



CODE OF ETHICS

The Appraisers Association of America, Inc. is an association of individual professional appraisers who have been admitted to membership in the Association after meeting the qualifications for such membership as set forth by the Board of Directors.

Since appraisal procedure is a pursuit requiring extensive knowledge and experience, the Association accepts as its responsibility the duty to review continually and to maintain the highest standards for its membership. The following sets forth the Code of Ethics which all members of the Association are required to follow:

ASSUMPTION OF RESPONSIBILITY

It is the responsibility of the individual appraiser to contract for appraisal work only within the areas of his or her professional competence and expertise. Every appraiser must sign and certify his or her appraisal. In the event that an appraiser discovers, after contracting for an appraisal, that he or she is not qualified to carry out the full appraisal, he or she must call upon, or recommend to the owner or custodian of the property, an appraiser who is qualified for that portion of the appraisal not within his or her area of expertise.

OBJECTIVITY

All items of property covered within an appraisal must be appraised objectively, independent of outside influences and without any other motive or purpose than stated in said appraisal. All items must be described accurately and all factors affecting their valuation must be stated clearly and concisely with the highest degree of accuracy.

EXAMINATION OF PROPERTY

All items for appraisal must be examined personally by the appraiser, or be so noted.

PURPOSE OF APPRAISAL

As appraisals are prepared under varying circumstances which can influence the valuation of the property, it is necessary to determine the nature and purpose of each appraisal in advance and to note the nature and purpose for which said appraisal has been prepared.

VALUATION

An appraisal valuation is based on numerous factors affecting the value of the item to be appraised. Individual factors may vary from item to item, but in reaching a value conclusion all factors should be considered.

The following factors are not all-embracing, but in each instance must be considered and included: 1. the purpose of the appraisal; 2. clear identification of each item; 3. the valuation method used; 4. the valuation approach; 5. the quality of the item; 6. the condition of the item; and 7. where, available, the provenance or history of the item.

Where an appraisal is based on either wholly, or partially, hypothetical facts, such conditions and facts must be stated in the appraisal in clear and concise terms to afford the reader of said appraisal sufficient information to appreciate how the valuation has been reached.

FEES

Fees for appraisal services should be commensurate with the service rendered. The fee should be determined and agreed upon with the owner or custodian prior to commencement of the appraisal service. No appraiser shall contract to perform services for a fixed percentage of the value of the item appraised.

CONFIDENTIALITY

It is the appraiser's responsibility to keep all appraisals confidential, unless required by the owner, or by due process of law, to release such appraisal.

Prior to the preparation of an appraisal, an appraiser should make reasonable inquiry of their client as to how the item to be appraised was acquired. Appraisers should not prepare appraisals for items that readily appear to have a doubtful provenance and may be stolen property. Where the appraiser is aware of clear and convincing evidence that the item may be stolen property, appraisers should inform the appropriate authorities of the facts as they are known to the appraiser.

All appraisals should be prepared in accordance with the guidelines set forth in the current editions of the *Elements of a Correctly Prepared Appraisal* of the Appraisers Association of America, the *Uniform Standards of Professional Appraisal Practice* of the Appraisal Foundation, and *Object ID*.

RELATIONS WITH COLLEAGUES

An appraiser is obligated to share knowledge and experience with his or her colleagues. It is unethical for an appraiser to volunteer adverse judgment on the qualifications of, and procedures rendered by another member of the Association, except when the statement is scrupulously based on facts and made to the proper authority within the Association or in a court of law.



By-Laws of the Appraisers Association of America

Article I: Name And Offices

The Appraisers Association of America, Inc., established in 1949, is a New York non-profit corporation with headquarters in the City of New York, County of New York. The Association may have such other offices as the Board of Directors may determine. The term "Association" in these By-Laws shall refer to the Appraisers Association of America, Inc.

Article II: Association Purposes

The purposes of the Association are:

- A: To establish the highest standards of ethical conduct within the appraisal profession and maintain such standards for its membership
- B: To provide a forum for the exchange of information on evolving trends and policies
- C: To promote the profession of appraising and to promote appraising as a service to the national economy
- D: To promote the public welfare and, through educational programs, to inform the public of the importance of the appraisal profession
- E: To cooperate with all agencies, governmental and/or private, that are similarly concerned.

Article III: Membership

Section I. Membership in the Appraisers Association of America shall be available to qualified individuals only.

Section 2. The Association reserves the right to establish various categories of membership from time to time as it sees fit, including non-voting categories.

Section 3A: Voting Members

Voting Members shall be appraisers who have met the requirements of the Admissions Committee as set forth on the Association's application form including compliance with USPAP, as well as with minimum education and experience requirements. Non-compliance may result in suspension at the sole discretion of the Board of Directors.

- A. Accredited Certified Member: Accredited Certified Members shall be Accredited Members who have met the qualification requirements of the Association, and who have passed written certification examinations in specific specialties; shall be eligible for office
- B. Accredited Member: Accredited Members shall be appraisers who have met the qualification requirements of the Association
- C. Accredited Certified Life Member: Life Membership for Accredited Certified Members who have attained the age of seventy-five (75), and have been members in good standing for twenty-five (25) consecutive years or more.
- D. Accredited Life Member: Life Membership for Accredited Members who have attained the age of seventy-five (75), and have been and are members in good standing for twenty-five (25) consecutive years or more.
- E. Accredited Associate Member: Accredited Associate Members shall be appraisers who have completed the NYU-SCPS Appraisal Studies Certificate program and met the qualification requirements of the Association; Associates are expected within three years to advance to Accredited Member.

Section 3B: Non-voting Members

May include appraisers who have met the qualification requirements of the Association; the Association hereby sets forth the following categories of affiliation which do/does not confer voting rights, nor eligibility for elected office or standing committees; they shall be entitled to such non-voting privileges as approved by the Board of Directors

- F. Associate: Associate Members shall be appraisers who have completed the NYU-SCPS Appraisal Studies Certificate.
- G. Emeritus: Emeritus members are former Accredited Certified Life Members/Accredited Life Members who are in or nearing retirement, with no USPAP-compliance. Emeritus Members are not permitted to perform appraisals.
- H. Student Affiliate: Student Affiliates shall be individuals who are currently enrolled in an appraisal studies program
- I. Honorary: The Board of Directors may bestow Honorary Status upon a limited number of individuals deemed worthy who have made significant contributions to the profession of appraising.

Section 4: Procedures

Recommendation for membership as a Voting Member shall be by not less than a 2/3 vote of the Admissions Committee present and subsequently confirmed by not less than a 2/3 vote of the Board of Directors present. A certificate, signed by the President and the Executive Director, indicating areas of expertise, shall be presented to all Members upon election to the Association.

Section 5: Certification

The Association, through the Board of Directors, shall establish certification and continuing education requirements for its Membership.

Section 6: Changing or Altering Categories of Expertise

Any Member who wishes to alter or add categories of expertise as listed in the Membership Directory of the Association shall apply in a manner set forth by the Admissions Committee. The Admissions Committee shall recommend or reject any such change and report to the Board which shall determine the eligibility by not less than two-thirds (2/3) vote of the Directors present.

Article IV: Dues And Discipline

Section I: Dues

- A. Dues, initiation fees and assessments for members shall be payable as the Board of Directors shall, from time to time, determine by not less than a two-thirds (2/3) vote.
- B. The fiscal year of the Association shall extend from July 1st to June 30th.
- C. The annual membership dues shall become payable on July 1st. Every member in good standing of the Association shall receive an annual membership card signed by the President and Executive Director.
- D. Dues of new Members shall be payable on a pro-rated basis based on the date of admission.
- E. A member who has failed to pay dues by August 15th shall be so notified by the Executive Director. If payment is not made within thirty (30) days from the mailing of such notification, said membership automatically terminates. Any member whose affiliation has been thus terminated may apply for reinstatement to the Board of Directors. Reinstatement becomes effective only after the Board of Directors, at its next meeting, by not less than a 2/3 vote, accepts such application. The Association reserves the right to apply reinstatement fees; after a period of two (2) years, a lapsed member must re-apply.
- F. Membership certificates remain the property of the Association and shall be returned to the Association upon termination of membership.

Section 2: Discipline

- A. Conduct in violation of the Code of Ethics detrimental to the appraisal profession or to the Association shall be cause for reprimand, censure, suspension, or expulsion, as recommended by the Ethics Committee to the Board of Directors.
- B. All complaints against any member shall be referred immediately to the Ethics Committee by the Executive Director for investigation. Charges against any member shall be in writing and be signed by the complainant unless it is a matter of public knowledge. Notification of the charges shall be sent by certified mail (with return receipt), addressed to the accused at his or her last recorded address; a response to the charges will be requested within thirty (30) days of receipt of the notification; the Ethics Committee will notify the accused within sixty (60) days either if the charges are dismissed, or cannot be dismissed; if the Ethics Committee deems the charges cannot be dismissed, then the accused shall be entitled to a hearing and be so informed. The Ethics Committee shall investigate every complaint, and notify the Board of its

recommendation for any disciplinary action, including dismissal. The Ethics Committee shall preserve the confidentiality of its proceeding.

- C. The Ethics Committee shall deliver its recommendation to the Board, which is empowered to take final action. Whenever there is a recommendation of expulsion, the Board shall notify the accused that he/she has the right to appear in his/her defense at a Board meeting. The vote of the Board on this matter is final.
- D. Disciplinary action shall consist of the following:
 - 1. Reprimand: a private verbal notification from a member of the Board of Directors regarding the violation.
 - 2. Censure: a written reprimand by the Board of Directors regarding the violation; a note is placed in the file.
 - 3. Suspension: a public notification regarding the violation by the Board of Directors, including a posting on the AAA web site by the Association; the accused may be reinstated
 - 4. Expulsion: a public notification regarding the violation by the Board of Directors, including a posting on the AAA web site by the Association; the accused may not be reinstatedA Board Member receiving a sanction of censure (or suspension or expulsion) for violation of the Code of Ethics of the Association shall be automatically removed from the Board.
- E. Periods of suspension shall be recommended by the Ethics Committee and approved by the Board. During periods of suspension, a member shall forfeit all right and privileges.
- F. No one shall be accepted into the Association who has been convicted of a felony or misdemeanor; however one or more convictions of a misdemeanor which in the sole determination of the Board of Directors has no bearing on either the competency or character of a candidate or member in carrying out his or her professional duties will not preclude membership. Wherein any member is accused of a crime, no action shall be taken until the criminal proceeding has been concluded. Failure to disclose either a felony or misdemeanor will be deemed grounds for either suspension or expulsion as the Board in its sole discretion shall determine.

Article V: Officers

Section 1: Elected Officers

The elected officers of the Association shall consist of a President, a First Vice President, a Second Vice President, a Secretary, a Recording Secretary, a Treasurer, and a Parliamentarian. The officers shall be elected for two (2) year terms by the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and installed. The installation of the officers shall be held immediately after the election.

Section 2: Removal

Any officer may be removed from office by a vote of two-thirds (2/3) or more of the Board of Directors whenever in its judgment the best interests of the Association would be served.

Section 3: Vacancies

A vacancy in any office because of death, resignation, removal or otherwise, shall be filled by a majority vote of those present of the Board of Directors for the unexpired portion of the term upon recommendation of the President.

Section 4: Non-Voting Employee(s) Officers

The Executive Director, the legal counsel and the accountant shall be chosen by the Board of Directors.

Section 5: Duties of Officers and Executive Director

President. The President governs the Board of Directors and, along with the Board, sets policy. He/She shall be a member ex-officio of all regular and special. The Presidency shall be a single term office. The President may not succeed himself/herself in office.

Vice Presidents. The Vice Presidents shall perform such duties as the Board of Directors may prescribe. The First Vice President shall assume the Presidency for any unexpired term of the President. The Second Vice President shall assume the First Vice Presidency for any unexpired term of the First Vice President when he or she is acting as President.

Secretary. The Secretary shall perform all such duties as pertain to the office of Secretary, and shall do all such things and carry out all such duties as are required by the Board of Directors.

Treasurer. The Treasurer shall be the financial officer of the Association and shall supervise the financial affairs of the Association as directed by the Board of Directors.

Parliamentarian. The Parliamentarian shall maintain order at meetings.

Recording Secretary. The Recording Secretary shall be responsible for keeping and publishing the minutes of all

general meetings of the Association and of the Board of Directors in a timely fashion. Executive Director. The Executive Director shall implement all policies as determined by the President and Board of Directors. The Executive Director shall act under the direct instructions of the Board, through the President, which shall fix his/her compensation and terms of employment.

Section 6: Obligations of Directors

Every member of the Board of Directors upon election accepts attendance at Board meetings and participation in committee activities as a responsibility of the position. Excused or unexcused absences at four or more meetings of the Board of Directors within a term of office (three years) may, at the sole discretion of the Board of Directors, be grounds for removal from the Board. No member of the Board, past or present, may exploit his, or her, honored position for any commercial purpose. Board meetings are for Board members only. Non Board members may be invited to attend Board meetings on occasion.

Article VI: Government

Section 1: Board of Directors

The authority of the Association shall be vested in the Board of Directors, which shall determine all policies of the Association. The Board of Directors shall consist of the four immediate past Presidents in good standing of the Association, and eighteen Certified Members in good standing elected from the membership at large. No officer or director shall receive compensation directly or indirectly for his/her services.

Six (6) Directors shall be elected annually for a three (3) year term at the Annual Meeting which shall be held in the month of June unless otherwise established by the Board of Directors. Members of the Board of Directors shall be limited to two consecutive elected terms, with the exception of those members who are officers of the Association.

Section 2: Regional Representatives

- A. The Board of Directors shall have the authority to create and define regions of membership.
- B. Members within each region shall elect a designated number of representatives.
- C. Regional Representatives shall be elected for two year terms of office.
- D. No member of the Board of Directors may serve as a director and regional representative at the same time.

Section 3: The Nominating Committee shall submit to the Board the names of the candidates.

Subject to the approval of the Board, such names shall be the official slate and shall be published in alphabetical order not later than sixty (60) days before the Annual Meeting.

Section 4: Recommendations

Additional recommendations for the Board of Directors may be proposed by members in good standing, and must be filed with the Secretary at least forty-five (45) days before the Annual Meeting for consideration by the Nominating Committee. The ballot shall be mailed to the membership at least thirty (30) days before the Annual Meeting.

Section 5: Elections

Directors shall be elected by a vote of the Voting Members at the Annual Meeting.

Section 6: Ballot Counting

Three Inspectors of Election, appointed by the President and approved by the Board, shall count the ballots.

Section 7: Elections

The election of the officers of the Association, chosen from the Board of Directors, shall be held every second year, at the Annual Meeting.

Section 8: Vacancies

A vacancy on the Board of Directors shall be filled by a majority vote of the remaining members of the Board, present and voting by the second regular meeting of the Board of Directors following the official announcement of vacancy, as nominated by the President.

Section 9: Past Presidents

Only the four immediate past presidents, in good standing, able and willing, shall serve as voting members of the Board.

Section 10: Term Limits for Elected Board Members

Board Members can serve only for two consecutive terms other than those members who are officers of the Association. A second term for any Board member is at the discretion of the Nominating Committee.

Section 11: The Nominating Committee Shall Propose A Slate For The Officers

The committee shall present a proposed slate of officers to the Board one month prior to the election. The proposed slate shall also be emailed to all regional representatives.

Section 12: Final Policy

Election of officers shall be by pre-determined ballot only. No nominations from the floor shall be accepted.

Article VII: Meetings

Section 1: Annual Meeting

The Annual Meeting of the Appraisers Association shall be scheduled by the Board of Directors.

Section 2: Bi-Monthly Meetings

Meetings of the Board of Directors shall be held at least bi-monthly, with a minimum of six (6) meetings scheduled in a given year.

Section 3: Quorums

Ten (10) members of the Board of Directors shall constitute a quorum at an regular meeting of the Board of Directors. A Special meeting shall require a quorum of fifteen (15); due notification by 15 members of the Board is required.

Article VIII: Voting

Section 1:

Only Voting members in good standing shall be entitled to vote.

Section 2:

A simple majority of those voting shall be necessary to carry a motion to resolution, except where otherwise indicated in these Bylaws.

Article IX: Committees

Section 1:

The President shall appoint the Chairpersons of the standing committees except the Ethics Committee and the Nominating Committee, who shall be nominated by the President and approved by the Board. No member of the Board, past or present, shall serve on any committee or in any circumstance, involving conflicts of interest.

Section 2: Committee Meetings

All committee meetings shall be held in officially designated meeting places upon ten (10) day written notice.

Section 3:

Each standing committee shall consist of three (3) or more members of the Board of Directors as appointed by the Chairperson(s) of each committee. Each Chairperson shall serve for a period of two (2) years.

Section 3A: Confidentiality

All discussions at Board, Standing, Ad Hoc or Advisory Group meetings are considered confidential.

Section 4:

The following shall be Board, Standing, Ad Hoc, or Advisory Group committees:

Board Committees:

- A. Executive Committee:
The Executive Committee shall consist of the officers of the Association and shall act for the Board in carrying out the policies of the Association. All actions of the Executive Committee shall be subject to review by the Board at its next meeting.
- B. Admissions Committee:
The Chairperson(s) of the Admissions Committee shall be appointed by the President. The Admissions Committee shall be comprised of no fewer than five (5) members from the Board of Directors.
- C. Nominating Committee:
The Chairperson of the Nominating Committee shall be nominated by the President and approved by the Board. The Nominating Committee shall consist of five (5) members of the Board of Directors.
- D. Ethics Committee:
The Chairperson(s) of the Ethics Committee shall be nominated by the President and approved by the Board. The Ethics Committee shall consist of no fewer than five (5) members from the Board of Directors.
- E. Finance Committee:
The Chairperson of the Finance Committee shall be the Treasurer. The Finance Committee shall consist of no fewer than five (5) members from the Board of Directors.

Standing Committees:

- F. Education Committee:
The Chairperson(s) of the Education Committee shall be appointed by the President. The Education Committee shall be comprised of no fewer than five (5) members from the Board of Directors, and may include additional Certified Members and Members.
- G. Development Committee:
The Chairperson(s) of the Development Committee shall be appointed by the President. The Development Committee shall be comprised of no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.
- H. Conference Committee:
The Chairperson(s) of the Conference Committee shall be appointed by the President. The Conference Committee shall be comprised of no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.
- I. Lecture Committee:
The Chairperson(s) of the Lecture Committee shall be appointed by the President. The Lecture Committee shall be comprised of no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.
- J. Marketing Committee:
The Chairperson(s) of the Marketing Committee shall be appointed by the President. The Marketing Committee shall be comprised of no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.

Ad Hoc Committees:

- K. Long Range Planning Committee:
The Chairperson(s) of the Long Range Planning Committee shall be appointed by the President. The Long Range Planning Committee shall be comprised of no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.

Advisory Groups:

- L. Advisory Council:
The Chairperson(s) of the Advisory Council shall be appointed by the President. The Advisory Council shall be comprised of industry leaders in allied professions, and no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.
- M. Appraisers Association of America Foundation Advisory Board:
The Chairperson(s) of the AAA Foundation Advisory Board shall be appointed by the President. The Foundation Advisory Board shall be comprised of appraisers and allied professionals, and no fewer than three (3) members from the Board of Directors, and may include additional Certified Members and Members.

Section 5:

All committees, standing, regular or ad hoc, shall report regularly to the Board of Directors.

Section 6:

The Board of Directors shall instruct the President to appoint such standing, regular or ad hoc committees as may be necessary.

Section 7:

All programmatic content and all other content developed in committee ("Content") shall be deemed a work-made-for-hire with all rights of copyright and all other Intellectual Property (IP) rights therein initially vesting in the Association. In addition, and for the avoidance of doubt as to IP ownership of Content, the Board of Directors at its sole discretion shall direct any creator of Content to grant, assign and transfer in a signed writing any and all IP interests including, without limitation, copyrights therein, to the Association. The Association has all physical and material right, title and interest in all Content.

Article X: Finance

Section 1: Expenditures

All expenditures for special projects not included in the approved budget shall require specific authorization of the Board of Directors.

Section 2. Audits

An Audit of the Association's books of account as of June 30th shall be made annually by a Certified Public Accountant appointed by the Board of Directors, and it shall be completed on or before May 15th of the following year.

Article XI: Notices

The Executive Director shall e/mail official notices to all members at office or home e/addresses furnished by the members. The e/ mailing of any notice to either e/address shall be considered due service of such notices as of the date of e/ mailing.

Article XII: Amendments

These By-Laws may be amended by a vote of two-thirds of the members voting by electronic signature/signed mail ballot after due notice of the proposed amendment has been e/mailed to the membership one month prior to the designated date.

Article XIII: Procedure

Except as herein provided, Robert's Rules of Order (the current edition) shall govern the procedure at all meetings of the Association.