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3 **SECOND AMENDED AND RESTATED**
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7 **INTERNATIONAL VALUATION STANDARDS COUNCIL**
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10 **2008**
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12 **BYLAWS**
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25 Approved and passed at the
26 Annual General Meeting
27 of the
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29 **INTERNATIONAL VALUATION STANDARDS COMMITTEE**
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31 19 November, 2007
32 London, United Kingdom
33

34 And subsequently amended by the IVSC Board of Directors
35 19 May, 2008
36 New York, U.S.A

37 **Preamble:** These Bylaws were presented for approval by the International Valuation Standards
38 Committee at its Annual General Meeting to be held on November 19, 2007 in
39 London, United Kingdom.

40 At the above referenced meeting, it was proposed that an Advisory Board be
41 established. The primary duty and responsibility of the Advisory Board is to act as
42 stewards and counsellors to the Board of Trustees regarding any and all funds and or
43 commitments to fund the restructuring of the International Valuation Standards
44 Committee, as contemplated by these Bylaws.

45 Upon completion of the Advisory Board's remit, the Advisory Board will disband
46 and the new Board of Trustees shall fully replace and assume the duties and
47 responsibilities of the current IVSC Board of Directors.

48 **Context:** These Bylaws are intended to be transitional in nature. These Bylaws should be
49 read and interpreted recognizing that the International Valuation Standards
50 Committee is currently incorporated under the State of Illinois General Not For
51 Profit Corporation Act of 1986.

52 As such, certain elements or provisions within these Bylaws are either currently in
53 place, are yet to be put in place and/or will be discontinued in the course of giving
54 full effect to the decisions of the current IVSC Board of Directors, the Board of
55 Trustees elected at the special meeting of the Members in May, and the IVSC
56 Membership.

57 **ARTICLE I**

58 1. Name

59 The name of the Corporation shall be the International Valuation Standards Council
60 (“IVSC”).

61 2. The Corporation

62 The Corporation is organized and shall be operated exclusively in pursuit of establishing
63 and maintaining a rigorous high quality set of international valuation standards (the
64 “International Valuation Standards” or the “IVS”) and to contribute to the development of
65 the worldwide valuation profession thereby serving the public interest.

66 3. Objectives

67 The objectives and purpose of the Corporation will include but not be limited to:

68 Creating and ensuring an independent and transparent international valuation standards setting
69 process;

70 Developing and maintaining a highly effective comprehensive set of high quality international
71 valuation standards that are understandable, practical to implement and which protect the public
72 interest;

73 Identifying where local or regional standards differ from the international valuation standards,
74 and working toward greater compatibility and harmonization between local or regional
75 requirements and the International Valuation Standards.

76 Contributing to the development of the global valuation profession and protecting the public
77 interest by encouraging high quality best practices by the global valuation profession; and

78 Being the international voice of the valuation profession.

79 4. Membership

80 Effective on such date in 2008 as specified by resolution of the Board, membership in the
81 IVSC shall consist of:

82 a. Valuation Professional Organizations – which shall include valuation professional
83 organizations recognized either by legal decree or general consensus;

84 b. Associate Valuation Organizations – which shall include organizations at an earlier stage
85 of their development but structured so as to achieve Valuation Professional Organization
86 status;

87 c. Corporate Members – which shall include valuation companies and companies having an
88 interest in valuation;

89 d. Client Members – which are entities with an interest in valuation standards and which
90 secure or use valuation services to include but not be limited to lenders, accountants,
91 insurers, asset managers, investment bankers, and others;

92 e. Institutional Members – which are not-for-profit entities to include but not be limited to
93 government agencies and regulators; and

94 f. Academic Members – which shall include but not be limited to universities, colleges, and
95 other institutions offering advanced education.

96 5. Annual Meetings

97 The annual meeting of the Members, beginning with the year 2008, shall be held on or
98 before November 30 of each year at the office of the Corporation, or at such other place and
99 at such time as may be provided by resolution of the Board of Trustees. The purposes of the
100 annual meeting shall be:

- 101 a. to elect Trustees to the Board of Trustees;
- 102 b. to receive the annual reports of the IVSC Boards and Committees;
- 103 c. to receive financial statements of the Corporation for the preceding year;
- 104 d. to receive the year to date operating results and projected remaining budget of the current
105 year;
- 106 e. to receive the budget of the Board of Trustees for the next year;
- 107 f. to install Officers appointed or elected by the Board of Trustees;
- 108 g. to formalize appointment of persons to IVSC Boards and Committees;
- 109 h. to admit new Members; and
- 110 i. to transact such other business, if any, stated in the notice of the meeting.

111 6. Special Meetings

112 Special meetings of the Members may be held at any time on the call of the Chairperson of the
113 Board of Trustees, the Executive Director, or by Members having five percent (5%) of the votes
114 entitled to be cast at such meeting. Special meetings shall be held at the office of the
115 Corporation, or at such other place as may be provided by resolution of the Board of
116 Trustees.

117 7. Notice of Meetings

118 Written or electronic notice stating the place, day and hour of the meeting, and in the case of a
119 Special Meeting, stating the purpose or purposes for which the meeting is called, shall be
120 delivered not less than thirty (30) days nor more than sixty (60) days before the date of the
121 meeting, or, in the case of removal of one or more Trustees, a merger, consolidation,
122 dissolution or sale, lease or exchange of assets, not less than thirty (30) days nor more than
123 sixty (60) days before the date of the meeting, by or at the direction of the Chairperson or
124 the Executive Director, or the persons calling the meeting, to each Member.

125 8. Waiver of Notice

126 Whenever any notice is required to be given under statute or under the provisions of the
127 Articles of Incorporation of the Corporation or these Bylaws, a waiver thereof in writing
128 signed by the person or persons entitled to such notice, whether before or after the time stated
129 therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting
130 shall constitute waiver of notice thereof unless the person at the meeting objects to the holding
131 of the meeting because proper notice was not given.

132 9. Informal Action

133 Any action that may be taken at a meeting of Members may be taken without a meeting if a
134 consent in writing, setting forth the action so taken, shall be signed either by all Members
135 entitled to vote with respect to the subject matter thereof, or by Members having not less
136 than the minimum number of votes that would be necessary to authorize or take such action
137 at a meeting at which all Members entitled to vote thereon were present and voting. If such
138 consent is signed by less than all of the Members entitled to vote, then such consent shall
139 become effective only: (i) if, at least thirty (30) days prior to the effective date of such
140 consent, a notice in writing of the proposed action is delivered to all of the Members entitled to
141 vote with respect to the subject matter thereof, and (ii) if, after the effective date of such
142 consent, prompt notice in writing of the taking of the corporate action without a meeting is
143 delivered to those Member entitled to vote who have not consented in writing.

144 10. Membership Application

145 Effective as of the Annual General Meeting of the Members held in October 2008 for the
146 purpose of electing the Board of Trustees, all new entities seeking membership in the
147 Corporation shall complete an application for membership in the Corporation as established by
148 the Board of Trustees of the Corporation.

149 11. Membership Dues

150 Membership dues for each category of member shall be determined by resolution of the Board
151 of Trustees of the Corporation and may be revised from time to time.

152 12. Expulsion

153 A Member may be removed for cause at a meeting of Members by the affirmative vote of two-
154 thirds of the votes present and voted either in person or by proxy. Written or electronic notice
155 of such meeting shall be delivered to all Members. Such notice shall state that a purpose of
156 the meeting is to vote upon the removal of one or more Members named in the notice, and
157 only the named Member or Members may be removed at such meeting. For purposes of this
158 Section 12, "cause" includes, but is not limited to, the failure of a Member to pay
159 membership dues owed in accordance with Section 11 of these Bylaws.

160 13. Voting

- 161 a. Each Member shall be entitled to vote upon each matter submitted to a vote at a meeting
162 of the Members. At all meetings of Members, a Member may vote in person through its
163 Delegate or by proxy executed in writing by the Member or by his or her duly authorized
164 attorney in fact. All proxy's must be given to the Executive Director at least fourteen
165 days prior to the meeting of the Members.
- 166 b. Members may only participate in meetings by attendance in person or by proxy.
167 Members may not participate by conference telephone or any other communications
168 equipment.
- 169 c. Members holding ten percent (10%) of the votes entitled to be cast represented in person
170 or by proxy shall constitute a quorum for the transaction of business. The affirmative vote
171 of a majority of the votes present and voted, either in person or by proxy, at a meeting at
172 which quorum is present shall be necessary for the adoption of any matter voted upon by
173 the Members, unless a greater proportion is required by law, the Articles of Incorporation
174 of the Corporation or these Bylaws.

- 175 14. Delegates
- 176 Following admission to Membership, each Member shall appoint one Delegate to the
- 177 Corporation by notice in writing to the Executive Director. Any subsequent changes in
- 178 such appointment from time to time shall be made by notice to the Executive Director.
- 179 Each Delegate shall exercise the vote of his or her Member.
- 180 15. Transfer of Membership
- 181 a. Membership in the Corporation is not transferable or assignable by Members.

182 **ARTICLE II**

183 **BOARD OF TRUSTEES**

184 16. General Powers and Duties

185 The property, business and affairs of the Corporation shall be managed by the Board of
186 Trustees. Accordingly, the Board of Trustees' duties and responsibilities shall include but
187 not be limited to:

- 188 a. Ensuring the financial viability of the IVSC;
- 189 b. Review of the IVSC strategic plan and its effectiveness;
- 190 c. Annual review of the IVSC budget and securing commensurate funding;
- 191 d. Review of strategic issues affecting valuation standards. Trustees are excluded however
192 from all technical matters related to the International Valuation Standards;
- 193 e. Appointment of individuals to the International Valuation Standards Board;
- 194 f. Appointment of individuals to the International Valuation Professional Board;
- 195 g. Oversight and appointment of individuals to all Committees;
- 196 h. Review of membership applications and the putting forward of recommendations to the
197 International Valuation Standards Council on membership applications, suspensions or
198 expulsions; and
- 199 i. Distributing annually a report on the activities of the IVSC including audited financial
200 statements.

201 17. Qualifications

202 The Board of Trustees shall seek to populate the Board of Trustees with individuals who:

- 203 a. are committed to achieving the Objectives of the IVSC as described herein;
- 204 b. have a global perspective and understanding of how the IVSC can best operate in the
205 world economy, business and financial reporting environments;
- 206 c. have a demonstrated ability to analyze issues and formulate strategic initiatives to be
207 undertaken by the IVSC;
- 208 d. possess integrity and objectivity in order to render impartial, reasoned decisions and
209 policy;
- 210 e. have effective communication skills in dealing with the public and IVSC Members;
- 211 f. are drawn from geographically diverse areas.

212 18. Number

213 The Board of Trustees shall not be less than six nor more than eleven persons, the exact number
214 of Trustees to be fixed from time to time by resolution of the Board of Trustees.

215 19. Election and Term of Office

- 216 a. The Advisory Board shall prepare a slate of candidates to fill vacancies on the Board of
217 Trustees at the time of the Annual General Meeting of the Members to be held in

218 October 2008 for the purpose of electing new Trustees, in accordance with Section 104
219 of these Bylaws.

220 b. Beginning with the annual meeting of the Members occurring in 2009, as described in
221 Section 5 of these Bylaws, the Nominating Committee shall prepare a slate of
222 candidates for election to the Board of Trustees of the Corporation to fill vacancies on
223 the Board of Trustees, in accordance with Section 39 of these Bylaws.

224 c. The Members shall elect Trustees to fill any vacancies on the Board of Trustees at the
225 special meeting of the Members held in October 2008 for that purpose. Thereafter, the
226 Members shall elect Trustees to fill vacancies on the Board of Trustees at the annual
227 meeting of the Members.

228 d. The Trustees elected at the Annual General Meeting of the Members held in October
229 2008 for that purpose shall be divided by the Members into three classes (I, II, and III).
230 The terms of the Trustees in Class I shall expire at the time of the annual meeting of the
231 Members held in 2011. The terms of the Trustees in Class II shall expire at the time of
232 the annual meeting of the Members held in 2010. The terms of the Trustees in Class III
233 shall expire at the time of the annual meeting of the Members held in 2009. Beginning
234 with the election of Trustees at the annual meeting of the Members held in 2009, all
235 Trustees shall be elected for a term of three years and shall hold office until their
236 successors shall be elected or until their earlier death, resignation or removal. Trustees
237 may be re-appointed for a maximum of one additional three-year term.

238 20. Chairperson of the Board of Trustees

239 The Chairperson of the Board of Trustees shall preside at all meetings of the Board of
240 Trustees and all meetings of the Members and shall perform such other duties as may be
241 assigned to him or her from time to time by the Board of Trustees. The term of the Chairperson
242 of the Board of Trustees shall be two years. A Chairperson, or a Vice-Chairperson taking over
243 as Chairperson, can be re-elected for a maximum of one additional two-year term.

244 21. Vice Chairperson of the Board of Trustees

245 In the absence of the Chairperson of the Board of Trustees, the Vice Chairperson of the
246 Board of Trustees shall have all the powers and perform all the duties of the Chairperson.
247 The term of the Vice Chairperson shall be one year. A Vice Chairperson can be re-elected for
248 any number of one-year terms.

249 22. Resignations

250 Any Trustee may resign at any time by giving written or electronic notice to the Board of
251 Trustees. Such resignation shall take effect when the notice is delivered unless the notice
252 specifies a future date. Acceptance of such resignation shall not be necessary to make it effective.

253 23. Vacancies

254 Any vacancy occurring in the Board of Trustees, or any Trusteeship to be filled by reason of
255 an increase in the number of Trustees, may be filled by the Board of Trustees at the next
256 annual meeting of the Board of Trustees, any regular meeting of the Board of Trustees, or
257 at a special meeting of the Board of Trustees called for that purpose. Each Trustee elected
258 to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

259 24. Annual Meetings

260 The annual meeting of the Board of Trustees shall be held without other notice than this
261 Bylaw immediately preceding and at the same place as the annual meeting of Members, or at
262 such other place and at such time as may be determined by the Board of Trustees.

263 25. Special Meetings

264 Special meetings of the Board of Trustees may be held at any time on the call of the
265 Chairperson or at the request in writing of any five (5) Trustees. Special meetings of the Board
266 of Trustees may be held at such place, either within or without the State of Illinois, as shall be
267 specified or fixed in the call for such meeting or notice thereof.

268 26. Notice of Meetings

269 Notice of each special meeting shall be delivered by or at the direction of the Executive
270 Director to each Trustee at least thirty (30) days before the day on which the meeting is to be
271 held. Notice may be waived in writing by a Trustee, either before or after the meeting.
272 Attendance of a Trustee at any meeting shall constitute a waiver of notice of such meeting
273 except where the Trustee attends the meeting for the express purpose of objecting to the
274 transaction of any business because the meeting is not lawfully called or convened. Neither
275 the business to be transacted at, nor the purpose of any special meeting of the Board of Trustees
276 need be specified in the notice or waiver of notice of such meeting.

277 27. Quorum

278 Each Trustee shall be entitled to one vote. Two thirds of the Trustees then in office shall
279 constitute a quorum for the transaction of business at any meeting of the Board of Trustees.
280 The act of a majority of the Trustees present at a meeting at which a quorum is present shall
281 be the act of the Board of Trustees unless the act of a greater number is required by law, the
282 Articles of Incorporation of the Corporation or these Bylaws. In the event of a tie, the
283 Chairperson shall cast the tie-breaking vote. Trustees shall not be entitled to vote by proxy.

284 28. Participation at Meetings by Conference Telephone

285 Trustees may participate in and act at any meeting of the Board of Trustees through the use
286 of a conference telephone or other communications equipment by means of which all persons
287 participating in the meeting can communicate with each other. Participation in such meeting
288 shall constitute attendance and presence in person at the meeting of the person or persons so
289 participating.

290 29. Informal Action

291 Any action that may be taken at a meeting of the Board of Trustees may be taken without a
292 meeting if a consent in writing, setting forth the action so taken, is signed by all the Trustees.

293 30. Removal

294 One or more of the Trustees may be removed for cause at a meeting of Members by the
295 affirmative vote of two-thirds of the votes present and voted either in person or by proxy.
296 Written or electronic notice of such meeting shall be delivered to all Members. Such notice
297 shall state that a purpose of the meeting is to vote upon the removal of one or more Trustees
298 named in the notice, and only the named Trustee or Trustees may be removed at such
299 meeting.

300 31. Compensation of Trustees

301 Trustees, as such, shall not receive any salary from the Corporation for their services but shall
302 be reimbursed for expenses of attendance for attendance at each regular or special meeting of
303 the Board of Trustees; provided that nothing herein contained shall be construed to preclude
304 any Trustee from serving the Corporation in any other capacity and receiving compensation
305 therefor.

306 **ARTICLE III**

307 **CORPORATE GOVERNANCE**

308 32. The Officers

309 The Officers of the Corporation shall consist of the Chairperson of the Board of Trustees, who
310 shall be elected by the Board of Trustees from among the Trustees of the Corporation, two Vice
311 Chairpersons, both of whom shall be elected from among the Trustees of the Corporation, the
312 Executive Director, and such other Officer and assistant Officer as the Board of Trustees may
313 authorize.

314 33. Ratification by Members

315 The Officers shall hold office for their respective terms and until their successors have been duly
316 elected or appointed, or until their earlier death, resignation or removal. The appointment of the
317 Officers shall be ratified by the Members entitled to vote at the annual meeting of Members.
318 Any two or more offices may be held by the same person.

319 34. The Executive Director

320 The Executive Director shall act as Secretary of the Corporation, shall give, or cause to be
321 given, notice of all meetings of the Board of Trustees. the International Valuation Standards
322 Board, the International Valuation Professional Board and the Members, unless notice
323 thereof be waived, shall supervise the custody of all records and reports and shall be
324 responsible for the keeping and reporting of adequate records of all meetings of the Board of
325 Trustees, the International Valuation Standards Board, the International Valuation
326 Professional Board and the Members. In addition, the Executive Director shall be the
327 custodian of the seal of the Corporation. The Executive Director shall also perform such
328 other duties as may be assigned to him or her from time to time by the Board of Trustees.
329 The term of the Executive Director shall be one year, or as otherwise approved by the
330 Board of Trustees.

331 35. Resignations

332 Any Officer may resign at any time by giving written or electronic notice to the Executive
333 Director or the Board of Trustees. Such resignation shall take effect when the notice is
334 delivered unless the notice specifies a mutually acceptable future date. Acceptance of such
335 resignation shall not be necessary to make it effective.

336 36. Removal

337 Any of the Officers of the Corporation may be removed by the Board of Trustees, but such
338 removal shall be without prejudice to the contract rights, if any, of the person so removed.
339 Election or appointment of an Officer shall not of itself create any contract rights.

340 37. Vacancies

341 Any vacancy in any office because of death, resignation, removal, disqualification or any other
342 cause, shall be filled by the Board of Trustees at an annual or regular meeting or at a
343 special meeting called for such purpose.

344 **ARTICLE IV**

345 **COMMITTEES**

346 38. Executive Committee

347 The Board of Trustees may designate an Executive Committee consisting of two or more
348 Trustees, which Executive Committee, to the extent provided in said resolution, shall have and
349 exercise the authority of the Board of Trustees in the management of the Corporation between
350 meetings of the Board of Trustees; provided, however, that the Executive Committee shall not
351 have the authority of the Board of Trustees in reference to:

- 352 a. Amending, altering or repealing the Bylaws of the Corporation;
- 353 b. Electing, appointing or removing any Member of the Executive Committee or any
354 Trustee or officer of the Corporation;
- 355 c. Amending the Articles of Incorporation of the Corporation;
- 356 d. Adopting a plan of merger or consolidation of the Corporation with another
357 corporation;
- 358 e. Authorizing the sale, lease, exchange or mortgage of all or substantially all of the
359 property and assets of the Corporation;
- 360 f. Authorizing the voluntary dissolution of the Corporation or revoking
361 proceedings therefor;
- 362 g. Adopting a plan of distribution of the assets of the Corporation; or
- 363 h. Amending, altering or repealing any resolution of the Board of Trustees which by its
364 terms provides that it shall not be amended, altered or repealed by the Executive
365 Committee.

366 39. Nominating Committee

367 The Corporation shall have a Nominating Committee, which, commencing with the
368 election of Trustees at the annual meeting of the Members in 2009, shall propose a
369 slate of candidates to fill vacancies on the Board of Trustees. The Nominating
370 Committee shall submit the slate of candidates to the Members at least thirty (30)
371 days prior to each annual meeting of the Members. The Nominating Committee shall
372 consist of not less than three persons, the exact number of members to be fixed from
373 time to time by resolution of the Board of Trustees. The Committees shall have no
374 set meetings, but shall meet at least once a year, or more often as deemed necessary,
375 to transact its business.

376 40. Other Committees

377 The Board of Trustees may appoint other committees not having and exercising the
378 authority of the Board of Trustees to aid and assist the Board in the management of the
379 affairs of the Corporation.

380 41. Quorum

381 Unless the appointment by the Board of Trustees requires a greater number, a majority of any
382 committee shall constitute a quorum for committee action at any meeting of the committee,

383 and the act of a majority of committee members present and voting at a meeting at which a
384 quorum is present shall be the act of the committee.

385 42. Participation at Meetings by Conference Telephone

386 Committee members may participate in and act at any committee meeting through the
387 use of a conference telephone or other communications equipment by means of which all
388 persons participating in the meeting can communicate with each other. Participation in such
389 meeting shall constitute attendance and presence in person at the meeting of the person or
390 persons so participating.

391 43. Meetings of Committees

392 Subject to action by the Board of Trustees, each committee by majority vote of its
393 members shall determine the time and place of meetings and the notice required
394 therefor.

395 44. Informal Action

396 Any action required to or which may be taken at a meeting of a committee may be taken
397 without a meeting if a consent in writing, setting forth the action so taken, is signed by all of
398 the committee members.

399 **ARTICLE V**

400 **INTERNATIONAL VALUATION STANDARDS BOARD (“IVSB”)**

401 45. General Powers and Duties

402 The International Valuation Standards Board shall generally develop, monitor, review and
403 amend the International Valuation Standards, which activities shall include but not be
404 limited to:

- 405 a. responsibility for setting the technical agenda of the IVSB.
- 406 b. establish methods and procedures whereby the IVSB may issue Exposure
407 Drafts, Invitations to Comment and like documents in order to broadly consult
408 with experts, parties interested in valuation standards and the public at large.
- 409 c. establish methods and procedures to periodically publish the International
410 Valuation Standards.
- 411 d. establish methods and procedures to distribute on a timely basis, information
412 about and/or interpretations of the International Valuation Standards.
- 413 e. consider holding public meetings or hosting electronic forums to discuss proposed
414 standards.
- 415 f. support the work of the IVSC and promote adoption of the International
416 Valuation Standards.

417 46. Qualifications.

418 The Board of Trustees shall appoint members of the IVSB who:

- 419 a. are committed to achieving the Objectives of the IVSC as described herein.
- 420 b. demonstrate a high level of professional knowledge and technical competency in the
421 principles of valuation, valuation standards and valuation reporting.
- 422 c. concurrent with valuation acumen, offer professional and geographical diversity.
- 423 d. have effective communication skills in dealing with the public and IVSB members.
- 424 e. will liaise with national standard-setters and other official bodies responsible for
425 domestic standard setting.
- 426 f. commit to act in the public interest.
- 427 g. shall not be both a Trustee and an IVSB member at the same time.

428 47. Number

429 The IVSB shall not be less than six nor more than nine persons.

430 48. Appointment and Term of Office

431 Members of the IVSB shall be appointed annually by the Board of Trustees at their annual
432 meeting to hold office for a term of three years which, except for the Chair and to the extent
433 possible, shall be staggered and until their successors shall be appointed or until their earlier

434 death, resignation or removal. IVSB members can be re-elected for a maximum of one
435 additional three year term.

436 49. Chairperson of the IVSB

437 The Chairperson of the IVSB shall preside at all meetings of the IVSB and shall perform
438 such duties as may be required from time to time by the IVSB. The Chairperson shall be
439 elected from among the IVSB members. The term of the Chairperson of the IVSB shall be
440 three years. A Chairperson can be re-elected for a maximum of one additional three-year
441 term.

442 50. The Vice Chairperson of the IVSB

443 In the absence of the Chairperson of the IVSB, the Vice Chairperson of the IVSB shall
444 have all the powers and perform all the duties of the Chairperson. The term of the Vice
445 Chairperson shall be one year. A Vice Chairperson can be re-elected for any number of
446 one-year terms.

447 51. Resignations

448 Any Member of the IVSB may resign at any time by giving written or electronic notice to the
449 Executive Director of the Board of Trustees. Such resignation shall take effect when the notice
450 is delivered unless the notice specifies a future date. Acceptance of such resignation shall not
451 be necessary to make it effective.

452 52. Vacancies

453 Any vacancy occurring in the IVSB may be filled by the Board of Trustees at the next
454 annual meeting of the Board of Trustees, any regular meeting of the Board of Trustees,
455 or at a special meeting of the Board of Trustees called for that purpose. Each person
456 appointed to fill a vacancy shall hold office for the unexpired term of his predecessor in
457 office.

458 53. Meetings

459 Not less than one meeting of the IVSB shall be held each year without other notice than
460 this Bylaw immediately preceding and at the same place as the annual meeting of
461 Members, or at such other place and at such time as may be determined by the IVSB.
462 Meetings of the IVSB shall be open to the public, but certain discussions may be held in
463 private at the discretion of the IVSB.”

464 54. Notice of Meetings

465 Notice of each meeting shall be delivered by or at the direction of the Executive Director to
466 each IVSB Member at least thirty (30) days before the day on which the meeting is to be
467 held. Neither the business to be transacted at, nor the purpose of, any special meeting of the
468 IVSB need be specified in the notice or waiver of notice of such meeting.

469 55. Quorum

470 Each IVSB member shall be entitled to one vote. Two-thirds of the IVSB members then in
471 office shall constitute a quorum for the transaction of business at any meeting of the IVSB.
472 The act of a majority of the IVSB members present at a meeting at which a quorum is

473 present shall be the act of the IVSB. In the event of a tie, the Chairperson shall cast the
474 tie-breaking vote. IVSB members shall not be entitled to vote by proxy.

475 56. Participation at Meetings by Conference Telephone

476 IVSB members may participate in and act at any meeting of the IVSB through the use of a
477 conference telephone or other communications equipment by means of which all persons
478 participating in the meeting can communicate with each other. Participation in such
479 meeting shall constitute attendance and presence in person at the meeting of the person or
480 persons so participating.

481 57. Informal Action

482 Any action that may be taken at a meeting of the IVSB may be taken without a meeting if a
483 consent in writing, setting forth the action so taken, is signed by all the IVSB members.

484 58. Removal

485 An IVSB member may be removed on the grounds of poor performance, misbehaviour,
486 incapacity or other failure at the request of the majority of the IVSB at a meeting of Board of
487 Trustees by the affirmative vote of three-quarters of the Trustees present at such meeting.
488 Written or electronic notice of such meeting shall be delivered to all Trustees. Such
489 notice shall state that a purpose of the meeting is to vote upon the removal of one or more
490 IVSB members named in the notice. The IVSB member(s) may attend such meeting for
491 the purpose of providing direct testimony, after which the IVSB Member will be excused.

492 59. Compensation of IVSB Members.

493 Unless engaged as Corporation staff, IVSB members shall not receive any salary from the
494 Corporation for their services but shall be reimbursed for expenses of attendance for
495 attendance at each regular or special meeting of the IVSB; provided that nothing herein
496 contained shall be construed to preclude any IVSB member from serving the Corporation in
497 any other capacity and receiving compensation therefor.

498 60. Prohibition of Activities

499 The IVSB may not act on behalf of the Corporation or bind the Corporation to any action,
500 but may make recommendations to the Board of Trustees or to the Officers of the
501 Corporation.

502 **ARTICLE VI**

503 **INTERNATIONAL VALUATION PROFESSIONAL BOARD (“IVPB”)**

504 61. General Powers and Duties

505 The International Valuation Professional Board shall generally monitor the education,
506 training and accreditation of valuers which activities shall include but not be limited to:

- 507 a. foster and review the development of educational programmes and materials that
508 are consistent with the IVSC Objectives;
- 509 b. develop a multi discipline international Body of Knowledge;
- 510 c. develop a set of international valuation Best Practices; and
- 511 d. support the work of the IVSC and promote education and training relative to
512 International Valuation Standards.

513 62. Qualifications.

514 The Board of Trustees shall appoint members of the IVPB who:

- 515 a. are committed to achieving the Objectives of the IVSC as described herein;
- 516 b. demonstrate a high level of professional knowledge and understanding relative to the
517 education of and programmes available to valuers, Best Practices and the valuation
518 body of knowledge;
- 519 c. along with identification of valuation education opportunities, offer professional and
520 geographical diversity;
- 521 d. have effective communication skills in dealing with the public and IVSB members;
- 522 e. will liaise with national standard-setters and other official bodies responsible for
523 domestic standard setting;
- 524 f. commit to act in the public interest; and
- 525 g. shall not be both a Trustee and an IVPB member at the same time.

526 63. Number

527 The IVPB shall not be less than six nor more than nine persons.

528 64. Appointment and Term of Office

529 Members of the IVPB shall be appointed annually by the Board of Trustees at their annual
530 meeting to hold office for a term of three years and until their successors shall be appointed
531 or until their earlier death, resignation or removal. IVPB members can be re-elected for a
532 maximum of one additional three year term.

533 65. Chairperson of the IVPB

534 The Chairperson of the IVPB shall preside at all meetings of the IVPB and shall perform
535 such duties as may be required from time to time by the IVPB. The Chairperson shall be
536 elected from among the IVPB members. The term of the Chairperson of the IVPB shall be

537 three years. A Chairperson can be re-elected for a maximum of one additional three-year
538 term.

- 539 66. The Vice Chairperson of the IVPB
- 540 67. In the absence of the Chairperson of the IVPB, the Vice Chairperson of the IVPB shall
541 have all the powers and perform all the duties of the Chairperson. The term of the
542 Vice Chairperson shall be one year. A Vice Chairperson can be re-elected for any
543 number of one-year terms.
- 544 68. Resignations
- 545 Any Member of the IVPB may resign at any time by giving written or electronic notice to the
546 Executive Director of the Board of Trustees. Such resignation shall take effect when the notice
547 is delivered unless the notice specifies a future date. Acceptance of such resignation shall not
548 be necessary to make it effective.
- 549 69. Vacancies
- 550 Any vacancy occurring in the IVPB may be filled by the Board of Trustees at the next
551 annual meeting of the Board of Trustees, any regular meeting of the Board of Trustees,
552 or at a special meeting of the Board of Trustees called for that purpose. Each person
553 appointed to fill a vacancy shall hold office for the unexpired term of his predecessor in
554 office.
- 555 70. Meetings
- 556 Not less than one meeting of the IVPB shall be held each year without other notice than
557 this Bylaw immediately preceding and at the same place as the annual meeting of
558 Members, or at such other place and at such time as may be determined by the IVPB.
559 Meetings of the IVPB shall be open to the public, but certain discussions may be held in
560 private at the discretion of the IVPB.”
- 561 71. Notice of Meetings
- 562 Notice of each meeting shall be delivered by or at the direction of the Executive Director to
563 each IVPB Member at least thirty (30) days before the day on which the meeting is to be
564 held. Neither the business to be transacted at, nor the purpose of, any special meeting of the
565 IVPB need be specified in the notice or waiver of notice of such meeting.
- 566 72. Notice of Special Meetings
- 567 Notice of each special meeting shall be delivered by or at the direction of the Executive
568 Director to each IVPB Member at least thirty (30) days before the day on which the
569 meeting is to be held. Neither the business to be transacted at, nor the purpose of, any
570 special meeting of the Board of Trustees need be specified in the notice or waiver of notice
571 of such meeting.
- 572 73. Quorum
- 573 Each IVPB member shall be entitled to one vote. Two-thirds of the IVPB members then in
574 office shall constitute a quorum for the transaction of business at any meeting of the IVPB.
575 The act of a majority of the IVPB members present at a meeting at which a quorum is
576 present shall be the act of the IVPB. In the event of a tie, the Chairperson shall cast the
577 tie-breaking vote. IVPB members shall not be entitled to vote by proxy.

578 74. Participation at Meetings by Conference Telephone

579 IVPB members may participate in and act at any meeting of the IVPB through the use of a
580 conference telephone or other communications equipment by means of which all persons
581 participating in the meeting can communicate with each other. Participation in such
582 meeting shall constitute attendance and presence in person at the meeting of the person or
583 persons so participating.

584 75. Informal Action

585 Any action that may be taken at a meeting of the IVPB may be taken without a meeting if a
586 consent in writing, setting forth the action so taken, is signed by all the IVPB members.

587 76. Removal

588 An IVPB member may be removed on the grounds of poor performance, misbehaviour,
589 incapacity or other failure at the request of the majority of the IVPB at a meeting of Board of
590 Trustees by the affirmative vote of three-quarters of the Trustees present at such meeting.
591 Written or electronic notice of such meeting shall be delivered to all Trustees. Such
592 notice shall state that a purpose of the meeting is to vote upon the removal of one or more
593 IVPB members named in the notice. The IVPB member(s) may attend such meeting for
594 the purpose of providing direct testimony, after which the IVPB Member will be excused.

595 77. Compensation of IVPB Members.

596 Unless engaged as Corporation staff, IVPB members shall not receive any salary from the
597 Corporation for their services but shall be reimbursed for expenses of attendance for
598 attendance at each regular or special meeting of the IVPB; provided that nothing herein
599 contained shall be construed to preclude any IVPB member from serving the Corporation in
600 any other capacity and receiving compensation therefor.

601 78. Prohibition of Activities

602 The IVPB may not act on behalf of the Corporation or bind the Corporation to any action,
603 but may make recommendations to the Board of Trustees or to the Officers of the
604 Corporation.

605 **ARTICLE VII**

606 **MISCELLANEOUS PROVISIONS**

607 Indemnification of Trustees, Board and Committee members, Officers, Employees and
608 Agents; Insurance.

609 79. The Corporation shall indemnify any person who was or is a party, or is threatened to be
610 made a party to any threatened, pending or completed action, suit or proceeding,
611 whether civil, criminal, administrative or investigative (other than an action by or in the
612 right of the Corporation) by reason of the fact that he or she is or was a Trustee, Board
613 member, Committee member, officer, employee or agent of the Corporation, or who is or
614 was serving at the request of the Corporation as a Trustee, Board member, Committee
615 member, officer, employee or agent of another corporation, partnership, joint venture, trust
616 or other enterprise, against expenses (including attorneys' fees), judgments, fines and
617 amounts paid in settlement actually and reasonably incurred by such person in
618 connection with such action, suit or proceeding, if such person acted in good faith and in a
619 manner he or she reasonably believed to be in, or not opposed to the best interests of the
620 Corporation, and, with respect to any criminal action or proceeding, had no reasonable
621 cause to believe his or her conduct was unlawful. The termination of any action, suit
622 or proceeding by judgment, order, settlement, conviction, or upon a plea of no lo
623 contendere or its equivalent, shall not, of itself, create a presumption that the person did
624 not act in good faith and in a manner which he or she reasonably believed to be in or not
625 opposed to the best interests of the Corporation or, with respect to any criminal action or
626 proceeding, had reasonable cause to believe that his or her conduct was unlawful.

627 80. The Corporation shall indemnify any person who was or is a party, or is threatened to
628 be made a party to any threatened, pending or completed action or suit by or in the right
629 of the Corporation to procure a judgment in it s favour by reason of the fact that such
630 person is or was a Trustee, Board member, Committee member, officer, employee or
631 agent of the Corporation, or is or was serving at the request of the Corporation as a
632 Trustee, Board member, Committee member, officer, employee or agent of another
633 corporation, partnership, joint venture, trust or other enterprise, against expenses
634 (including attorneys' fees) actually and reasonably incurred by such person in
635 connection with the defence or settlement of such action or suit, if such person acted in
636 good faith and in a manner he or she reasonably believed to be in, or not opposed to the
637 best interests of the Corporation, provided that no indemnification shall be made in
638 respect of any claim, issue or matter as to which such person shall have been adjudged
639 to be liable for negligence or misconduct in the performance of his or her duty to the
640 Corporation, unless, and only to the extent that the court in which such action or suit was
641 brought shall determine upon application that, despite the adjudication of liability, but in
642 view of all the circumstances of the case, such person is fairly and reasonably entitled to
643 indemnity for such expenses as the court shall deem proper.

644 81. To the extent that a Trustee, Board member, Committee member, officer, employee or
645 agent of the Corporation has been successful, on the merits or otherwise, in the defence of
646 any action, suit or proceeding referred to in paragraph 73 or paragraph 74 or in defence of
647 any claim, issue or matter therein, such person shall be indemnified against expenses

648 (including attorneys' fees) actually and reasonably incurred by such person in
649 connection therewith. Any indemnification under paragraph 73 or paragraph 74 (unless
650 ordered by a court) shall be made by the Corporation only as authorized in the specific
651 case, upon a determination that indemnification of the Trustee, Board member,
652 Committee member, officer, employee or agent is proper in the circumstances because
653 he or she has met the applicable standard of conduct set forth in paragraph 73 or
654 paragraph 74. Such determination shall be made (i) by the Board of Trustees by a majority
655 vote of a quorum consisting of Trustees who were not parties to such action, suit or
656 proceeding, or (ii) if such a quorum is not obtainable, or even if obtainable, if a quorum of
657 disinterested Trustees so directs, by independent legal counsel in a written opinion, or
658 (iii) by the Members.

659 82. Expenses incurred by an officer or a Trustee incurred in defending a civil or criminal
660 action, suit or proceeding may be paid by the Corporation in advance of the final
661 disposition of such action, suit or proceeding, as authorized by the Board of Trustees in
662 the specific case, upon receipt of an undertaking by or on behalf of the Trustee, Board
663 member, Committee member, officer, employee or agent to repay such amount, unless it
664 shall ultimately be determined that he or she is entitled to be indemnified as authorized in
665 this Article VII.

666 83. The indemnification provided by this Article VII shall not be deemed exclusive of any
667 other rights to which those seeking indemnification may be entitled under any
668 agreement, vote of Members or disinterested Trustees, or otherwise, both as to action in
669 his or her official capacity and as to action in another capacity while holding such office,
670 and shall continue as to a person who has ceased to be a Trustee, Board member,
671 Committee member, officer, employee or agent, and shall inure to the benefit of the heirs,
672 executors and administrators of such a person.

673 84. The Corporation may purchase and maintain insurance on behalf of any person who is
674 or was a Trustee, Board member, Committee member, officer, employee or agent of the
675 Corporation, or who is or was serving at the request of the Corporation as a Trustee, Board
676 member, Committee member, officer, employee or agent of another corporation,
677 partnership, joint venture, trust or other enterprise, against any liability asserted against
678 such person and incurred by such person in any such capacity, or arising out of his or her
679 status as such, whether or not the Corporation would have the power to indemnify such
680 person against such liability under the provisions of this Article VII.

681 85. If the Corporation has paid indemnity or has advanced expenses under this Article VII to
682 a Trustee, Board member, Committee member, officer, employee or agent, the Corporation
683 shall report the indemnification or advance in writing to the Members with or before the
684 notice of the next meeting of the Members.

685 86. For purposes of this Article VII, references to "the Corporation" shall include, in addition
686 to the surviving corporation, any merging corporation (including any corporation having
687 merged with a merging corporation) absorbed in a merger which, if its separate existence
688 had continued, would have had the power and authority to indemnify its Trustees,
689 Board and Committee members, Officers, employees or agents, so that any person who
690 was a Trustee, Board and Committee members, officers, employee or agent of such
691 merging corporation, or was serving at the request of such merging corporation as a

692 Trustee, Board member, Committee member, officer, employee or agent of another
693 corporation, partnership, joint venture, trust or other enterprise, shall stand in the same
694 position under the provisions of this Article VII with respect to the surviving corporation
695 as such person would have with respect to such merging corporation if its separate
696 existence had continued.

697 87. For purposes of this Article VII, references to "other enterprises" shall include employee
698 benefit plans; references to "fines" shall include any excise taxes assessed on a person with
699 respect to an employee benefit plan; and references to "serving at the request of the
700 Corporation" shall include any service as a Trustee, Board member, Committee member,
701 officer, employee or agent of the Corporation which imposes duties on, or involves
702 services by such Trustee, Board member, Committee member, officer, employee, or
703 agent with respect to an employee benefit plan, its participants, or beneficiaries. A person
704 who acted in good faith and in a manner he or she reasonably believed to be in the best
705 interests of the participants and beneficiaries of an employee benefit plan shall be
706 deemed to have acted in a manner "not opposed to the best interests of the Corporation"
707 as referred to in this Article VII.

708 88. Principal Office

709 The principal office of the Corporation in the State of Illinois shall be located at # ● .

710 89. Operations Office

711 The operations office of the International Valuation Standards Council is located at:

712 12 George Street, Parliament Square
713 London SW1P 3AD
714 United Kingdom

715 90. Corporate Seal

716 The corporate seal of the Corporation shall be circular in form, bearing the name of the
717 Corporation and the word "ILLINOIS" in the marginal circle, and the words "Corporate
718 Seal" in the inner circle. Said seal may be used by causing it or a facsimile or equivalent
719 thereof to be impressed or affixed or reproduced.

720 91. Depositories

721 All funds of the Corporation not otherwise employed shall be deposited from time to time
722 to the credit of the Corporation in such banks, trust companies or other depositories as the
723 Board of Trustees may designate.

724 92. Checks, Drafts, Notes, Etc.

725 All checks, drafts or other orders for the payment of money and all notes or other
726 evidences of indebtedness issued in the name of the Corporation shall be signed by such
727 Officer or Officers, or agent or agents, of the Corporation and in such manner as shall
728 from time to time be determined by resolution of the Board of Trustees.

729 93. Fiscal Year

730 The fiscal year of the Corporation shall end on the last day of March of each year.

731 94. Delivery of Notice

732 Any notices required to be delivered pursuant to these Bylaws shall be deemed to be
733 delivered when transferred or presented in person or deposited in the United States mail
734 addressed to the person at his, her, or its address as it appears on the records of the
735 Corporation, with sufficient first-class postage prepaid thereon or by electronic mail when
736 directed to an electronic mail address at which the Member, Trustee, Board or Committee
737 member has consented to receive notice.

738 95. Investments

739 Unless otherwise specified by the terms of a particular gift, bequest or devise, grant or other
740 instrument, the funds of the Corporation may be invested, from time to time, in such manner
741 as the Board of Trustees may deem advantageous without regard to restrictions applicable to
742 trustees or trust funds; provided, however: The Corporation shall not retain any excess
743 business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, or
744 corresponding provisions of any subsequent Federal tax law; and

745 96. The Corporation shall not make any investments in such manner as to subject it to
746 tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding
747 provisions of any subsequent Federal tax law.

748 **ARTICLE VIII**

749 **AMENDMENTS**

750 97. Method of Amendment

751 These Bylaws and the Articles of Incorporation may be altered, amended or repealed, and
752 new and other Bylaws and Articles of Incorporation, respectively, may be made and
753 adopted at any annual or regular meeting of the Board of Trustees, or at any special meeting
754 called for that purpose, by the affirmative vote of a majority of the Trustees in office;
755 provided, however, that with respect to Article I, Section 3, "Objectives," of the Bylaws and
756 Rider B, Section 4 of the Articles of Incorporation, the Members shall have the sole right to
757 amend such section of these Bylaws and such section of the Articles of Incorporation by the
758 affirmative vote of seventy-five percent (75%) of the votes present and voted, either in
759 person or by proxy, at a meeting at which quorum of Members is present.

760

761 **ARTICLE IX**

762 **DISTRIBUTIONS**

763 98. Distributions

764 The Board of Trustees of the Corporation may authorize, and the Corporation may make,
765 distributions of its money, property or other assets, other than upon dissolution and final
766 liquidation, subject to the limitations of Section 101 of this Article IX, only:

767 a. To any person or organization who or which has made payments to the
768 Corporation for goods or services, as a fractional repayment of such
769 payments, provided all such persons or organizations in any category are
770 repaid on an equal pro rata basis; or

771 b. To any person or organization as a repayment of his, her or its contribution
772 of an amount not to exceed the amount of the contribution, provided that any
773 assets held for any charitable, religious, eleemosynary, benevolent,
774 educational or similar purpose or held upon a condition requiring return,
775 shall continue to be so restricted.

776 99. Payments in Furtherance of Purposes

777 Any payment or transfer of money, property or other assets in furtherance of any of the
778 purposes of the Corporation shall not be deemed a distribution for the purposes of this Article
779 IX and this Article IX shall not be construed as limiting the purposes and powers of the
780 Corporation.

781 100. Determination of Distributions

782 All distributions by the Corporation permitted by this Article IX shall be at the option of the
783 Corporation only and at such amount or amounts, within the period or periods, and on such
784 terms and conditions, not inconsistent with the purpose of the Corporation and statute, as are
785 fixed by the Board of Trustees of the Corporation.

786 101. Limitation on Distributions

787 No distribution under Section 98 of this Article IX may be made if, after giving it effect:

788 a. The Corporation would be insolvent; or

789 b. The net assets of the Corporation would be less than zero; or

790 c. The Corporation would be rendered unable to carry on its corporate purposes.

791 **ARTICLE X**

792 **ADVISORY BOARD**

793 102. From the period beginning on the date of adoption of these Bylaws and ending on the
794 date of the Annual General Meeting of the Members held in October 2008 for the
795 purpose of electing Trustees, the Corporation shall have an Advisory Board.

796 103. The Advisory Board shall consist of not less than six nor more than fifteen people, the
797 exact number to be fixed by resolution of the Board of Trustees. The Advisory Board
798 shall be appointed by the Board of Trustees.

799 104. The Advisory Board is charged with the following duties:

- 800 a. to ensure on a best efforts basis that the spirit and intent of these Bylaws are
801 followed;
- 802 b. to act as stewards and counsellors to the Board of Trustees with respect to any and
803 all funds and / or commitments to fund the restructuring of the Corporation as
804 contemplated herein;
- 805 c. to prepare a slate of candidates for election to the Board of Trustees, which may
806 include persons who are members of the Advisory Board, to be presented to the
807 Members at the Annual General Meeting of the Members to be held in October
808 2008 for the purpose of electing Trustees;
- 809 d. to establish a process which ensures establishment and annual review of the
810 strategy of the IVSC, the IVSB, and the IVPB and their effectiveness, including
811 consideration, but not determination of the IVSB's agenda;
- 812 e. to make recommendations to the Board of Trustees regarding the IVSC
813 restructuring budget and a basis for sustainable funding of the IVSC, its Boards,
814 Committees, and activities;
- 815 f. to consider strategic issues affecting the IVSC and International Valuation
816 Standards and formulate a strategic plan for the IVSC which will promote the
817 IVSC, the IVSC's work and International Valuation Standards.