



45-Day Notice of Proposed Amendments to Appraisal Institute Bylaws

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45-Day Notice of Proposed Amendments to Appraisal Institute Bylaws

At its May 8-9, 2025, meeting in Chicago, Illinois, the Appraisal Institute Board of Directors will consider proposed amendments to the Appraisal Institute Bylaws. The proposed amendments are expected to have minimal financial impact.

If you have any comments on the proposed changes to the Bylaws, please contact your elected Directors and/or send your comments via email to 45daynotice@appraisalinstitute.org.

Comments received on or before May 1, 2025, will be compiled for distribution to the Board of Directors and the Board Meeting and Motions Project Team (BMMPT).

1 Regular and Special Board Meeting Related Requirements

2 3 **Background/Rationale**

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5 The Bylaws contain requirements regarding quorum, voting thresholds, notice, and related matters for
6 regular and special meetings of the Board of Directors. For example, the Bylaws require that the Board
7 of Directors hold four (4) regular meetings each calendar year. Special meetings of the Board of
8 Directors may be called with at least forty-eight (48) hour notice and have higher quorum requirements
9 in certain instances.

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11 The Board Meeting and Motions Project Team (BMMPT) was established in December of 2023 to
12 consider, in part, processes for regular and special meetings of the Board of Directors. The BMMPT
13 recommends several changes to existing requirements regarding quorum, voting thresholds, notice, and
14 related matters for regular and special meetings of the Board of Directors.

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16 The proposed amendments include in part:

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- 18 • No longer requiring four (4) regular meetings each calendar year of the Board of Directors,
19 allowing for flexibility to have additional or fewer meetings as deemed necessary.
- 20 • Streamlining and aligning processes for calling meetings of the Board of Directors.
- 21 • Adjusting the notice requirement for special meetings of the Board from at least forty-eight (48)
22 hours, which is the current requirement, to at least forty-eight (48) hours but less than fifteen
23 (15) days in advance.
- 24 • Adjusting the quorum requirement for special meetings of the Board to majority of Directors with
25 voting rights. Currently, special meetings require a 2/3 quorum in certain instances.
- 26 • Except where otherwise provided, adjusting the voting threshold for special meetings of the
27 Board of Directors to 60% of Directors with voting rights present at the beginning of the special
28 meeting. Currently, the voting threshold for special meetings is majority except where provided
29 otherwise.
- 30 • Elimination of the Past Officers section.
- 31 • Clarification and non-substantive housekeeping changes.
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33 The BMMPT believes that the proposed amendments will help clarify and streamline processes for
34 special and regular meetings of the Board of Directors. If the proposed amendments to the Bylaws are
35 adopted, the BMMPT will recommend adoption of related policies and procedures in an effort to further
36 increase the efficiency of meetings.

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38 The Board can adopt the proposed amendments to the Bylaws if at least 60% of Directors with voting
39 rights vote in favor.

40 41 **Text**

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43 Begins on the following page
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45 Amend the Bylaws, Article IX, National Governance: Board of Directors Part B, as follows:

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47 **Part B: Composition**

48 The Board of Directors shall consist of:

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50 1) the Officers of the Appraisal Institute **elected by the Board of Directors**;

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52 2) the Chair and Vice Chair of each Regional Committee **elected in accordance with Regulation No. 9**;

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

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

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

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

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65 Amend the Bylaws, Article IX, National Governance: Board of Directors Part C, as follows:

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67 **Part C: Terms**

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

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72 Members of the Board of Directors elected by the Regions shall serve a four (4) year term, which shall
73 commence on January 1st of the first year of each member's term, except where the Bylaws and
74 Regulations of the Appraisal Institute for filling vacancies provide otherwise. During the year prior to the
75 commencement of service on the Board, Third Regional Directors, **who are elected by the Regions in**
76 **accordance with Regulation No. 9**, shall attend all meetings of the Board of Directors but shall not have
77 speaking or voting privileges.

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79 The International Designated Member elected to serve on the Board of Directors shall serve a two (2)
80 year term that shall commence on January 1st of the first year of the International Designated Member's
81 term. Except as otherwise provided, the International Designated Member shall be elected at the third
82 regular Board of Directors meeting in the year prior to commencement of the International Designated
83 Member's term. The International Designated Member so elected shall, from the date of election until
84 beginning service on the Board, attend subsequent Board meetings but not have speaking or voting
85 privileges.

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Amend the Bylaws, Article IX, National Governance: Board of Directors Parts H through L, as follows:

Part I: Meetings and Quorum

Section 1. Calling Board of Directors Meetings

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

- 1) ~~if~~ by the President **calls such a meeting**;
- 2) pursuant to a written ~~petition~~ **communication, which may be in electronic form, delivered to the President and** signed by a majority of the Executive Committee, **setting forth the purpose for such a meeting**; or
- 3) pursuant to a written **communication, which may be in electronic form, delivered to the President** ~~petition~~ **and** signed by one-third (1/3) of the **voting** members of the Board of Directors **setting forth the purpose for such a meeting**.

~~Such written petitions may be in electronic form.~~

Section 2. Notice of Board of Directors Meetings

~~Notice of a R~~Regular meeting of the Board of Directors shall be **held after written notice is** delivered in writing to each Director at least forty-five (45) days in advance of such meeting. ~~and shall specify the time, date, purpose and location of the meeting. Unless otherwise provided, notice of a S~~Special ~~M~~Meeting of the Board of Directors shall be **held after written notice is** delivered in writing to each Director at least forty-eight (48) hours **but less than fifteen (15) days** in advance of such meeting. ~~and~~ **Notice of each Regular and Special Board of Directors Meetings** shall specify the time, date, purpose and location of the meeting.

(formerly Part J: Waiver of Notice)

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

Section 3. Meetings In-Person or via Interactive Technology (formerly paragraph 5 of Part I)

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

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Section 4. Quorum (formerly paragraph 3 of Part I)

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

Except as ~~where provided otherwise~~ **provided:**

- a) ~~If a quorum is present by the Bylaws or the Regulations of the Appraisal Institute, the vote of a majority of Directors voting at a duly held Regular meeting,~~ **the vote of a majority of Directors voting at which a quorum is present shall be regarded as the act of the Board of Directors; and:**
- b) **If a quorum is present at a duly held Special Meeting, the vote of sixty percent (60%) of Directors with voting rights present at the beginning of the Special Meeting shall be regarded as the act of the Board of Directors.**

Section 5. Director Voting (formerly Part H: Voting)

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

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

Section 6. Action Without a Meeting (formerly Part K: Action Without a Meeting)

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

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177 **Part L: Past Officers**

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

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