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Seventh Amended and Restated

INTERNATIONAL VALUATION STANDARDS COUNCIL

BYLAWS

These Seventh Amended and Restated Bylaws were:
Adopted on 4 October 2017

32 **ARTICLE I**

33 1. Name

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

36 2. The Corporation

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

41 3. Objectives

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

43 Creating and ensuring an independent and transparent international valuation standards setting
44 process;

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

48 Identifying where local or regional standards differ from the international valuation standards,
49 and working toward greater compatibility and harmonization between local or regional
50 requirements and the International Valuation Standards;

51 Engage with stakeholders to achieve greater recognition and use of IVS;

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

54 Being the international voice of the valuation profession.

55 4. Membership

56 Membership in the IVSC shall consist of:

57 Valuation Professional Organizations – which shall include valuation professional
58 organizations recognized either by legal decree or general consensus;

59 Provisional Valuation Professional Organizations – a non-voting category of membership
60 which includes organizations that do not meet the qualifications for Valuation Professional
61 Organization and which meet the qualification set forth below in Paragraph 5;

62 Corporate members – which shall include valuation companies and companies having an
63 interest in valuation as well as entities with an interest in valuation standards and which secure
64 or use valuation services to include but not be limited to lenders, accountants, insurers, asset
65 managers, investment bankers, and others;

66 Institutional Members – which are not-for-profit entities to include but not be limited to
67 government agencies and regulators; and

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

70

71 5. Provisional Valuation Professional Members.

72 Provisional Valuation Professional Members are a special non-voting class of members.
73 Qualification for admission as a Provisional Valuation Professional Member shall be in
74 the sole discretion of the Board of Trustees. In order to be eligible for Provisional
75 Valuation Professional Membership, the organization must satisfy the following criteria.
76 The organization: (a) must demonstrate a shown commitment to meeting the Valuation
77 Professional Organization criteria in the future through action plans agreed to with IVSC;
78 (b) shall continue to make progress with respect to such plan subject to satisfactory bi-
79 annual review of programs and bi-annual reinstatement of Provisional Valuation
80 Professional Membership; (c) have the financial viability, governance and operating
81 structure to achieve this commitment; (d) pay an annual membership fee at the time of
82 admission to Provisional Valuation Professional Membership equal to one-half of the
83 then current professional Valuation Membership dues; and (e) attend the IVSC Annual
84 General Meeting (but with no vote). Provisional Valuation Professional Members shall
85 be permitted to access any Valuation Professional Organization Advisory Forum
86 publications and reports and shall be permitted to attend Advisory Forum meetings (but
87 with no vote). Provisional Valuation Professional Membership shall automatically
88 terminate two years after such membership status is first approved by the Board of
89 Trustees, unless the Board of Trustees affirmatively reinstates such membership for an
90 additional two year term. If Provisional Valuation Professional Membership terminates
91 at the end of the two year membership term (without further reinstatement by the Board
92 of Trustees), or is otherwise cancelled by the Board of Trustees in its sole discretion,
93 membership in IVSC may only be reinstated when the organization meets the criteria for
94 full Valuation Professional Organization Membership.

95 6. Annual Meetings

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

99 to elect Trustees to the Board of Trustees;

100 to receive the annual reports of the IVSC Boards and Committees;

101 to receive financial statements of the Corporation for the preceding year;

102 to receive the year to date operating results and projected remaining budget of the current year;

103 to receive the budget of the Board of Trustees for the next year;

104 to receive the names of persons appointed or elected as Officers of the Corporation by the
105 Board of Trustees;

106 to receive the names of persons appointed to IVSC Boards and Committees; and

107 to transact such other business, if any, stated in the notice of the meeting.

108 7. Special Meetings

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

113 8. Notice of Meetings

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

121 9. Waiver of Notice

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

128 10. Informal Action

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

140 11. Membership Application

141 Effective as of the annual meeting of the Members held in October 2015 for the purpose of
142 electing the Board of Trustees, all new entities seeking membership in the Corporation shall
143 complete an application for membership in the Corporation as established by the Board of
144 Trustees of the Corporation.
145

146 12. Membership Dues

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

149 13. Expulsion

150 A Member may be removed for cause at a meeting of Members by the affirmative vote of
151 two-thirds of the votes present and voted either in person or by proxy. Written or electronic
152 notice of such meeting shall be delivered to all Members. Such notice shall state that a
153 purpose of the meeting is to vote upon the removal of one or more Members named in the
154 notice, and only the named Member or Members may be removed at such meeting. For
155 purposes of this Section 13, “cause” includes, but is not limited to, the failure of a
156 Member to pay membership dues owed in accordance with Article I, Section 12 of these
157 Bylaws.

158 14. Voting

159 Each Member shall be entitled to vote upon each matter submitted to a vote at a meeting of the
160 Members. At all meetings of Members, a Member may vote in person through its Delegate or
161 by proxy executed in writing by the Member or by his or her duly authorized attorney in fact.
162 All proxy’s must be given to the CEO at least fourteen days prior to the meeting of the
163 Members.

164 Members may only participate in meetings by attendance in person or by proxy. Members
165 may not participate by conference telephone or any other communications equipment.

166 Members holding sixty percent (60%) of the votes entitled to be cast represented in person or
167 by proxy shall constitute a quorum for the transaction of business. The affirmative vote of a
168 majority of the votes present and voted, either in person or by proxy, at a meeting at which
169 quorum is present shall be necessary for the adoption of any matter voted upon by the
170 Members, unless a greater proportion is required by law, the Articles of Incorporation of the
171 Corporation or these Bylaws.

172 15. Delegates

173 Following admission to Membership, each Member shall appoint one Delegate to the
174 Corporation by notice in writing to the CEO. Any subsequent changes in such
175 appointment from time to time shall be made by notice to the CEO. Each Delegate shall
176 exercise the vote of his or her Member.

177 16. Transfer of Membership

178 Membership in the Corporation is not transferable or assignable by Members.

179

180 **ARTICLE II**

181 **BOARD OF TRUSTEES**

182 17. General Powers and Duties

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

186 Ensuring the financial viability of the IVSC;

187 Review of the IVSC strategic plan and its effectiveness;

188 Annual review of the IVSC budget and securing commensurate funding;
189 Ensure good governance and authorise significant commercial decisions;
190 Review of strategic issues affecting valuation standards. Trustees are excluded however from
191 approval of all technical pronouncements made by the International Valuation Standards
192 Review Board, Tangible Assets Standards Board, Business Valuation Standards Board or
193 Financial Instruments Standards Board;
194 Appointment of individuals to the International Valuation Standards Boards;
195 Approving elected VPO individuals to the Membership and Standards Recognition Board
196 (MSRB) and appointing the Chairperson;
197 Appointment of individuals to the Chairperson of any Advisory Forums;
198 Establish and amend due process procedures for the Standards Review Board with three
199 specialist boards covering Tangible Assets, Business Valuation and Financial Instruments);
200 Ensuring that standard setting follows due process;
201 Oversight and appointment of individuals to all Committees in accordance with Article IV;
202 Review of membership applications along with VPO representation from the MSRB and the
203 putting forward of recommendations to the International Valuation Standards Council either
204 through Enews or in person on membership applications, suspensions or expulsions; and
205 Distributing annually a report on the activities of the IVSC including audited financial
206 statements.

207 18. Qualifications

208 The Board of Trustees shall seek to populate the Board of Trustees with individuals who:
209 Seek to protect the public interest;
210 are committed to achieving the Objectives of the IVSC as described herein;
211 have a global perspective and understanding of how the IVSC can best operate in the world
212 economy, business and financial reporting environments;
213 have a demonstrated ability to analyze issues and formulate strategic initiatives to be
214 undertaken by the IVSC;
215 possess integrity and objectivity in order to render impartial, reasoned decisions and policy;
216 have effective communication skills in dealing with the public, IVSC Members and can
217 influence new stakeholders of the benefits of IVS;
218 can initiate funding discussions;
219 are drawn from geographically diverse areas.

220 19. Number

221 The Board of Trustees shall not be less than ten nor more than eighteen persons, the exact
222 number of Trustees to be fixed from time to time by resolution of the Board of Trustees.

223 20. Election and Term of Office

224 As described in Article IV, Section 40 of these Bylaws, the Nominating Committee shall
225 prepare a slate of candidates for election to the Board of Trustees of the Corporation to fill
226 vacancies on the Board of Trustees with respect to Trustees whose terms expire at the Annual
227 Meeting.

228 The Members shall elect Trustees to fill any vacancies on the Board of Trustees at the annual
229 meeting of the Members.

230 With the exception of filling new Trustee positions created as a result of an increase in the
231 number of Trustees, all Trustees shall be elected for a term of three years and shall hold office
232 until their successors shall be elected or until their earlier death, resignation or removal.
233 Trustees may be re-appointed for a maximum of one additional three-year term, except as set
234 forth in the immediately following sentence. Notwithstanding anything else contained herein
235 to the contrary, to the extent that a Trustee is serving or is elected to serve as Chairperson of
236 the Board of Trustees following completion of his or her second term on the Board of
237 Trustees, such person may continue to serve as a Trustee for the lesser of (a) two additional
238 three-year terms or (b) until such time as such person is no longer serving as Chairperson.

239 21. Chairperson of the Board of Trustees

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

246 22. Vice Chairpersons of the Board of Trustees

247 In the absence of the Chairperson of the Board of Trustees, the Board of Trustees by
248 resolution shall designate a Vice Chairperson of the Board of Trustees who shall have all
249 the powers and perform all the duties of the Chairperson. The term of the Vice
250 Chairpersons shall be one year. A Vice Chairperson can be re-elected for any number of
251 one-year terms.

252 23. Resignations

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

257 24. Vacancies

258 Other than with respect to vacancies created by the end of a Trustee's term at the Annual
259 Meeting, any vacancy occurring in the Board of Trustees, including any Trusteeship to be
260 filled by reason of an increase in the number of Trustees, may be filled by the Board of
261 Trustees at the next annual meeting of the Board of Trustees, any regular meeting of the
262 Board of Trustees, or at a special meeting of the Board of Trustees called for that
263 purpose. Each Trustee elected to fill an existing vacancy shall hold office for the
264 unexpired term of his predecessor in office, which unexpired term shall not be included
265 in determining the number of permissible terms a Trustee may serve under Article II,

266 Section 20 of these Bylaws. Each Trustee elected by the Board of Trustees to fill a
267 Trustee position created by an increase in the number of Trustees shall be elected for an
268 initial term of one, two or three years, as to be determined and set forth in a resolution of the
269 Board of Trustees, so as to best maintain the staggered structure of the terms of the
270 members of the Board of Trustees with approximately one-third of the Trustees' terms
271 expiring every year.

272 25. Annual Meetings

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

276 26. Special Meetings

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

281 27. Notice of Meetings

282 Notice of each special meeting shall be delivered by or at the direction of the CEO to each
283 Trustee at least thirty (30) days before the day on which the meeting is to be held. Notice
284 may be waived in writing by a Trustee, either before or after the meeting. Attendance of a
285 Trustee at any meeting shall constitute a waiver of notice of such meeting except where the
286 Trustee attends the meeting for the express purpose of objecting to the transaction of any
287 business because the meeting is not lawfully called or convened. Neither the business to be
288 transacted at, nor the purpose of any special meeting of the Board of Trustees need be
289 specified in the notice or waiver of notice of such meeting.

290 28. Quorum

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

298 29. Participation at Meetings by Conference Telephone

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

304 30. Informal Action

305 Any action that may be taken at a meeting of the Board of Trustees may be taken without a
306 meeting if a consent in writing, setting forth the action so taken, is authorised by all the
307 Trustees.

308 31. Removal

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

315 32. Compensation of Trustees

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

321

322 **ARTICLE III**

323 Corporate Governance

324 33. The Officers

325 The Officers of the Corporation shall consist of the Chairperson of the Board of Trustees,
326 who shall be elected by the Board of Trustees from among the Trustees of the Corporation,
327 two Vice Chairpersons, both of whom shall be elected from among the Trustees of the
328 Corporation, the CEO, and such other Officer and assistant Officer as the Board of
329 Trustees may authorize. The compensation of the Officers, if any, shall be fixed from time to
330 time by the Board of Trustees, and no Officer shall be prevented from receiving such
331 compensation by reason of the fact that he or she is also a Trustee of the Corporation.

332 34. Officer's Terms and Notification of Name of Officers to Members

333 The Officers shall hold office for their respective terms and until their successors have been
334 duly elected or appointed, or until their earlier death, resignation or removal. The Members
335 at the annual meeting of Members shall receive the names of the persons appointed as
336 Officers of the Corporation by the Board of Trustees. Any two or more offices may be held
337 by the same person.

338 35. The CEO (Chief Executive Officer)

339 The CEO shall act as Secretary of the Corporation, shall give, or cause to be given, notice
340 of all meetings of the Board of Trustees. the International Valuation Standards Boards,
341 the Membership & Standards Recognition Board, any Advisory Forums and the
342 Members, unless notice thereof be waived, shall supervise the custody of all records and

343 reports and shall be responsible for the keeping and reporting of adequate records of all
344 meetings of the Board of Trustees, the International Valuation Standards Boards, the
345 Membership & Standards Recognition Board, any Advisory Forums and the Members.
346 In addition, the CEO shall be the custodian of the seal of the Corporation. The CEO shall
347 also perform such other duties as may be assigned to him or her from time to time by the
348 Board of Trustees. The term of the CEO shall be one year, or as otherwise approved by
349 the Board of Trustees.

350 36. Resignations

351 Any Officer may resign at any time by giving written or electronic notice to the CEO or
352 the Board of Trustees. Such resignation shall take effect when the notice is delivered
353 unless the notice specifies a mutually acceptable future date. Acceptance of such
354 resignation shall not be necessary to make it effective.

355 37. Removal

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

359 38. Vacancies

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

363

364 **ARTICLE IV**

365 **COMMITTEES**

366 39. Executive Committee

367 The Board of Trustees may designate an Executive Committee consisting of two or more
368 Trustees, which Executive Committee, to the extent provided in said resolution, shall have and
369 exercise the authority of the Board of Trustees in the management of the Corporation
370 between meetings of the Board of Trustees; provided, however, that the Executive
371 Committee shall not have the authority of the Board of Trustees in reference to:

- 372 a. Amending, altering or repealing the Bylaws of the Corporation;
- 373 b. Electing, appointing or removing any Member of the Executive Committee or any
374 Trustee or officer of the Corporation;
- 375 c. Amending the Articles of Incorporation of the Corporation;
- 376 d. Adopting a plan of merger or consolidation of the Corporation with another
377 corporation;
- 378 e. Authorizing the sale, lease, exchange or mortgage of all or substantially all of the
379 property and assets of the Corporation;

- 380 f. Authorizing the voluntary dissolution of the Corporation or revoking
381 proceedings therefor;
- 382 g. Adopting a plan of distribution of the assets of the Corporation; or
- 383 h. Amending, altering or repealing any resolution of the Board of Trustees which by
384 its terms provides that it shall not be amended, altered or repealed by the Executive
385 Committee.

386 40. Nominating Committee

387 The Corporation shall have one or more Nominating Committees, which shall
388 propose a slate of candidates to fill vacancies on the Board of Trustees and such
389 other duties as may be described in these Bylaws. A Nominating Committee shall
390 submit the slate of candidates to the Members at least 1 week prior to each annual
391 meeting of the Members. A Nominating Committee shall consist of not less than
392 three persons, the exact number of members to be fixed from time to time by
393 resolution of the Board of Trustees. The Committees shall have no set meetings,
394 but shall meet at least once a year, or more often as deemed necessary, to transact
395 its business.

396 41. Other Committees

397 The Board of Trustees may appoint other committees not having and exercising the
398 authority of the Board of Trustees to aid and assist the Board in the management of
399 the affairs of the Corporation and these can include non-Trustee experts where the
400 Board does not have the relevant expertise.

401 42. Quorum

402 Unless the appointment by the Board of Trustees requires a greater number, a majority of
403 any committee shall constitute a quorum for committee action at any meeting of the
404 committee. The act of a majority of all committee members in writing or present shall be
405 the act of the committee.

406 43. Participation at Meetings by Conference Telephone

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

412 44. Meetings of Committees

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

416 45. Informal Action

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

420

421 **ARTICLE V**

422 **INTERNATIONAL VALUATION STANDARDS BOARDS** (Comprised of overarching
423 International Valuation Standards Review Board with three technical boards covering Tangible
424 Assets, Business Valuation and Financial Instruments)

425 46. General Powers and Duties

426 The International Valuation Standards Review Board (IVSRB) shall have the authority to
427 generally develop, monitor, review and amend the International Valuation Standards, which
428 activities shall include but not be limited to:

- 429 a. responsibility for approving the technical agenda
430 b. establish methods and procedures whereby the IVSRB may, with the technical
431 boards, issue Exposure Drafts, Invitations to Comment and like documents in
432 order to broadly consult with experts, parties interested in valuation standards
433 and the public at large.
434 c. establish methods and procedures to periodically publish the International
435 Valuation Standards.
436 d. establish methods and procedures to distribute on a timely basis, information
437 about and/or interpretations of the International Valuation Standards.
438 e. consider holding public meetings or hosting electronic forums to discuss proposed
439 standards.
440 f. support the work of the IVSC and promote adoption of the International
441 Valuation Standards.

442 47. The IVSRB shall work closely with the technical boards assigning responsibility
443 where appropriate to the expertise of each technical board:

- 444 a. Tangible Assets Board
445 b. Business Valuation Board
446 c. Financial Instruments Board

447 Each technical board is expected to lead the technical development of the standards
448 relevant to their area of expertise and liaise with their relevant stakeholders. The
449 primary remit of the IVSRB is in relation to general parts of the IVS, and to review
450 the outputs from the technical boards to ensure each part of the IVS effectively aligns
451 with the other parts.

452 48. Qualifications.

453 The Board of Trustees shall appoint members of the International Valuation Standards
454 Boards who:

455 are committed to achieving the Objectives of the IVSC as described herein.

456 demonstrate a high level of professional knowledge and technical competency in the principles
457 of valuation, valuation standards and valuation reporting.

458 concurrent with valuation acumen, offer professional and geographical diversity.

459 have effective communication skills in dealing with the public and International Valuation
460 Standards Boards members.

461 will liaise with national standard-setters and other official bodies responsible for domestic
462 standard setting.

463 commit to act in the public interest.

464 shall not be both a Trustee and a member of any Standards Board at the same time.

465 have the appropriate specialist technical competency for the board on which they sit.

466 49. Number

467 The IVSRB shall not be less than seven nor more than twelve persons and will include the
468 Chair of each sub-board as a member.

469 The specialist boards for Tangible Assets, Business Valuation and Financial Instruments shall
470 each not be less than seven nor more than ten persons.

471 50. Appointment and Term of Office

472 Members of the International Valuation Standards Boards shall be appointed annually by the
473 Board of Trustees at their annual meeting to hold office for a term of three years which, except
474 for the Chairperson and to the extent possible, shall be staggered and until their successors shall
475 be appointed or until their earlier death, resignation or removal. Members of a standards board
476 can be re-appointed for a maximum of one additional three year term, except as set forth in
477 the immediately following sentence. Notwithstanding anything else contained herein to the
478 contrary, to the extent that a member is serving or is appointed to serve as Chairperson
479 following completion of his or her second term, such person may continue to serve as a
480 standards board member for the lesser of (a) two additional three-year terms or (b) until such
481 time as such person is no longer serving as Chairperson.

482 51. Chairpersons of the IVSRB, Tangible Assets Board, Business Valuation Board and
483 Financial Instruments Board.

484 The Chairperson of each board shall preside at all meetings of that board and shall perform
485 such duties as may be required from time to time by that board. Each Chairperson shall be
486 appointed by the Board of Trustees from among the relevant board members after due
487 process. The term of the Chairperson of each board shall be three years. A Chairperson can
488 be re-appointed for a maximum of one additional three-year term.

489 52. The Vice Chairpersons of the IVSRB, Tangible Assets Board, Business Valuation Board
490 and Financial Instruments Board.

491 A Vice Chairperson of each board can be appointed by the Board of Trustees from among
492 the relevant board members after due process. In the absence of the Chairperson of the
493 relevant standards board, the Vice Chairperson of that board shall have all the powers and

494 perform all the duties of the Chairperson. The term of the Vice Chairperson shall be one
495 year. A Vice Chairperson can be re-appointed for any number of one-year terms.

496 53. Resignations

497 Any board member may resign at any time by giving written or electronic notice to the CEO or
498 the Board of Trustees. Such resignation shall take effect when the notice is delivered unless
499 the notice specifies a future date. Acceptance of such resignation shall not be necessary to
500 make it effective.

501 54. Vacancies

502 Any vacancy occurring may be filled by the Board of Trustees at the next annual meeting
503 of the Board of Trustees, any regular meeting of the Board of Trustees, or at a special
504 meeting of the Board of Trustees called for that purpose. Each person appointed to fill
505 a vacancy shall hold office for the unexpired term of his predecessor in office.

506 55. Meetings

507 Not less than one meeting of each specialist board as well as the IVSRB shall be held
508 each year without other notice than this Bylaw immediately preceding and at the same place
509 as the annual meeting of Members, or at such other place and at such time as may be
510 determined by the relevant standards board. Meetings shall be open to the public, but
511 certain discussions may be held in private at the discretion of each board.

512 56. Notice of Meetings

513 Notice of each meeting shall be delivered by or at the direction of the CEO to each board
514 Member at least thirty (30) days before the day on which the meeting is to be held.
515 Neither the business to be transacted at, nor the purpose of, any special meeting of the
516 relevant standards board need be specified in the notice or waiver of notice of such
517 meeting.

518 57. Quorum

519 Each member of the relevant standards board shall be entitled to one vote. Two-thirds of the
520 relevant board members then in office shall constitute a quorum for the transaction of
521 business at any meeting of that board. The act of a majority of the entire relevant board
522 shall be the act of that board. Board members shall also be able to submit a vote in writing
523 on each proposed publication of the relevant board.

524 58. Participation at Meetings by Conference Telephone

525 Board members may participate in and act at any meeting of their board through the use of
526 a conference telephone or other communications equipment by means of which all persons
527 participating in the meeting can communicate with each other. Participation in such
528 meeting shall constitute attendance and presence in person at the meeting of the person or
529 persons so participating.

530 59. Informal Action

531 Any action that may be taken at a meeting of the IVSRB or technical board may be taken
532 without a meeting if a consent in writing, setting forth the action so taken, is signed by all
533 the members of that board.

534 60. Removal

535 A standards board member may be removed on the grounds of poor performance,
536 misbehaviour, incapacity or other failure at the request of the majority of that board at a
537 meeting of Board of Trustees by the affirmative vote of three-quarters of the Trustees present
538 at such meeting. Written or electronic notice of such meeting shall be delivered to all
539 Trustees. Such notice shall state that a purpose of the meeting is to vote upon the
540 removal of one or more board members named in the notice. The relevant board
541 member(s) may attend such meeting for the purpose of providing direct testimony, after
542 which they will be excused.

543 61. Compensation of board Members.

544 Unless engaged as Corporation staff, board members shall not receive any salary from the
545 Corporation for their services. Unless otherwise authorised by the Board of Trustees,
546 reimbursement for expenses of attendance for attendance at each regular or special meeting
547 of the relevant board shall be the responsibility of the relevant VPO or employer
548 organisation; provided that nothing herein contained shall be construed to preclude any
549 board member from serving the Corporation in any other capacity and receiving
550 compensation therefor.

551 62. Prohibition of Activities

552 Neither the IVSRB nor the specialist standards boards may act on behalf of the Corporation
553 or bind the Corporation to any action, but they may make recommendations to the Board of
554 Trustees or to the Officers of the Corporation.

555

556 Article VI

557 Membership & Standards Recognition Board (“MSRB”)

558 63. General Powers and Duties

559 The Membership & Standards Recognition Board shall:

560 Leverage the former Professional Board framework defining professionalism in the valuation
561 profession. Champion the framework and help the profession in developing markets;

562 Work with the Trustees to confirm members of the IVSC i.e. VPOs that meet Membership
563 requirements, and whether those requirements should evolve following the publication of the
564 Professional Member Obligations;

565 Encourage the recognition of the right quality level of professionalism including a
566 framework defining Valuation Professionalism to be championed by VPOs and to aid
567 developing markets.

568 Lead and ensure market recognition and use of the IVSs including communications and
569 engagement with VPOs on this to help deliver positive partnership and teamwork between
570 the IVSC and valuation profession;

571 Develop and enact engagement plans to enable IVSC Members and the whole of the profession
572 to engage with stakeholders such as end users, regulators etc.

- 573 Provide market insight and trends as needed to IVSC Trustees and MSRB and technical
574 standards boards.
- 575 64. Work with IVSC towards one set of agreed set of high quality standards. Qualifications.
576 The Board of Trustees shall appoint members of the MSRB who:
577 are committed to achieving the Objectives of the IVSC as described herein;
578 demonstrate a high level of professional knowledge and understanding relative to the education
579 of and programmes available to valuers, best practices and the valuation body of knowledge;
580 along with identification of valuation education opportunities, offer professional and
581 geographical diversity;
582 have effective communication skills in dealing with the public and MSRB members;
583 will liaise with national and international stakeholders to engage and achieve recognition of
584 IVS;
585 commit to act in the public interest; and
586 shall not be both a Trustee and an MSRB member at the same time.
- 587 65. Number
588 The MSRB shall not be less than six nor more than twelve persons.
- 589 66. Appointment and Term of Office
590 Members of the MSRB shall be nominated by VPOs to hold office for a term of three years
591 and until their successors shall be appointed or until their earlier death, resignation or
592 removal. Where more nominations are made than positions available the Advisory Forum
593 Chair shall arrange a vote of Members from the Advisory Forum. A final appointment list has
594 to be put to the Board of Trustees for approval. MSRB members can be re-appointed for a
595 maximum of one additional three year term, except as set forth in the immediately following
596 sentence. Notwithstanding anything else contained herein to the contrary, to the extent that
597 an MSRB member is serving or is appointed to serve as Chairperson of the MSRB following
598 completion of his or her second term on the MSRB, such person may continue to serve as an
599 MSRB member for the lesser of (a) two additional three-year terms or (b) until such time as
600 such person is no longer serving as Chairperson.
- 601 67. Chairperson of the MSRB
602 The Chairperson of the MSRB shall preside at all meetings of the MSRB and shall perform
603 such duties as may be required from time to time by the MSRB. The Chairperson shall be
604 appointed by the Board of Trustees from among the MSRB members after due process. The
605 term of the Chairperson of the MSRB shall be three years. A Chairperson can be re-
606 appointed for a maximum of one additional three-year term.
- 607 68. The Vice Chairperson of the MSRB
608 A Vice Chairperson of the MSRB may be appointed by the Board of Trustees from
609 among the MSRB members after due process. In the absence of the Chairperson of the
610 MSRB, the Vice Chairperson of the MSRB shall have all the powers and perform all the

611 duties of the Chairperson. The term of the Vice Chairperson shall be one year. A Vice
612 Chairperson can be re-appointed for any number of one-year terms.

613 69. Resignations

614 Any Member of the MSRB may resign at any time by giving written or electronic notice to the
615 CEO or the Board of Trustees. Such resignation shall take effect when the notice is delivered
616 unless the notice specifies a future date. Acceptance of such resignation shall not be necessary
617 to make it effective.

618 70. Vacancies

619 Any vacancy occurring in the MSRB may be filled by a call for VPO nominations. Each
620 person appointed to fill a vacancy shall hold office for the unexpired term of his
621 predecessor in office.

622 71. Meetings

623 Not less than one meeting of the MSRB shall be held each year without other notice than
624 this Bylaw immediately preceding and at the place of their choosing. As the MSRB is
625 formed of VPO representatives and primarily an outward facing board interacting with
626 external stakeholders there is no requirement for open meetings however the Chair of
627 the MSRB will present to the Advisory Forum at each AGM and also call in to
628 Advisory Forum Working Group telephone conferences.

629 72. Notice of Meetings

630 Notice of each in person meeting shall be delivered by or at the direction of the CEO to each
631 MSRB Member at least thirty (30) days before the day on which the meeting is to be held.
632 Neither the business to be transacted at, nor the purpose of, any special meeting of the MSRB
633 need be specified in the notice or waiver of notice of such meeting.

634 73. Quorum

635 Each MSRB member shall be entitled to one vote. Two-thirds of the MSRB members then
636 in office shall constitute a quorum for the transaction of business at any meeting of the
637 MSRB. The act of a majority of the entire board MSRB shall be the act of the MSRB.
638 MSRB members shall also be able to submit a vote in writing on each proposed
639 publication of the relevant board.

640 74. Participation at Meetings by Conference Telephone

641 MSRB members may participate in and act at any meeting of the MSRB through the use of
642 a conference telephone or other communications equipment by means of which all persons
643 participating in the meeting can communicate with each other. Participation in such
644 meeting shall constitute attendance and presence in person at the meeting of the person or
645 persons so participating.

646 75. Informal Action

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

649 76. Removal

650 An MSRB member may be removed on the grounds of poor performance, misbehaviour,
651 incapacity or other failure at the request of the majority of the MSRB at a meeting of Board
652 of Trustees by the affirmative vote of three-quarters of the Trustees present at such meeting.
653 Written or electronic notice of such meeting shall be delivered to all Trustees. Such
654 notice shall state that a purpose of the meeting is to vote upon the removal of one or more
655 MSRB members named in the notice. The MSRB member(s) may attend such meeting
656 for the purpose of providing direct testimony, after which the MSRB Member will be
657 excused.

658 77. Compensation of MSRB Members.

659 Unless engaged as Corporation staff, MSRB members shall not receive any salary from
660 the Corporation for their services. With the exception of the Chairperson, reimbursement for
661 expenses of attendance for attendance at each regular or special meeting of the MSRB
662 shall be the responsibility of the relevant VPO or Sponsor organisation; provided that
663 nothing herein contained shall be construed to preclude any MSRB member from serving the
664 Corporation in any other capacity and receiving compensation therefor.

665 78. Prohibition of Activities

666 The MSRB may not act on behalf of the Corporation or bind the Corporation to any action,
667 but may make recommendations to the Board of Trustees or to the Officers of the
668 Corporation.

669

670 Article VII

671 Advisory Forums

672 79. Creation of Advisory Forms

673 The Board of Trustees may establish one or more Advisory Forums for such purposes
674 and with such duties, number and qualifications of members, and reporting
675 requirements as the Board shall specify by resolution. All members of IVSC in good
676 standing shall be eligible for membership on an Advisory Forum. The Board of
677 Trustees shall appoint the chair of any Advisory Forums. Advisory Forums shall not
678 have nor exercise the authority of the Board of Trustees and shall be advisory only.
679 Advisory Forums may have officers, which officers shall be nominated by the
680 Nominating Committee and presented to the members of any Advisory Forum for
681 election by majority vote of the Advisory Forum members at a meeting called for such
682 purpose. The Board of Trustees shall appoint one person from among its membership
683 to serve as a liaison between the Board of Trustees and any Advisory Forum. Advisory
684 Forums shall be disbanded when their duties have been completed as determined by the
685 Board of Trustees.

686

687 Article VIII

688 Miscellaneous Provisions

689 80. Indemnification of Trustees, Board and Committee members, Officers, Employees and
690 Agents; Insurance.

691 The Corporation shall indemnify any person who was or is a party, or is threatened to be
692 made a party to any threatened, pending or completed action, suit or proceeding, whether
693 civil, criminal, administrative or investigative (other than an action by or in the right of the
694 Corporation) by reason of the fact that he or she is or was a Trustee, Board member,
695 Committee member, officer, employee or agent of the Corporation, or who is or was serving
696 at the request of the Corporation as a Trustee, Board member, Committee member, officer,
697 employee or agent of another corporation, partnership, joint venture, trust or other enterprise,
698 against expenses (including attorneys' fees), judgements, fines and amounts paid in
699 settlement actually and reasonably incurred by such person in connection with such action,
700 suit or proceeding, if such person acted in good faith and in a manner he or she reasonably
701 believed to be in, or not opposed to the best interests of the Corporation, and, with respect to
702 any criminal action or proceeding, had no reasonable cause to believe his or her conduct was
703 unlawful. The termination of any action, suit or proceeding by judgment, order,
704 settlement, conviction, or upon a plea of no lo contendere or its equivalent, shall not, of itself,
705 create a presumption that the person did not act in good faith and in a manner which he or
706 she reasonably believed to be in or not opposed to the best interests of the Corporation or,
707 with respect to any criminal action or proceeding, had reasonable cause to believe that his
708 or her conduct was unlawful.

709 The Corporation shall indemnify any person who was or is a party, or is threatened to be
710 made a party to any threatened, pending or completed action or suit by or in the right of
711 the Corporation to procure a judgment in it s favour by reason of the fact that such
712 person is or was a Trustee, Board member, Committee member, officer, employee or
713 agent of the Corporation, or is or was serving at the request of the Corporation as a
714 Trustee, Board member, Committee member, officer, employee or agent of another
715 corporation, partnership, joint venture, trust or other enterprise, against expenses
716 (including attorneys' fees) actually and reasonably incurred by such person in connection
717 with the defence or settlement of such action or suit, if such person acted in good faith and
718 in a manner he or she reasonably believed to be in, or not opposed to the best interests of
719 the Corporation, provided that no indemnification shall be made in respect of any
720 claim, issue or matter as to which such person shall have been adjudged to be liable for
721 negligence or misconduct in the performance of his or her duty to the Corporation, unless,
722 and only to the extent that the court in which such action or suit was brought shall
723 determine upon application that, despite the adjudication of liability, but in view of all the
724 circumstances of the case, such person is fairly and reasonably entitled to indemnity for
725 such expenses as the court shall deem proper.

726 To the extent that a Trustee, Board member, Committee member, officer, employee or agent
727 of the Corporation has been successful, on the merits or otherwise, in the defence of any
728 action, suit or proceeding referred to in this Section 80 or in defence of any claim, issue or
729 matter therein, such person shall be indemnified against expenses (including attorneys'
730 fees) actually and reasonably incurred by such person in connection therewith. Any
731 indemnification under this Section 80 (unless ordered by a court) shall be made by the
732 Corporation only as authorized in the specific case, upon a determination that
733 indemnification of the Trustee, Board member, Committee member, officer, employee or
734 agent is proper in the circumstances because he or she has met the applicable standard of
735 conduct set forth in this Section 80. Such determination shall be made (i) by the Board of

736 Trustees by a majority vote of a quorum consisting of Trustees who were not parties to
737 such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or even if
738 obtainable, if a quorum of disinterested Trustees so directs, by independent legal counsel in
739 a written opinion, or (iii) by the Members.

740 Expenses incurred by an officer or a Trustee incurred in defending a civil or criminal action,
741 suit or proceeding may be paid by the Corporation in advance of the final disposition of such
742 action, suit or proceeding, as authorized by the Board of Trustees in the specific case,
743 upon receipt of an undertaking by or on behalf of the Trustee, Board member, Committee
744 member, officer, employee or agent to repay such amount, unless it shall ultimately be
745 determined that he or she is entitled to be indemnified as authorized in this Article VIII.

746 The indemnification provided by this Article VIII shall not be deemed exclusive of any
747 other rights to which those seeking indemnification may be entitled under any agreement,
748 vote of Members or disinterested Trustees, or otherwise, both as to action in his or her
749 official capacity and as to action in another capacity while holding such office, and shall
750 continue as to a person who has ceased to be a Trustee, Board member, Committee member,
751 officer, employee or agent, and shall inure to the benefit of the heirs, executors and
752 administrators of such a person.

753 The Corporation may purchase and maintain insurance on behalf of any person who is or
754 was a Trustee, Board member, Committee member, officer, employee or agent of the
755 Corporation, or who is or was serving at the request of the Corporation as a Trustee, Board
756 member, Committee member, officer, employee or agent of another corporation, partnership,
757 joint venture, trust or other enterprise, against any liability asserted against such person and
758 incurred by such person in any such capacity, or arising out of his or her status as such,
759 whether or not the Corporation would have the power to indemnify such person against
760 such liability under the provisions of this Article VIII.

761 If the Corporation has paid indemnity or has advanced expenses under this Article VIII to a
762 Trustee, Board member, Committee member, officer, employee or agent, the Corporation
763 shall report the indemnification or advance in writing to the Members with or before the
764 notice of the next meeting of the Members.

765 For purposes of this Article VIII, references to "the Corporation" shall include, in addition to
766 the surviving corporation, any merging corporation (including any corporation having
767 merged with a merging corporation) absorbed in a merger which, if its separate existence had
768 continued, would have had the power and authority to indemnify its Trustees, Board and
769 Committee members, Officers, employees or agents, so that any person who was a
770 Trustee, Board and Committee members, officers, employee or agent of such merging
771 corporation, or was serving at the request of such merging corporation as a Trustee, Board
772 member, Committee member, officer, employee or agent of another corporation,
773 partnership, joint venture, trust or other enterprise, shall stand in the same position under the
774 provisions of this Article VIII with respect to the surviving corporation as such person
775 would have with respect to such merging corporation if its separate existence had
776 continued.

777 For purposes of this Article VIII, references to "other enterprises" shall include employee
778 benefit plans; references to "fines" shall include any excise taxes assessed on a person with

779 respect to an employee benefit plan; and references to "serving at the request of the
780 Corporation" shall include any service as a Trustee, Board member, Committee member,
781 officer, employee or agent of the Corporation which imposes duties on, or involves services
782 by such Trustee, Board member, Committee member, officer, employee, or agent with
783 respect to an employee benefit plan, its participants, or beneficiaries. A person who acted in
784 good faith and in a manner he or she reasonably believed to be in the best interests of the
785 participants and beneficiaries of an employee benefit plan shall be deemed to have acted
786 in a manner "not opposed to the best interests of the Corporation" as referred to in this
787 Article VIII.

788 81. Principal Office

789 The principal office of the Corporation in the State of Illinois shall be located a 200 W.
790 Madison, Suite 1500, Chicago IL 60606.

791 82. Operations Office

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

793 1 King Street
794 London EC2V 8AU
795 United Kingdom

796 83. Corporate Seal

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

801 84. Depositories

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

805 85. Checks, Drafts, Notes, Etc.

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

810 86. Fiscal Year

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

812 87. Delivery of Notice

813 Any notices required to be delivered pursuant to these Bylaws shall be deemed to be
814 delivered when transferred or presented in person or deposited in the United States mail
815 addressed to the person at his, her, or its address as it appears on the records of the
816 Corporation, with sufficient first-class postage prepaid thereon or by electronic mail when

817 directed to an electronic mail address at which the Member, Trustee, Board or Committee
818 member has consented to receive notice.

819 **88. Investments**

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

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

829

830 **ARTICLE IX**

831 **AMENDMENTS**

832 **89. Method of Amendment**

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

842

843 **Article X**

844 **Distributions**

845 **90. Distributions**

846 The Board of Trustees of the Corporation may authorize, and the Corporation may make,
847 distributions of its money, property or other assets, other than upon dissolution and final
848 liquidation, subject to the limitations of Section 93 of this Article X, only:

849 a. To any person or organisation who or which has made payments to the
850 Corporation for goods or services, as a fractional repayment of such
851 payments, provided all such persons or organizations in any category are
852 repaid on an equal pro rata basis; or

853 b. To any person or organisation as a repayment of his, her or its contribution
854 of an amount not to exceed the amount of the contribution, provided that any
855 assets held for any charitable, religious, eleemosynary, benevolent,

856 educational or similar purpose or held upon a condition requiring return,
857 shall continue to be so restricted.

858 91. Payments in Furtherance of Purposes

859 Any payment or transfer of money, property or other assets in furtherance of any of the
860 purposes of the Corporation shall not be deemed a distribution for the purposes of this Article
861 X and this Article X shall not be construed as limiting the purposes and powers of the
862 Corporation.

863 92. Determination of Distributions

864 All distributions by the Corporation permitted by this Article X shall be at the option of the
865 Corporation only and at such amount or amounts, within the period or periods, and on such
866 terms and conditions, not inconsistent with the purpose of the Corporation and statute, as are
867 fixed by the Board of Trustees of the Corporation.

868 93. Limitation on Distributions

869 No distribution under Section 90 of this Article X may be made if, after giving it effect:

- 870 a. The Corporation would be insolvent; or
871 b. The net assets of the Corporation would be less than zero; or
872 c. The Corporation would be rendered unable to carry on its corporate purpose

