested in property economics; (c) is not suspended from membership;

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and (d) does not engage in business activity identified in the Standards of Professional Appraisal

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Practice. Affiliate members may include individuals such as, by way of example only, university

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faculty, students, brokers, developers, lawyers, accountants, financial planners, researchers, and

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investors.

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Section 4. Honorary Member.

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An Honorary Member is an individual who, in the opinion of the Board of Directors, has made a

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significant contribution to the appraisal profession. An Honorary Member does not engage in

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business activity identified by the Standards of Professional Appraisal Practice.

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Part B: Membership Statuses

Designated Members and Associate Members shall hold the status of Practicing Member or Non-Practicing Member.

Section 1. Practicing Member

A Practicing Member is a Designated Member in good standing or an Associate Member in good standing who engages in business activity identified by the Standards of Professional Appraisal Practice. Some Practicing Members may also hold the status of Past President Member, Life Member, or Semi-Retired Member.

a) Practicing Past President Member

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

b) Practicing Life Member

A Practicing Life Member is a Designated Member in good standing or an Associate Member in good standing who has held membership in the Appraisal Institute or its predecessor organizations continuously for at least 40 years and is current in the payment of full membership dues as an Active Designated Member, Associate Member, Candidate Member, or Candidate during those years.

c) Practicing Semi-Retired Member

A Practicing Semi-Retired Member is a Designated Member in good standing or an Associate Member in good standing who is at least sixty (60) years of age and earns no more than a certain dollar amount in each calendar year from business activity that is identified in the Standards of Professional Appraisal Practice. The Board of Directors shall establish such dollar amount from time to time.

Section 2. Non-Practicing Member

A Non-Practicing Member is a Designated Member in good standing or an Associate Member in good standing who is not engaged in business activity identified by the Standards of Professional Appraisal Practice. Some Non-Practicing Members may also hold the status of Temporarily Non-Practicing Member, Retired Member, Past President Member, or Life Member.

a) Temporarily Non-Practicing Member.

A Temporarily Non-Practicing Member is a Designated Member in good standing or an Associate Member in good standing who is temporarily unavailable for employment in any business activity that is identified by the Standards of Professional Appraisal Practice due to:

- (i) poor health or physical disability;
- (ii) family obligation or responsibility;
- (iii) military service; or
- (iv) other good cause shown.

b) Non-Practicing Retired Member

178 A Non-Practicing Retired Member is a Designated Member in good standing or an Associate
179 Member in good standing who is at least sixty (60) years of age and who does not engage in
180 business activity identified by the Standards of Professional Appraisal Practice.

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182 **c) Non-Practicing Past President Member**

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

188

189 **d) Non-Practicing Life Member**

190 A Non-Practicing Life Member is a Designated Member in good standing or an Associate Member
191 in good standing who has held membership in the Appraisal Institute or its predecessor
192 organizations continuously for at least 40 years and is current in the payment of full membership
193 dues as a Designated Member, Associate Member, Candidate Member, or Candidate during
194 those years.

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197 **Part C: International Members**

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

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203 Membership Rights and Obligations

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205 **Part A: Responsibilities of Members**

206 Each Member of the Appraisal Institute shall abide by, uphold, and conform his or her actions to the
207 Bylaws, Regulations, Code of Professional Ethics, and Standards of Professional Appraisal Practice
208 of the Appraisal Institute as each may be amended from time to time. Each Member shall also abide
209 by, uphold, and conform his or her actions to such policies and procedures as the Board of Directors
210 or duly authorized bodies or individuals of the Appraisal Institute may promulgate from time to time.

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

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

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224 Any certificate, emblem or other indicia of membership in the Appraisal Institute which may be issued
225 to any Member, and any designation that is conferred on any Member by the Appraisal Institute, shall
226 be used in accordance with these Bylaws and the Regulations of the Appraisal Institute, shall at all
227 times remain the property of the Appraisal Institute, held by the Member in trust, and shall be returned
228 to the Appraisal Institute upon written demand by the Chief Executive Officer or other designated
229 individual, if for any reason an individual's membership in the Appraisal Institute is suspended or
230 terminated.

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232 No Member shall be entitled to bring or otherwise pursue legal action in the name or on behalf of the
233 Appraisal Institute.

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235 No Member shall be permitted to transfer or assign his or her membership in the Appraisal Institute or
236 the rights, privileges and obligations attendant thereto.

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238 Each Member, except Honorary Members, shall belong to a Chapter of the Appraisal Institute.

239

240 The Board of Directors shall adopt and maintain Regulations further establishing the rights and
241 obligations of Members.

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244 **Part B: Voting Rights**

245 **Section 1. Designated Members**

246 Designated Members in good standing, except Temporarily Non-Practicing Members, shall be entitled
247 to vote on: (a) the disposition of all or substantially all of the assets of the Appraisal Institute; (b) any
248 merger or consolidation and the substantial terms, and any substantial amendment of the terms, of
249 any such transaction; (c) any dissolution of the Appraisal Institute; and (d) any amendment,
250 restatement or repeal of the Articles of Incorporation, with all such votes requiring a sixty percent
251 (60%) majority of those Designated Members in good standing present and voting for approval.

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

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256 **Section 2. Associate Members**

257 Associate Members in good standing shall have the right to vote at the chapter level, except in
258 matters concerning admissions and education where examination security is impacted. Associate
259 Members in good standing may vote at the regional and national level where specifically permitted by
260 the Bylaws and Regulations of the Appraisal Institute.

261
262 **Section 3. Affiliate Members**

263 Affiliate Members in good standing shall have the right to vote at the chapter level except in matters
264 concerning admissions and education, where examination security is impacted. Affiliate Members in
265 good standing may vote at the regional and national level where specifically permitted by the Bylaws
266 and Regulations of the Appraisal Institute.

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268 **Section 4. Honorary Members**

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

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

273 **Section 1. Designated Members**

274 Designated Members in good standing, except Temporarily Non-Practicing Designated Members,
275 shall be allowed to hold national and chapter offices and serve on national, regional, and chapter
276 boards, committees, panels, project teams, and other bodies, subject to the requirements of these
277 Bylaws and the Regulations and policies of the Appraisal Institute.

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280 **Section 2. Associate Members**

281 Subject to the requirements of these Bylaws and the Regulations and policies of the Appraisal
282 Institute, Associate Members in good standing, except Temporarily Non-Practicing Associate
283 Members, may:

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- (a) Serve on the national Board of Directors, national committees, panels, and project teams and
Regional Committees in positions open to Associate Members; and

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- (b) Hold chapter offices other than President, serve on their chapter board of directors and serve
on chapter committees, except for admissions and education where examination security is
impacted.

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Section 3. Affiliate Members

Affiliate members are not eligible to hold national, regional, or chapter offices, but those affiliate members in good standing may serve on national, regional, and chapter committees, panels, project teams and other bodies as permitted in the Bylaws, Regulations and policies of the Appraisal Institute.

Section 4. Honorary Members.

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

Part D: Other Rights, Privileges and Obligations

Section 1. Designated Members

The Board of Directors shall adopt and maintain Regulations governing the use by Designated Members of the: (a) Appraisal Institute logo; and (b) the designations conferred upon Members of the Appraisal Institute. Designated Members shall have such other rights, privileges, and obligations as set forth in these Bylaws and the Regulations and policies of the Appraisal Institute.

Section 2. Associate Members

Associate Members only may refer to their Associate Membership and their association with the Appraisal Institute as provided in the Regulations and policies of the Appraisal Institute. Associate Members shall have such other rights, privileges, and obligations as set forth in these Bylaws and the Regulations and policies of the Appraisal Institute.

Section 3. Affiliate Members

Affiliate Members only may refer to their Affiliate Membership and their affiliation with the Appraisal Institute as provided in the Regulations and policies of the Appraisal Institute. Affiliate Members shall have such other rights, privileges, and obligations as set forth in these Bylaws and the Regulations and policies of the Appraisal Institute.

Section 4. Honorary Members.

Honorary Members only may refer to their Honorary Membership and their affiliation with the Appraisal Institute as provided in the Regulations and policies of the Appraisal Institute. Honorary Members shall have such other rights, privileges, and obligations as set forth in these Bylaws and the Regulations and policies of the Appraisal Institute.

Part E: Resignation

No Member shall be permitted to resign from the Appraisal Institute unless and until such Member has given the Chief Executive Officer formal written notice of his or her desire to resign accompanied by any indicia of membership issued to such Member and such resignation has been accepted by the Chief Executive Officer. If the resigning Member is the subject of the disciplinary action of suspension, a pending disciplinary proceeding, or a pending peer review proceeding in which the Member has been sent an offer of disciplinary action, the Appraisal Institute shall publish such resignation in a manner it deems appropriate. A Member who is the subject of any pending peer

336 review proceeding and who resigns authorizes, but does not obligate the Appraisal Institute to
337 complete any such peer review proceedings.
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342 **Disciplinary Actions**

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344 The Board of Directors shall adopt a Code of Professional Ethics and Standards of Professional
345 Appraisal Practice, which in addition to these Bylaws and the Regulations of the Appraisal Institute
346 shall govern the conduct of all Members of the Appraisal Institute. The Board of Directors shall adopt
347 and maintain Regulations with respect to the enforcement of the Code of Professional Ethics and the
348 Standards of Professional Appraisal Practice. Such Regulations shall establish the causes,
349 procedures and forms of remedial and disciplinary actions of the Appraisal Institute with regard to the
350 conduct of Members. Such forms of remedial and disciplinary actions may include suspension or
351 expulsion from membership in the Appraisal Institute.

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356 **Dues, Fees and Assessments**

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358 **Part A: Membership Dues for Designated Members, Associate Members** 359 **and Affiliate Members**

360 The Board of Directors shall set from time to time annual national membership dues and late fees
361 payable by Members of the Appraisal Institute except Practicing Past President Members, Non-
362 Practicing Past President Members, Honorary Members, Non-Practicing Retired Members, Non-
363 Practicing Life Members, and Temporarily Non-Practicing Members.

364

365 Membership dues shall be due and payable on January 1 of each year. Late fees shall be charged to
366 all Members who have not paid their membership dues by April 1 of each year. Any Member who fails
367 to pay membership dues and late fees by June 1 of any year shall automatically be suspended from
368 all rights and privileges of membership and shall return all indicia of membership to the Chief
369 Executive Officer. If the suspended Member pays the delinquent membership dues and late fees by
370 September 1, all indicia of membership shall be returned and the rights and privileges of membership
371 shall be restored.

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

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

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385 **Part B: Administrative Fee for Temporarily-Non Practicing Members,** 386 **Non-Practicing Life Members, and Non-Practicing Retired Members**

387 Temporarily Non-Practicing Members, Non-Practicing Life Members and Non-Practicing Retired
388 Members shall not be assessed national, regional or chapter membership dues; however, they shall
389 pay an annual national administrative fee, and when appropriate, a late fee, as set by the Board of
390 Directors. The administrative fee shall be due and payable on January 1 of each year. Temporarily
391 Non-Practicing Members, Non-Practicing Life Members and Non-Practicing Retired Members can
392 also be assessed a chapter administrative fee.

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394 Non-Practicing Retired Members who do not pay the administrative fee shall cease to receive any
395 services provided to such members.

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397 Temporarily Non-Practicing Members who have not paid their administrative fee by April 1 of each
398 year shall be assessed late fees. Any Temporarily Non-Practicing Member who fails to pay the

399 administrative fee and late fees by June 1 of any year shall automatically be suspended from all rights
400 and privileges of membership and shall return all indicia of membership to the Chief Executive
401 Officer. If the suspended Temporarily Non-Practicing Member pays the delinquent administrative fee
402 and late fees by September 1, all indicia of membership shall be returned and the rights and
403 privileges of membership shall be restored. If the administrative fee and late fees have not been paid
404 by September 1, the individual's membership shall automatically terminate. The Appraisal Institute
405 shall publish notice of such termination in a manner it deems appropriate if, at the date of termination,
406 the Temporarily Non-Practicing Member is the subject of the disciplinary action of suspension, a
407 pending disciplinary proceeding, or a pending peer review proceeding in which the member has been
408 sent an offer of disciplinary action. A Temporarily Non-Practicing Member who fails to pay the
409 administrative fee and late fees by September 1, authorizes, but does not obligate the Appraisal
410 Institute to complete any peer review proceedings.

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

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416 **Part C: Special Assessments**

417 The Board of Directors may levy from time to time special assessments upon Members, except
418 Honorary Members, when in its opinion circumstances warrant. Such special assessments shall be
419 levied upon the vote of sixty percent (60%) of the Board of Directors voting at a quorum meeting. In
420 no event shall special assessments in any calendar year exceed the amount of the annual
421 membership dues for such year. Special assessments shall be payable on the date(s) specified by
422 the Board of Directors.

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424 Any Member who fails to pay a special assessment within ninety (90) days from the date of such
425 assessment shall automatically be suspended from all privileges of membership and shall return all
426 indicia of membership to the Chief Executive Officer. If the suspended Member pays the delinquent
427 assessment within one (1) year of the date of such assessment, all indicia of membership shall be
428 returned and the rights and privileges of membership shall be restored. If the special assessment has
429 not been paid within one (1) year of the date it was assessed, the individual's membership shall
430 automatically terminate. The Appraisal Institute shall publish notice of such termination in a manner it
431 deems appropriate if, at the date of termination, the Member is the subject of the disciplinary action of
432 suspension, a pending disciplinary proceeding, or a pending peer review proceeding in which the
433 Member has been sent an offer of disciplinary action. A Member who fails to pay a special
434 assessment within one (1) year of the date it was assessed authorizes, but does not obligate the
435 Appraisal Institute to complete any peer review proceedings.

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438 **Part D: Waiver**

439 The Chief Executive Officer may, in his or her reasonable judgment, grant extensions of payment or
440 waive the payment of any membership dues, administrative fees, late fees and/or special
441 assessments of the Appraisal Institute. If the Chief Executive Officer denies an extension or waiver
442 request, the Executive Committee shall review such decision.

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446 National Governance: Board of Directors

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448 **Part A: Powers**

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

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458 The Board of Directors shall adopt and maintain Regulations and policies governing the nomination
459 and election of members to the Board of Directors by the Regional Committees and policies
460 governing the nomination and election of the Associate Member and International Member to the
461 Board of Directors.

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464 **Part B: Composition**

465 The Board of Directors shall consist of: (1) the officers of the Appraisal Institute; (2) the Chair and
466 Vice Chair of each Regional Committee; (3) one International Member in good standing elected by
467 the Board of Directors (effective January 1, 2012); (4) one Associate Member in good standing
468 elected by the Board of Directors; (5) any member of the Audit Committee who is not serving on the
469 Board by virtue of holding the position of Chair or Vice Chair of a Regional Committee; and (6) the
470 Chief Executive Officer of the Appraisal Institute.

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473 **Part C: Terms**

474 The Officers shall serve terms on the Board of Directors commensurate with their terms as Officers.

475

476 Members of the Board of Directors elected by the Regions shall serve a four (4) year term, which
477 shall commence on January 1st of the first year of each member's term. During the year prior to the
478 commencement of service on the Board, members shall attend all meetings of the Board of Directors
479 but shall not have speaking or voting privileges.

480

481 The International Member elected to serve on the Board of Directors shall serve a two (2) year term
482 that shall commence on January 1st of the first year of the International Member's term. Except as
483 otherwise provided, the International Member shall be elected at the third regular Board of Directors
484 meeting in the year prior to commencement of the International Member's term. The election of the
485 International Member on the Board of Directors for a term commencing on January 1, 2012 shall
486 occur in 2011 when feasible.

487

488

489 The Associate Member elected to serve on the Board of Directors shall serve a four (4) year term
490 which shall commence on January 1st of the first year of the Associate Member's term. The
491 Associate Member shall be elected at the third regular Board of Directors meeting in the second year
492 prior to commencement of the Associate Member's term. During the year prior to the commencement
493 of the Associate Member's term, the Associate Member shall attend all meetings of the Board of
494 Directors but shall not have speaking or voting privileges.

495
496

497 **Part D: Qualifications to Serve**

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

499

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

501

502 b) hold an Appraisal Institute designation, except where otherwise provided;

503

504 c) if a Designated Member, hold the status "continuing education completed," or if an Associate
505 Member have met current continuing education requirements of the Appraisal Institute for
506 Associate Members;

507

508 d) have not been subject to publishable disciplinary action by the Appraisal Institute within the five
509 (5) years prior to the date of election;

510

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

512

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

516

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

519

520 The individual elected to fill the Associate Member position on the Board of Directors cannot hold any
521 Appraisal Institute designation at the time of election. The individual elected to fill the International
522 Member position on the Board of Directors must be an International Member at the time of the
523 election.

524

525

526 **Part E: Resignation**

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

529

530

531 **Part F: Removal**

532 The body that elected a Director may remove such Director, for cause, upon the vote of two-thirds
533 (2/3) of those voting at a quorum meeting of the body that voted to elect the Director.

534

535 A Director shall be automatically removed from serving on the Board of Directors if he or she: 1)
536 ceases to be a Member of the Appraisal Institute in good standing; 2) ceases to hold a designation
537 from the Appraisal Institute and is holding a Director position for which a designation is required as a
538 condition of service; 3) has received a publishable disciplinary action as defined in the Regulations of
539 the Appraisal Institute; 4) ceases to hold the status "continuing education completed" if a Designated
540 Member or fails to meet current continuing education requirements of the Appraisal Institute for
541 Associate Members if an Associate Member; or 5) fails to attend a regularly scheduled or special
542 meeting of the Board of Directors, unless such absence is excused. The President shall determine
543 whether an absence is excused, however, if there is any dispute as to whether an absence should or
544 should not be excused, the Board of Directors shall make the final determination.

545
546 If, during the period between election to a Director position and the assumption of such position, the
547 elected individual: (1) ceases to be a Member of the Appraisal Institute in good standing; (2) ceases
548 to hold a designation from the Appraisal Institute and was elected to a Director position for which a
549 designation is required as a condition of service; (3) has received a publishable disciplinary action as
550 defined in the Regulations of the Appraisal Institute; (4) ceases to hold the status "continuing
551 education completed" if a Designated Member, or fails to meet current continuing education
552 requirements of the Appraisal Institute for Associate Members if an Associate Member; or (5) fails to
553 meet such other requirements as the Board of Directors may adopt from time to time and were in
554 effect at the time of the election, the elected individual shall be disqualified from serving and a new
555 election shall be held.

556
557 If an Appraisal Institute designation is conferred on the individual who is serving as the Associate
558 Member on the Board of Directors but who continues to meet all other requirements for service on the
559 Board, such individual may serve the remainder of his or her term. If the International Member on the
560 Board of Directors ceases to be an International Member during his or her term but continues to meet
561 all other requirements for service on the Board, such individual may serve the remainder of the term.

562
563

564 **Part G: Vacancies**

565 Each vacancy on the Board of Directors, whether by reason of death, incapacity, removal,
566 resignation, or otherwise, shall be filled: (1) in the case of Directors elected by the Regional
567 Committees, by automatic succession in accordance with the Regulations of the Appraisal Institute;
568 (2) in the case of officers of the Appraisal Institute, by Nominating Committee nomination and Board
569 of Directors election as provided in these Bylaws; and (3) in the case of any Director who was elected
570 by the Board of Directors, by election of the Board at its next meeting. Each individual so elected to fill
571 a vacancy shall serve on the Board of Directors in the previous incumbent's position for the unexpired
572 portion of the term of the previous incumbent. If a vacancy occurs in the office of Immediate Past
573 President, such office shall remain vacant until the following year.

574
575

576 **Part H: Voting**

577 Each member of the Board of Directors shall have one (1) vote, except as provided below. Any
578 Associate Member serving on the Board of Directors shall not have voting privileges or the right to
579 make motions regarding proposed amendments to the Admissions Regulations or any other matter
580 that changes the requirements for designation, but such Associate Member shall have speaking
581 privileges regarding such matters. Directors who are serving on the Board of Directors solely by virtue

582 of their membership on the Audit Committee shall not have voting privileges or the right to make
583 motions, but shall have speaking privileges. The Chief Executive Officer shall not have voting
584 privileges or the right to make motions on the Board of Directors, but shall have speaking privileges.
585

586 Each member of the Board of Directors shall vote his or her own conscience on every matter brought
587 before the Board of Directors using the best interests of the Appraisal Institute as a guide. A member
588 of the Board of Directors may not attend a meeting by proxy or vote by proxy.
589
590

591 **Part I: Meetings and Quorum**

592 The Board of Directors shall hold four (4) regular meetings each calendar year. Special meetings of
593 the Board of Directors may be called: (1) by the President; (2) pursuant to a written petition signed by
594 a majority of the Executive Committee; or (3) pursuant to a written petition signed by one-third (1/3) of
595 the members of the Board of Directors. Such written petitions may be in electronic form.
596

597 Notice of a regular meeting of the Board of Directors shall be delivered in writing to each Director at
598 least forty-five (45) days in advance of such meeting and shall specify the time, date, purpose and
599 location of the meeting. Unless otherwise provided, notice of a special meeting of the Board of
600 Directors shall be delivered in writing to each Director at least forty-eight (48) hours in advance of
601 such meeting and shall specify the time, date, purpose and location of the meeting.
602

603 Except as provided below, a majority of the members of the Board of Directors shall constitute a
604 quorum for the transaction of business at any meeting of the Board of Directors. Two-thirds (2/3) of
605 the members of the Board of Directors shall constitute a quorum for the transaction of business at any
606 special meeting of the Board of Directors where notice is delivered in writing less than fifteen (15)
607 days in advance of such special meeting. A meeting at which a quorum is initially present may
608 continue to transact business, notwithstanding the withdrawal of Directors, if any action is approved
609 by a majority of the required quorum for that meeting.
610

611 Except as provided otherwise by these Bylaws or the Regulations of the Appraisal Institute, the vote
612 of a majority of Directors voting at a duly held meeting at which a quorum is present shall be regarded
613 as the act of the Board of Directors.
614

615 The Board of Directors may hold meetings either in person or by interactive technology, so long as all
616 Directors participating in the meeting can communicate with one another. Interactive technology
617 includes but is not limited to conference telephone, electronic transmission, Internet usage, or remote
618 communication. Action taken at a meeting held via interactive technology shall be as effective as if
619 the Directors had met in person.
620
621

622 **Part J: Waiver of Notice**

623 Notice of a meeting need not be delivered in writing to any Director who signs a waiver of notice or a
624 written consent to holding the meeting or an approval of the minutes thereof, whether before or after
625 the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such
626 waivers, consents and approvals shall be filed with the corporate records or made a part of the
627 minutes of the meeting. Notice of a meeting need not be delivered in writing to any Director who

628 attends the meeting without protesting before or at its commencement the lack of proper notice to
629 such Director.

630

631

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

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

639

640

641 **Part L: Past Officers**

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

647

648

649 **National Governance: Officers**

650

651 **Part A: Elected Officers**

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

654

655

656 **Part B: Powers and Duties**

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

666

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

671

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

677

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

681

682

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

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

690 its nomination(s) for such vacant position as soon as practicable after the vacancy occurs or after
691 notice of the impending vacancy is received.

692

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

701

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

708

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

714

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

720

721

722 **Part D: Qualifications to Serve**

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

724

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

726

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

729

730 c) hold the status "continuing education completed";

731

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

735

736

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

739

740

741

742 **Part E: Removal**

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

745

746 An officer shall be automatically removed if he or she: (1) ceases to be a Designated Member in good
747 standing of the Appraisal Institute; (2) becomes subject to a publishable disciplinary action by the
748 Appraisal Institute while in office; or (3) ceases to hold the status "continuing education completed."

749

750

751 **Part F: Vacancies**

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

762

763

764 **Part G: Chief Executive Officer**

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

767

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

775

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

780

781

783

784 National Governance: Committees

785

786 **Part A: General**

787 **Section 1. Establishment**

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

790

791 **Section 2. Appointment and Terms**

792 Except as otherwise provided in these Bylaws and the Regulations of the Appraisal Institute: (a) the
793 President shall appoint the Chairs and other members of committees, subject to the approval of the
794 Board of Directors; and (b) Committee Chairs shall appoint their respective Vice Chairs from among
795 the committee members.

796

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

803

804 **Section 3. Eligibility**

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

806

- 807 a) be in good standing if a Member of the Appraisal Institute;
- 808
- 809 b) not have been subject to a publishable disciplinary action by the Appraisal Institute within the five
810 (5) years prior to appointment or election;
- 811
- 812 c) hold the status "continuing education completed" if a Designated Member, or have completed
813 any continuing education requirements for Associate Members if an Associate Member;
- 814
- 815 d) be adept at and possess technical capability for prompt Internet communication including the
816 ability to access and respond to e-mail;
- 817
- 818 e) have completed a Membership Profile;
- 819
- 820 f) stay up-to-date on the content of Appraisal Institute communications, including but not limited to,
821 the content of all non-commercial e-mails originating from the national organization, the
822 individual's region, and the individual's chapter; and
- 823
- 824 g) have met such other minimum qualifications for service as may be adopted by the Board of
825 Directors from time to time.
- 826

827 **Section 4. Removal**

828 A committee Chair, Vice Chair, or member shall be automatically removed if he or she (a) ceases to
829 be in good standing if a Member of the Appraisal Institute; (b) becomes subject to a publishable
830 disciplinary action by the Appraisal Institute while in such position; or (c) ceases to hold the status
831 “continuing education completed” if a Designated Member, or fails to complete any continuing
832 education requirements for Associate Members if an Associate Member.

833
834 Further, the Board of Directors may remove a Chair, Vice Chair, or member of a committee for cause
835 by a sixty percent (60%) vote.

836

837 **Section 5. Vacancies**

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

844

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

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

851

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

858

859 Except where otherwise provided, each member of a committee shall have one (1) vote on each
860 matter coming before that committee. A member of a committee may not attend a committee meeting
861 by proxy or vote by proxy.

862

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

866

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

872

873 **Section 7. Miscellaneous**

874 The Board of Directors shall adopt and maintain Regulations establishing the powers, duties and
875 responsibilities of committees.
876
877

878 **Part B. Committees of the Board**

879 **Section 1. Executive Committee**

880

881 **(a) Composition**

882 There shall be an Executive Committee composed of the elected officers (President, President
883 Elect, Vice President and Immediate Past President) and the Chief Executive Officer, who shall
884 serve as a nonvoting member. If a vacancy for whatever reason occurs in the position of
885 Immediate Past President, such position shall be filled by the prior Immediate Past President for
886 the unexpired portion of the previous incumbent's term.
887

887

888 **(b) Powers and Duties**

889 The Executive Committee shall report to the Board of Directors and shall:
890

890

- 891 1) Monitor implementation of strategic and operating plans and take appropriate actions to
892 advance such implementation;
893
894 2) Develop and monitor relationships with external parties consistent with the directives and
895 policies of the Board of Directors;
896
897 3) Advise, counsel and evaluate the Chief Executive Officer; and
898
899 4) Perform such other duties as may be assigned to it by the Board of Directors.
900

900

901 The Executive Committee may also act on behalf of the Appraisal Institute between meetings of
902 the Board of Directors provided that, in the judgment of the Executive Committee:
903

903

- 904 1) It is imprudent or impractical to defer taking such action until the Board of Directors can
905 meet; or
906
907 2) There is an emergency that requires the Executive Committee to act on behalf of the
908 Board.
909

909

910 However, the Executive Committee may not take any action that is inconsistent with any action
911 previously taken by the Board of Directors and must report any action it takes to the Board of
912 Directors. The Board of Directors shall decide whether to ratify such actions.
913

913

914 **Section 2. Audit Committee**

915

916 **(a) Composition**

917 There shall be an Audit Committee composed of five (5) members elected by the Board of
918 Directors.
919

919

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

928
929 The elected members of the Audit Committee shall serve two (2) year staggered terms beginning
930 on January 1 following election to office. The Chair of the Audit Committee shall be selected
931 annually by the Audit Committee members.

932

933 **(b) Powers and Duties**

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

935

- 936 1) Receive monthly reports from the Finance Committee;
- 937
- 938 2) Recommend independent auditors to the Board of Directors;
- 939
- 940 3) Cause an annual audit of Appraisal Institute accounts to be made;
- 941
- 942 4) Recommend as appropriate that an audit be made on the accounts of entities under the
943 Appraisal Institute's control;
- 944
- 945 5) Conduct and/or oversee investigations to protect the integrity of the Appraisal Institute;
- 946
- 947 6) Oversee the Appraisal Institute's management and internal control structure and financial
948 reporting processes;
- 949
- 950 7) Recommend policies and actions to protect the financial integrity of the Appraisal
951 Institute and entities under its control;
- 952
- 953 8) Evaluate threats to the Appraisal Institute's corporate assets and make appropriate
954 recommendations;
- 955
- 956 9) Inform the Board of Directors when Boards, committees or other bodies have not
957 complied with Appraisal Institute financial procedures and financial internal controls;
- 958
- 959 10) Review potential conflicts of interest of individuals serving in the national governance
960 structure with counsel and make appropriate recommendations to the Board of Directors;
- 961
- 962 11) Otherwise act in accordance with Audit Committee Policies and Procedures approved by
963 the Board of Directors; and
- 964
- 965 12) Perform such other duties as may be assigned to it by the Board of Directors.
- 966

967 **Section 3. Nominating Committee**

968
969 **(a) Composition**

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

976
977 The members of the Nominating Committee shall serve a one-year term commencing on January
978 1 following their election. If an elected member of the Nominating Committee is unable to serve,
979 an alternate member elected from the Region shall serve the remainder of the elected member's
980 one (1) year term.

981
982 To be eligible to serve as a member elected by a Region on the Nominating Committee, an
983 individual:

- 984
985 1) Shall hold an Appraisal Institute designation;
986
987 2) Shall have at least one (1) year of service as a Chapter President, two (2) years of
988 service as a regional representative, or two (2) years of service on a national committee
989 or on the national Board of Directors;
990
991 3) Shall not have served on the Nominating Committee or its predecessors in the previous
992 six (6) years;
993
994 4) Shall not be serving concurrently as a Board member or third Regional Director unless
995 the member's Region requests an exception that is approved by the Executive
996 Committee;
997
998 5) Shall not be serving concurrently on any other national Appraisal Institute board or Shall
999 satisfy the other requirements for Committee service set forth in these Bylaws.

1000
1001 **(b) Powers and Duties**

1002 The Nominating Committee shall report to the Board of Directors and shall:

- 1003
1004 1) Interview and evaluate candidates for Vice President and for any other vacant Officer
1005 position(s);
1006
1007 2) Identify key issues for the written questionnaire that candidates for Vice President and for
1008 any other vacant Officer position(s) must complete;
1009
1010 3) Identify key issues for the oral interviews of candidates for Vice President and for any
1011 other vacant Officer position(s);
1012

- 1013 4) Solicit input from the membership, chapters and regions on the candidates for Vice
1014 President and for any other vacant Officer position(s) prior to finalization of the
1015 Nominating Committee's decision;
1016
1017 5) Nominate for Board of Directors consideration an individual (or two (2) individuals if there
1018 is a deadlock after three consecutive votes between the same candidates) for Vice
1019 President and for any other vacant Officer position(s);
1020
1021 6) Submit its nomination (or two (2) nominations if there is a tie vote as noted above) for
1022 Vice President to the Board of Directors at its second regular meeting, with the rationale
1023 for its decision, unless a vacancy in the office of Vice President occurs during the course
1024 of a Vice President's term, in which case the nomination(s) for Vice President and
1025 rationale shall be submitted to the Board of Directors as soon as practicable after notice
1026 of the impending vacancy is received or after the vacancy occurs;
1027
1028 7) Submit its nomination (or two (2) nominations if there is a tie vote as noted above) for any
1029 other vacant Officer position(s) to the Board of Directors, with the rationale for its
1030 decision, to the Board of Directors as soon as practicable after notice of the impending
1031 vacancy is received or after the vacancy occurs;
1032
1033 8) Nominate for Board of Directors consideration one (1) or more Associate Members for
1034 election to the Associate Member position(s) on the national Board of Directors;
1035
1036 9) Nominate for Board of Directors consideration one (1) or more International Members for
1037 election to the International Member position on the national Board of Directors; and
1038
1039 10) Perform such other duties as may be assigned to it by the Board of Directors.
1040
1041

1042 **Part C: Panels and Project Teams**

1043 The Board of Directors may from time to time establish and abolish Panels and Project Teams as it
1044 deems necessary or appropriate. The Board of Directors may adopt and maintain Regulations,
1045 directives and policies establishing the powers, duties and responsibilities of Panels and Project
1046 Teams.
1047
1048

1049 **Part D: Other Entities**

1050 **Section 1. Trust Fund Committee**

1051 There shall be a Trust Fund Committee, the composition of which shall be governed by the Bylaws
1052 of the Appraisal Institute Education Trust. The Trust Fund Committee shall report to the Board of
1053 Directors. The Trust Fund Committee shall oversee the trust funds of the Appraisal Institute, shall
1054 recommend the policies and criteria for the Appraisal Institute's recognition of special professional
1055 achievement, shall determine the recipients of the various awards given by the Appraisal Institute and
1056 shall be the nominees for the Board of Directors of the not for profit Appraisal Institute Education
1057 Trust corporation.
1058

1059 **Section 2. REAGIT**

1060 The Real Estate Appraisers Group Insurance Trust (REAGIT) is a group insurance trust established
1061 in 1976. REAGIT's trust agreement, as amended and restated, describes its purpose, terms and
1062 governance. The Chair of REAGIT shall report to the Appraisal Institute Board of Directors on matters
1063 relating to administration of the trust.

1064

1065 **Section 3. ALIP**

1066 The Appraisers Liability Insurance Program, Inc. (ALIP) is an Illinois corporation, of which the
1067 Appraisal Institute is the sole shareholder. ALIP's Articles of Incorporation and Bylaws describe its
1068 purpose and governance. The President of ALIP shall report to the Appraisal Institute Board of
1069 Directors concerning matters relating to administration of ALIP.

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1072

1073 Regional Governance

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1075 **Part A: General**

1076 The Board of Directors of the Appraisal Institute shall establish geographic Regions and the territory
1077 associated with each such Region from time to time. Each Region shall exist solely by reason of
1078 action taken by the Board of Directors and shall hold all its property and assets in trust for the
1079 Appraisal Institute.

1080

1081 At least every five (5) years, the Board of Directors shall review regional populations and alignment
1082 and take whatever action it deems necessary and appropriate to maintain approximate balance of
1083 populations among the Regions.

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1086 **Part B: Purpose**

1087 The purpose of the regional structure shall be to facilitate the flow of information between the Board
1088 of Directors and the Chapters and among the Chapters within each Region and to provide
1089 opportunities for service to the Appraisal Institute.

1090

1091

1092 **Part C: Structure**

1093 Each Region shall have a Regional Committee as provided in the Regulation governing Regions.
1094 Each Regional Committee shall elect a Chair and Vice Chair, who shall administer the affairs of the
1095 Region and serve as members of the Board of Directors of the Appraisal Institute.

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1098 **Part D: Miscellaneous**

1099 The Board of Directors shall adopt and maintain Regulations governing the regional structure so as to
1100 achieve the purposes of the Articles of Incorporation and these Bylaws.

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1106 Chapter Governance

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1108 **Part A: General**

1109 The Board of Directors shall establish from time to time such Chapters of the Appraisal Institute as it
1110 deems necessary and appropriate. Each Chapter shall exist solely by reason of the charter granted to
1111 it by the Appraisal Institute and shall hold all its property and assets in trust for the Appraisal Institute.

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1114 **Part B: Territory**

1115 The geographic territory assigned to each Chapter shall be determined by the Board of Directors of
1116 the Appraisal Institute and shall be clearly defined in the charter issued by the Board of Directors to
1117 each Chapter. Only the Board of Directors can change the geographic territory of a Chapter.

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1120 **Part C: Requirements**

1121 Each Chapter is required to adopt standard Bylaws that conform to the Bylaws and Regulations of the
1122 Appraisal Institute. Each Chapter is prohibited from acting in any manner inconsistent with the Bylaws
1123 and Regulations of the Appraisal Institute. Chapter Bylaws and any amendments thereto must be
1124 approved by the Appraisal Institute.

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1127 **Part D: Miscellaneous**

1128 The Board of Directors of the Appraisal Institute shall adopt and maintain Regulations governing
1129 Chapters, including dues, fees, elections, meetings, committees, revocation of Chapter charters and
1130 any other matter that the Board of Directors deems appropriate to achieve the purposes of the
1131 Articles of Incorporation and these Bylaws.

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1137 Indemnification and Insurance

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1139 **Part A: Indemnification**

1140 The Appraisal Institute shall, in accordance with the procedures required by the Act and to the fullest
1141 extent permitted by law, indemnify its Directors, officers, Members, employees and agents from and
1142 against all expenses, judgments, fines, settlements and other amounts (including attorneys' fees)
1143 actually incurred in connection with any threatened, pending or completed action, suit or proceeding,
1144 whether civil, criminal, investigative or administrative brought by reason of the fact that such Director,
1145 officer, Member, employee or agent is or was a Director, officer, committee member, Panel member,
1146 Board member, project team member, employee or agent of the Appraisal Institute or is or was
1147 cooperating with any committee, panel or Board; provided, however, such individual was attempting
1148 in good faith to act according to the Bylaws and Regulations of the Appraisal Institute.

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1151 **Part B: Insurance**

1152 The Appraisal Institute shall have the right and power to purchase and maintain insurance to the
1153 fullest extent permitted by law on behalf of its Directors, officers, Members, Chapters, Regions,
1154 employees and agents against any liability asserted against or incurred by a Director, officer,
1155 Member, Chapter, Region, employee or agent in such capacity or arising out of the Director's,
1156 officer's, Member's, Chapter's, Region's, employee's or agent's status as such.

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1162 **Conduct of Meetings**

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1164 The rules contained in *Robert's Rules of Order, Newly Revised*, shall govern the meetings of the
1165 Appraisal Institute, whether at the national, regional or chapter level, unless inconsistent with the
1166 Articles of Incorporation, these Bylaws or the Regulations.

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1172 **Regulations**

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1174 Regulations shall have the same force and effect as the Bylaws; however, if there is a conflict
1175 between the Bylaws and any Regulation, the Bylaws shall prevail. The Board of Directors shall adopt
1176 such Regulations as are required by these Bylaws and such other Regulations that it deems
1177 necessary or appropriate from time to time and which are not inconsistent with the Act, the Articles of
1178 Incorporation or these Bylaws. The Board of Directors shall be empowered to enforce all Regulations
1179 of the Appraisal Institute.

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1184 **Amendments**

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1186 The Board of Directors shall have the sole authority to adopt or amend these Bylaws and then only
1187 upon a vote of sixty percent (60%) of the Directors voting at a quorum meeting after notice has been
1188 delivered in writing to members of the Appraisal Institute not fewer than forty-five (45) days before
1189 such meeting.

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1191 The Board of Directors shall have the sole authority to adopt or amend the designation requirements
1192 in the Admissions Regulations and then only if: (a) sixty percent (60%) of the Directors with voting
1193 rights vote in favor at a quorum meeting, regardless of how many Directors are present at such
1194 meeting; and (b) notice has been delivered in writing to members of the Appraisal Institute not fewer
1195 than forty-five (45) days before such meeting.

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1197 The Board of Directors shall have the sole authority to adopt or amend the Code of Professional
1198 Ethics and Standards of Professional Appraisal Practice, and then only upon a vote of a majority of
1199 the Directors voting at a quorum meeting after notice has been delivered in writing to members of the
1200 Appraisal Institute not fewer than forty-five (45) days before such quorum meeting.

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1202 The Board of Directors shall have the sole authority to adopt or amend the other Regulations of the
1203 Appraisal Institute and then only upon a vote of a majority of the Directors voting at a quorum
1204 meeting.

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1212 **Delivery of Notices and Other Documentation**

1214 When the Bylaws and Regulations provide for notice or other documentation to be “delivered in
1215 writing,” or use some variation of that terminology such as “deliver in writing” or “delivers in writing,”
1216 such notice or documentation may be transmitted via United States mail, traceable carrier, personal
1217 delivery or electronic means, including but not limited to facsimile and e-mail.

1219 Any notice to a Member that is addressed to the principal place of business or home of such Member
1220 or the facsimile number or e-mail address of such Member as it appears in the official records of the
1221 Appraisal Institute and that is transmitted within the time limits set forth in the Bylaws or Regulations
1222 shall be deemed good and sufficient notice for all purposes. Unless specifically provided otherwise,
1223 the effective date of delivery for such notices shall be the date of mailing, transmittal, delivery to a
1224 traceable carrier, or in the case of personal delivery, the date that the notice is delivered to the
1225 Member’s principal place of business or home.

1227 Each Member shall keep the Appraisal Institute advised as to the current address of his or her
1228 principal place of business and home, current facsimile number and current e-mail address.

1233 **ARTICLE XIX**

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1235 **Fiscal Year**

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1237 The fiscal year of the Appraisal Institute shall be the calendar year.

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ARTICLE XX

Dissolution

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

3/12/12