



Regulation No. 6

Peer Review

Effective June 27, 2006

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¹ **Purpose, Definitions and**
² **General Rules Governing**
³ **Peer Review Proceedings**

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⁵ **Effective June 27, 2006**
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7 **ARTICLE I**
8

9 **Purpose**

10
11 The purpose of this Regulation is to state, define and coordinate the powers and duties of the
12 Professional Ethics and Counseling Committee, its Divisions, Panels, Boards, and Committees, and to
13 establish uniform rules governing peer review proceedings.

14
15

16 **ARTICLE II**

17

18 **Definitions**

19

20 As used in this Regulation, the following terms shall have the following meanings unless the context
21 clearly indicates that another meaning is intended:

22

23 “AIREA” shall mean the American Institute of Real Estate Appraisers, an Illinois not-for-profit
24 corporation.

25

26 “Society” shall mean the Society of Real Estate Appraisers, an Illinois not-for-profit corporation.

27

28 “Board of Directors” shall mean the Board of Directors of the Appraisal Institute.

29

30 “Executive Committee” shall mean the national Executive Committee of the Appraisal Institute.

31

32 “Member” shall mean a Designated Member, Associate Member, or Affiliate Member of the Appraisal
33 Institute.

34

35 “Designated Member in good standing” shall mean any designated member of the Appraisal Institute
36 who is not suspended from membership.

37

38 “Code of Professional Ethics” shall mean the Appraisal Institute’s Code of Professional Ethics or
39 one of its predecessors (AIREA’s Code of Professional Ethics, the Society’s Code of Ethics, or the
40 Society’s Standards of Professional Conduct).

41

42 “Standards of Professional Appraisal Practice” shall mean the Appraisal Institute’s Standards of
43 Professional Appraisal Practice or one of its predecessors in the AIREA or the Society.

44

45 “Peer Review Proceedings” applies to all actions taken pursuant to this Regulation to determine
46 whether a Member may have violated or did violate the requirements of the Appraisal Institute’s
47 Standards of Professional Appraisal Practice or Code of Professional Ethics and to take appropriate
48 remedial or disciplinary measures. Peer review proceedings also applies to all actions taken pursuant
49 to this Regulation to determine whether a Member has failed to comply with the terms of suspension;
50 has been convicted of a serious crime committed prior to becoming a Member; or has knowingly made
51 false statements, submitted false information, or failed to fully disclose information requested in an
52 application for admission to membership, candidacy, or affiliate status and to take appropriate
53 disciplinary action.

54

55 “Disciplinary Proceedings” applies to the actions commencing with the filing of a Grievance Committee
56 Complaint to determine whether a Member has violated the Code of Professional Ethics, and, if so
57 imposing the appropriate disciplinary or remedial action for such violation. Disciplinary proceedings
58 also apply to all actions commencing with the notice of the Chair of the Ethics Administration Division

59 to a Member relating to a violation of Ethical Rule 1-2, 2-3(b), 2-3(c), or 2-3(d), or violation of the
60 terms of a suspension, and imposing the appropriate disciplinary or remedial action for such violation.

61
62 “Disciplinary Action” shall mean a penalty imposed upon a Member for violation of the Appraisal
63 Institute’s Code of Professional Ethics. Disciplinary actions include admonishment, reprimand,
64 censure, suspension, and expulsion.

65
66 “Educational Alternative” is an opportunity that may be offered to a Member to complete an educa-
67 tional experience in lieu of the disciplinary action of admonishment, reprimand or censure. If a
68 Member successfully completes an educational alternative in lieu of admonishment or reprimand, this
69 fact is entered into the Member’s record for a period of one year after the educational alternative is
70 successfully completed. If a Member successfully completes an educational alternative in lieu of
71 censure, the disciplinary action is reduced to admonishment.

72
73 “Admonishment” is a disciplinary action that is a warning calling the attention of a Member to one or
74 more violations of the Appraisal Institute’s Code of Professional Ethics. An admonishment is entered
75 into a Member’s record for a period of five years but is not published or made known to the
76 membership or the general public.

77
78 “Reprimand” is a disciplinary action that is a serious warning calling the attention of a Member to one
79 or more violations of the Appraisal Institute’s Code of Professional Ethics. A reprimand is entered into
80 a Member’s record for a period of ten years but is not published or made known to the membership or
81 the general public.

82
83 “Censure” is a disciplinary action that is a formal expression of severe criticism and disapproval for
84 one or more violations of the Appraisal Institute’s Code of Professional Ethics. The disciplinary action
85 of censure is entered into the Member’s record for a period of thirty years and is published in both
86 print and electronic media. In addition, the Chapter of the Member shall be notified of the disciplinary
87 action.

88
89 A Member who receives the disciplinary action of censure shall be ineligible to hold any national,
90 regional, or chapter position, or serve as an instructor for the Appraisal Institute for five years from the
91 date of the censure. If a Member is holding one or more national, regional, or chapter positions, or is
92 serving as an approved instructor for the Appraisal Institute at the time a censure is taken, the
93 Member shall be automatically removed from such position(s).

94
95 “Suspension” is a disciplinary action that is a temporary revocation of the privileges (but not the
96 obligations) of membership in the Appraisal Institute for one or more violations of the Code of
97 Professional Ethics. The period of Suspension commences on: the day following the postmark date of
98 the formal notice to the Member that an Ethics Appeal Board has ordered the Member’s suspension;
99 a date specified in the Hearing Committee Decision if no appeal is taken; the day following the
100 postmark date of the formal notice to the Member from the Chair of the Ethics Administration Division
101 advising such Member of his or her suspension for violation of Ethical Rule 1-2; the date the Member
102 accepts an offer of suspension from a Grievance Committee; or a date specified by the Grievance
103 Committee if the Member fails to respond to the offer of suspension within the time period provided.

104
105 The period of suspension ends upon the expiration of the period of time specified by either: the order
106 of an Ethics Appeal Board; the Hearing Committee Decision if no appeal is taken; the notice of the
107 Chair of the Ethics Administration Division; or the notice of the Grievance Committee if the Member
108 accepts an offer of suspension or fails to respond to such offer in writing in the time period provided.
109 If a suspension is ordered, the period of suspension shall not be more than two years from the date
110 that the suspended Member complies with the suspension order by transmitting such Member's
111 certificate, emblem and other indicia of membership to the Ethics and Counseling Department to be
112 held for the period of suspension. The disciplinary action of suspension is entered into the Member's
113 record for a period of thirty years and is published in both print and electronic media. In addition, the
114 Chapter of the Member shall be notified of the disciplinary action.
115
116 Upon receipt of a formal notice of suspension, a suspended Member is required to immediately
117 transmit his or her certificate, emblem and other indicia of membership to the Ethics and Counseling
118 Department to be held for the period of suspension. At the expiration of the period of Suspension the
119 suspended Member is automatically restored to the full privileges of membership in the Appraisal
120 Institute and his or her certificate, emblem and other indicia of membership are returned.
121
122 During the period of suspension, a suspended Member is not entitled to the benefits or privileges
123 of membership in the Appraisal Institute in any manner. Thus, a suspended Member may not use
124 or refer to any Appraisal Institute designation or membership in correspondence, business cards or
125 appraisal reports. Furthermore, the suspended Member may not use or refer to any Appraisal Institute
126 designation or membership in stating his or her qualifications in appraisal reports or in the course of
127 court testimony.
128
129 A Member who receives the disciplinary action of suspension shall be ineligible to hold any
130 national, regional, or chapter positions or serve as an instructor for the Appraisal Institute for five
131 years from the date the suspension takes effect. If a Member is holding one or more national,
132 regional, or chapter positions, or is serving as an approved instructor for the Appraisal Institute at the
133 time the suspension is taken, the Member shall be automatically removed from such position(s).
134
135 Although a suspended member is not entitled to the benefits and privileges of membership and may
136 not refer to such membership during the period of suspension, a suspended Member does remain a
137 Member of the Appraisal Institute for all other purposes and is required to comply with the Appraisal
138 Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice during the
139 period of suspension. Any failure to observe the requirements of the Appraisal Institute's Code of
140 Professional Ethics or Standards of Professional Appraisal Practice during the period of suspension
141 may result in further disciplinary proceedings under this Regulation.
142
143 "Expulsion" is a disciplinary action that is a complete termination of membership in the Appraisal
144 Institute for one or more violations of the Appraisal Institute's Code of Professional Ethics. An
145 expulsion becomes effective on: the day following the postmark date of the formal notice to
146 the member that an Ethics Appeal Board has ordered the member's expulsion; on a date specified in
147 the Hearing Committee Decision if the Member does not appeal the Hearing Committee's
148 recommendation of expulsion; on a date specified by the Grievance Committee if the Member accepts

149 an offer of expulsion or fails to respond in writing in the time provided; or on the day following the
150 expiration of the period in which to file an Appeal of an expulsion based on Part F, G, or H of Article X
151 of this Regulation if the Member does not appeal.

152

153 Upon receipt of a formal notice of expulsion, or upon a failure to take a timely appeal from an
154 automatic expulsion under Article X, Part F, G, or H, an expelled former member is required to
155 completely cease any use of the Appraisal Institute designations or reference to Appraisal Institute
156 membership; to immediately return to the Appraisal Institute his or her membership certificate,
157 emblem and other indicia of membership; and to immediately remove any reference to membership
158 in the Appraisal Institute from his or her letterheads and business cards.

159

160 The disciplinary action of expulsion is entered into the former member's records for a period of thirty
161 years and is published in both print and electronic media. In addition, the Chapter of the Member shall
162 be notified of the disciplinary action.

163

164 A member who receives the disciplinary action of expulsion shall be ineligible to hold any national,
165 regional, or chapter position, or serve as an instructor for the Appraisal Institute for five years from the
166 date of the expulsion. If a Member is holding one or more national, regional, or chapter positions, or is
167 serving as an approved instructor for the Appraisal Institute at the time the expulsion is taken, the
168 expelled former member shall be automatically removed from such position(s).

169

170 "Traceable Carrier" shall mean a service that will deliver a document and that will provide proof of
171 delivery or attempted delivery. Examples of traceable carriers may include, but are not limited to, the
172 United States Postal Service when certified or registered mail is used, an overnight delivery service
173 that provides a billing statement listing the date and recipient of delivery, or a messenger service
174 providing the sender with proof of the date and recipient of delivery. The sender is responsible for
175 maintaining proof of delivery.

176

177

179

180 **General Rules Governing Peer Review
181 Proceedings**

182

183 **Part A: Address for Notices**

184 Each member shall keep the Appraisal Institute advised as to the current address of his or her
185 principal place of business and home, current facsimile number, and current e-mail address. Any
186 notice to a member which is addressed to the principal place of business or home, facsimile number,
187 or e-mail address of such member as it appears in the official records of the Appraisal Institute and is
188 delivered in writing within the time limits set forth in this Regulation shall be deemed good and
189 sufficient notice for all purposes.

190

191

192 **Part B: Confidentiality**

193 **Section 1. Files to be Confidential**

194 Except as required or permitted by this Regulation, the files of the Professional Ethics and Counseling
195 Committee, the Ethics Administration Division, the Ethics Appeals Panel, and their boards and
196 committees shall be confidential. No documents or information furnished to any committees, boards,
197 divisions, or panels under this Regulation or information gathered by, or reports or communications to
198 or from such committees, boards, divisions, or panels under this Regulation, which pertain to or
199 identify a specific Member shall be made public or discussed with anyone except:

200

- 201 a. the members of the appropriate committees, boards, divisions and panels of the Appraisal
202 Institute authorized for that purpose under the Bylaws and Regulations of the Appraisal Institute;

203

- 204 b. the officers of the Appraisal Institute, when and to the extent authorized for that purpose under
205 the Bylaws and Regulations of the Appraisal Institute;

206

- 207 c. the members of the national Executive Committee;

208

- 209 d. the members of the Board of Directors when the Board of Directors is in session;

210

- 211 e. legal counsel for the Appraisal Institute or legal counsel for any committee, board, division, panel
212 of the Appraisal Institute referred to in this Regulation; and

213

- 214 f. the employees and agents of the various committees, boards, divisions, panels authorized or
215 created under the Bylaws and Regulations of the Appraisal Institute.

216 **Section 2. Advice to Membership Services Department**

217 The Ethics and Counseling Department shall notify the Membership Services Department when a
218 disciplinary proceeding against an Associate Member is commenced and when such proceeding is

220 concluded. The Ethics and Counseling Department shall also notify the Membership Services
221 Department when an Associate Member is the subject of a pending peer review proceeding in which
222 the Associate Member has been sent an offer of a publishable disciplinary action.

223

224 **Section 3. Confidential Treatment of Notices**

225 All notices and other documents or communications mailed or delivered in connection with any peer
226 review proceeding under this Regulation shall be transmitted in sealed envelopes or packages, clearly
227 marked "CONFIDENTIAL."

228

229 **Section 4. Breach of Confidential Nature of Peer Review Proceedings**

230 A Member who fails strictly to observe the rules relating to the confidential nature of peer review
231 proceedings under this Regulation shall be subject to:

- 232
- 233 a. peer review proceedings under the Bylaws and Regulations of the Appraisal Institute, which may
234 result in the expulsion of such Member from the Appraisal Institute; and

235

 - 236 b. legal proceedings against such Member for damages suffered by the Appraisal Institute as the
237 result of the failure of such Member to observe the rules relating to the confidential nature of
238 peer review proceedings under this Regulation.

239
240

241 **Part C: Procedural Matters**

242 To the extent that a procedural question arises that is not specifically covered by this Regulation,
243 the individual, committee, board or panel charged with responsibility may consider the procedural rules
244 that are applicable in a court of law. However, such individual, committee, board or panel shall not be
245 bound by such procedural rules and may take such action as fairness and justice require.

246 In the event that a required or permitted notice is delivered to one or more parties to a peer review
247 proceeding in a manner that does not comply with the requirements of this Regulation, such failure to
248 comply shall not be deemed substantive unless one or more of the parties to whom such notice was
249 directed was, in fact, adversely affected by such failure to comply.

251
252

253 **Part D: Cessation of Peer Review Proceedings during Pendency of Litigation**

254 If a Member is notified that a matter in which he or she is involved is under review pursuant to the
255 provisions of this Regulation, and if such matter is the subject of a pending judicial or quasi-judicial
256 proceeding, such Member shall immediately advise the Ethics and Counseling Department of such fact
257 and shall show cause, if any, as to why the Department should suspend further processing under this
258 Regulation.

259
260 Further, if at any time it comes to the attention of any committee, division, board, panel, or Screening
261 Staff member that the subject matter under review pursuant to the provisions of this Regulation is
262 involved in a pending judicial or quasi-judicial proceeding, such party shall immediately notify the
263 Ethics and Counseling Department. The Department may request that the Member who is the subject

264 of the file show cause, if any, as to why the Department should suspend further processing under this
265 Regulation.

266
267 If, after receipt of any such notice, the Ethics and Counseling Department determines that further
268 review could interfere with or affect such pending judicial or quasi-judicial proceeding, the Ethics and
269 Counseling Department may direct that all further peer review proceedings concerning the matter be
270 postponed either until such time as such judicial or quasi-judicial proceeding has been completed and
271 a final order entered therein, or until such time as the Ethics and Counseling Department directs.
272 Upon the issuance of any such direction by the Ethics and Counseling Department, all proceedings
273 relating to such matter shall cease until the time specified by the Ethics and Counseling Department.
274

275 If the Ethics and Counseling Department postpones further proceedings as provided above, the
276 Department may require that the Member who is the subject of the file periodically update the
277 Department as to the status of the pending judicial or quasi-judicial proceedings. The Department
278 may also require that the Member provide additional information and documentation concerning the
279 pending judicial or quasi-judicial proceedings. In addition, the Member shall promptly notify the Ethics
280 and Counseling Department when such pending judicial or quasi-judicial matter has become final.
281
282

283 **Part E: Deferral of Peer Review Proceedings for Medical Reasons**

284 If a Member has been notified that a matter in which he or she is involved is under review pursuant
285 to the provisions of this Regulation, and if such Member has a serious physical or mental illness or
286 disability that in his or her opinion substantially impairs his or her ability to participate in a peer
287 review proceeding, such Member may advise the Ethics and Counseling Department of this fact and
288 request a deferral of such proceeding. Upon receipt of any such request, the Ethics and Counseling
289 Department shall make an investigation for the purpose of determining whether the medical problems
290 of the Member are of such a nature that the ability of the Member to participate in a peer review
291 proceeding is substantially impaired. The Member requesting deferral has a duty to cooperate in any
292 investigation the Ethics and Counseling Department deems appropriate under this section, both before
293 and after any deferral of the matter. If a Member performs appraisal services or is otherwise employed
294 either full time or part time, during the period of this investigation, this action shall conclusively be
295 deemed to demonstrate the physical and mental ability of such Member to participate in a peer review
296 proceeding. If the Ethics and Counseling Department deems it appropriate, it may request the Member
297 to:

- 298
299 a. submit to a medical examination by a medical examiner selected by the Ethics and Counseling
300 Department; and
301
302 b. pay for such examination.

303
304 If, upon completion of its investigation, the Ethics and Counseling Department determines that the
305 physical or mental illness of the Member has substantially impaired such Member's ability to
306 participate, the Ethics and Counseling Department shall direct that all or any part of the peer review
307 proceeding be deferred either (1) until the Ethics and Counseling Department determines, after further
308 investigation, that the medical problems of the Member no longer substantially impairs his or her

309 ability to participate in a peer review proceeding, or (2) until such time as the Ethics and Counseling
310 Department directs. In no event shall any such deferral be made for a period in excess of one year;
311 provided, however, that upon the expiration of the original deferral period, the Ethics and Counseling
312 Department may again investigate the matter and, on the basis of such investigation, again defer the
313 peer review proceeding.

314
315 The Member requesting deferral shall notify the Ethics and Counseling Department when the nature of
316 his or her physical or mental illness or disability is not so serious as to substantially impair his or her
317 ability to participate in a peer review proceeding. If a Member performs appraisal services during the
318 period of any such deferral, this action shall conclusively be deemed to demonstrate the physical and
319 mental ability of such Member to participate in a peer review proceeding.
320
321

322 **Part F: Cessation of Duplicate Peer Review Proceedings**

323 If a Member is involved in a pending peer review proceeding under the provisions of this Regulation
324 and such Member becomes aware of the fact that the same matter is the subject of a second
325 proceeding under the provisions of this Regulation, such Member shall promptly advise the Screening
326 Staff of such fact.
327

328 Further, if at any time it comes to the attention of any committee, division, board, or panel, or member
329 thereof, that the subject matter of a pending peer review proceeding under the provisions of this
330 Regulation is also the subject matter of a second proceeding under the provisions of this Regulation,
331 the party discovering such duplicate proceedings shall immediately notify the Screening Staff of such
332 fact.
333

334 Upon receipt of any such notice, the Screening Staff shall make an investigation to determine whether
335 a jurisdictional problem exists and, if the Screening Staff determines that there is a jurisdictional
336 problem, all further proceedings by any party under this Regulation reviewing the same matter shall be
337 suspended until the Screening Staff can determine the appropriate jurisdiction.
338

339 When the Screening Staff has reviewed the files relating to a jurisdictional problem and has
340 determined the appropriate course of action to be taken, the Screening Staff shall: notify the
341 appropriate party or parties to proceed with the processing of the file; and notify the party or parties
342 which are not to proceed to close their files and take no further action.
343
344

345 **Part G: Events Beyond Member's Control**

346 If a Member violates a Standards or Ethical Rule due to an event beyond the Member's control, such
347 as an act of God, the peer review committee(s) (or any member or agent thereof) reviewing the
348 Member's conduct should consider such event and all the relevant facts about the case to avoid an
349 inequitable result.
350
351

352 **Part H: Ethics Rule of USPAP and Code of Conduct of IVS**

353 The Ethics Rule of the Uniform Standards of Professional Appraisal Practice promulgated by the
354 Appraisal Standards Board of The Appraisal Foundation shall be enforced solely through the
355 enforcement of the Appraisal Institute's Code of Professional Ethics.

356

357 The Code of Conduct of the International Valuation Standards promulgated by the International
358 Valuation Standards Committee shall be enforced solely through the enforcement of the Appraisal
359 Institute's Code of Professional Ethics.

360

361

362 **Composition, Powers and**
363 **Duties of the Professional**
364 **Ethics and Counseling**
365 **Committee, its Panels, Boards,**
366 **Divisions and Committees**

367
368 **Effective June 27, 2006**
369

371

372 **Professional Ethics and Counseling Committee**

373

374 **Part A: Composition**

375 The composition of the Professional Ethics and Counseling Committee shall be as set forth in
376 Regulation No. 7 of the Appraisal Institute.

377

378

379 **Part B: Powers and Duties Relating to Peer Review Files**

380 **Section 1. Supervision of Peer Review Activities**

381 The Professional Ethics and Counseling Committee shall exercise general supervision and control over
382 the administration of all peer review proceedings of the Appraisal Institute.

383

384 **Section 2. Discontinuation of Pending Matters**

385 The Professional Ethics and Counseling Committee shall have the power to discontinue any pending
386 peer review proceeding when, in the opinion of the Committee, further proceedings under this
387 Regulation would be inappropriate or would serve no useful purpose due to the serious or extended
388 physical or mental illness or disability of the Member involved. The Professional Ethics and Counseling
389 Committee shall also have the power to discontinue any pending peer review proceeding when it
390 determines that: (a) the actions or conduct of the Member involved in such peer review proceeding
391 were the subject of a closed case or are the subject of another pending case; (b) the continuation of
392 the peer review proceeding would violate the civil or criminal law of the jurisdiction in which such
393 matter is pending; or (c) the continuation of the peer review proceeding would serve no useful purpose
394 because procedural errors or omissions would make any disciplinary or remedial action unenforceable.

395

396 Further, if a Member is no longer engaged in any activity governed by the Code of Professional Ethics
397 or the Standards of Professional Appraisal Practice, the Professional Ethics and Counseling
398 Committee shall have the power to discontinue any peer review proceeding concerning that Member
399 provided that: the Member attests in writing that he or she has not engaged in any such activity in the
400 past six months and has no plans to resume such activity; and agrees in writing to notify the Appraisal
401 Institute prior to resuming such activity. If the Member does resume such activity, processing of any
402 peer review proceeding that was discontinued under this provision shall resume in accordance with
403 this Regulation.

404

405

406 **Part C: Other Powers and Duties**

407 **Section 1. Peer Review Regulations, Policies and Procedures**

408 The Professional Ethics and Counseling Committee shall have powers and duties relating to evaluating
409 and recommending peer review Regulations, policies, and procedures as set forth in the Bylaws and
410 Regulations of the Appraisal Institute.

411

412 **Section 2. Evaluation of Application of Screening Policies**

413 The Professional Ethics and Counseling Committee may periodically review and evaluate the decisions
414 and actions taken by the Screening Staff to determine whether the decisions and actions of the
415 Screening Staff are consistent with the screening policies established by the Professional Ethics and
416 Counseling Committee.

417

418 **Section 3. General**

419 The Professional Ethics and Counseling Committee shall have such other powers and duties as the
420 Bylaws and Regulations of the Appraisal Institute provide. The Professional Ethics and Counseling
421 Committee shall also perform such other duties as may be assigned to it by the Board of Directors of
422 the Appraisal Institute.

423

425

426 **Ethics Administration Division**

427

428 **Part A: Composition**

429 **Section 1. Membership of Division**

430 There shall be an Ethics Administration Division of the Professional Ethics and Counseling Committee.
431 Such Ethics Administration Division shall consist of a Chair, one Regional Member from each of the
432 Regions of the Appraisal Institute and any duly appointed Assistant Regional Members as provided in
433 Regulation No. 7 of the Appraisal Institute.

434

435

436 **Part B: Powers and Duties of the Ethics Administration Division**

437 Regional Members on the Ethics Administration Division shall have the responsibilities relating to peer
438 review files assigned to them as set forth in this Regulation. A Regional Member may assist the
439 Ethics and Counseling Department in the administration of files and will have the opportunity to review
440 appropriate Grievance Committee reports to provide guidance concerning the adequacy of the
441 Grievance Committee's investigations, the compliance of the Grievance Committee reports with the
442 requirements of this Regulation, and any technical appraisal issues. Regional Members may delegate
443 the responsibilities for any file assigned to them to an Assistant Regional Member in their region.

444

445

446 **Part C: Powers and Duties of the Chair of the Ethics Administration Division**

447 **Section 1. Relating to Ethical Rules Under Canon 5**

448 If the Chair of the Ethics Administration Division receives from the Director of Screening a referral of a
449 possible violation of an Ethical Rule under Canon 5 of the Appraisal Institute's Code of Professional
450 Ethics, the Chair shall review the matter to determine whether the Member violated such Ethical Rule.

451

452 If the Chair of the Ethics Administration Division determines that the Member has not violated an
453 Ethical Rule under Canon 5, the Chair shall mark the file "CLOSED" and shall deliver the file to the
454 Ethics and Counseling Department.

455

456 If the Chair of the Ethics Administration Division determines that the Member has violated an Ethical
457 Rule under Canon 5, the Chair may take one or more of the following actions: (a) require that the
458 Member provide written assurances that such violation will cease; (b) require that the Member provide
459 proof that such violation has been corrected; and/or (c) provide the Member the right to accept an
460 admonishment, within thirty days of the date of the Chair's notice to the Member. The Chair shall
461 advise the Member of his or her right to request in writing within thirty days of the date of the Chair's
462 notice that the matter be referred to the Ethics and Counseling Department for appointment of a
463 Grievance Committee and further processing.

464

465 If the Member submits a timely written request that a Grievance Committee review the matter, the
466 Chair of the Ethics Administration Division shall refer the matter to the Ethics and Counseling
467 Department for further processing in accordance with this Regulation.
468

469 If the Member complies with the request(s) of the Chair and accepts an admonishment, if offered, the
470 Chair shall mark the file "CLOSED" and shall deliver the file to the Ethics and Counseling Department.
471 If the Member accepted an admonishment, the admonishment shall be entered into the Member's
472 disciplinary record.
473

474 If the Member does not file a written request that a Grievance Committee review the matter, does not
475 comply with the request(s) of the Chair, and does not affirmatively reject an offered admonishment in
476 a timely manner, the Chair shall mark the file "CLOSED" and deliver the file to the Ethics and
477 Counseling Department. An admonishment shall then be entered into the Member's disciplinary
478 record.
479

480 The Chair of the Ethics Administration Division may designate another member of the Division to be
481 responsible for the processing of a file referred to the Chair pursuant to Article VIII, Part A, Section 5.
482 Such Division member shall have the powers and perform the duties of the Chair with respect to such
483 matter.
484

485 **Section 2. Relating to Ethical Rules 1-2, 2-3(b), 2-3(c), and 2-3(d), and the Terms of a Suspension**
486 The Chair of the Ethics Administration Division shall have the powers and duties set forth in Article X,
487 Parts F through H, relating to Ethical Rules 1-2, 2-3(b), 2-3(c), and 2-3(d), and violation of the terms of
488 suspensions. The Chair may delegate such powers and duties to another member of the Ethics
489 Administration Division.
490
491

493

494

Ethics Appeals Panel

495

496

Part A: Composition

497

Section 1. Membership of Panel

498 There shall be an Ethics Appeals Panel composed of a Chair and Designated Members as set forth in
499 Regulation No. 7 of the Appraisal Institute.

500

501

502

Part B: Powers and Duties

503

Section 1. Conducting Appeal Proceedings in Peer Review Matters

504 When an appellate proceeding in a peer review matter is required by this Regulation, the Chair of the
505 Ethics Appeals Panel shall appoint an Ethics Appeal Board consisting of a Chair and not less than four
506 additional members from the Ethics Appeals Panel. The Chair of the Ethics Appeals Panel may not
507 serve as Chair or member of an Ethics Appeal Board.

508

509 If the Chair of the Ethics Appeals Panel is unable to complete any of his or her duties under this
510 Regulation, the Ethics and Counseling Department shall select another member of the Ethics Appeals
511 Panel to complete such duties. If a member of the Ethics Appeals Panel is selected to appoint an
512 Ethics Appeal Board the member may not serve as Chair or a member of such Board.

513

514 An Ethics Appeal Board shall have the power and duty to conduct appellate proceedings relating to
515 such peer review matters as required or permitted by this Regulation.

516

517

Section 2. Other Duties

518 The Ethics Appeals Panel, its Chair, and its members shall perform such other duties as may be
519 assigned by the Professional Ethics and Counseling Committee and the Board of Directors of the
520 Appraisal Institute.

521

522

523 **Screening**

524

525 **Effective June 27, 2006**

526

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528

529

Screening Staff

530

531 **Part A: Screening Staff**

532 The screening staff shall consist of:

533

534 a. the Director of Screening;

535

536 b. one or more Assistant Directors of Screening, as provided for from time to time under Part C of
537 this Article; and

538

539 c. any additional staff assisting the Director of Screening and the Assistant Director(s) of Screening.

540

541

542 **Part B: Director of Screening**543 **Section 1. Director of Screening Position**544 There shall be a Director of Screening who shall be appointed by the Executive Committee upon the
545 recommendation of the Chief Executive Officer of the Appraisal Institute. The Director of Screening
546 shall be a Designated Member of the Appraisal Institute who has extensive knowledge of and
547 substantial experience with the Appraisal Institute's Code of Professional Ethics and Standards of
548 Professional Appraisal Practice. The Director of Screening shall also have such qualifications as set
549 forth in the job description for such position.

550

551 **Section 2. Powers and Duties**

552 The Director of Screening shall:

553

554 a. serve as a member of the Professional Ethics and Counseling Committee;

555

556 b. supervise subordinates, as directed by the Vice President of the Legal Department;

557

558 c. exercise general supervision over the screening of all files referred to the Screening Staff; and

559

560 d. have final responsibilities for deciding, in each matter he or she reviews, to take no further action
561 on the matter, to route the matter to the Ethics Administration Division, or to notify a Member of
562 concerns relating to possible violations of the Standards of Professional Appraisal Practice,
563 provided, however, that if one or more Assistant Directors of Screening are appointed pursuant to
564 Part C of this Article, the Director of Screening may grant the Assistant Director(s) authority to
565 make such final screening decisions as the Director deems appropriate.

566

567

568 **Part C: Assistant Director of Screening**

569 **Section 1. Appointment by Executive Committee**

570 The Executive Committee may appoint one or more Assistant Directors of Screening to assist the
571 Director of Screening in performing his or her duties. At least one such Assistant Director of Screening
572 shall hold a residential designation from the Appraisal Institute. In its discretion, the Executive
573 Committee may also grant an Assistant Director of Screening authority to make such final screening
574 decisions, relating to files assigned to an Assistant Director, as the Executive Committee deems
575 appropriate.

576

577 **Section 2. Assumption of Duties of Director of Screening**

578 If the Vice President of the Legal Department determines that the Director of Screening is unable to
579 perform his or her duties, or that the position of Director of Screening is vacant, the Vice President of
580 the Legal Department shall immediately notify the Executive Committee. Upon receipt of such notice,
581 the Executive Committee shall either: (a) fill the vacancy; or (b) grant the Assistant Director of
582 Screening the same authority to screen as the authority vested in the Director of Screening.

583

585

586 Screening Procedures

587

588 **Part A: Screening Procedures**

589 **Section 1. Referral of Information to the Director of Screening**

590 Except as otherwise provided in this Regulation, all information the Appraisal Institute and its
591 Chapters (including their officers, panels, boards and committees) receive that suggests or indicates
592 that a Member of the Appraisal Institute may have:

593

594 a. failed to observe the requirements of the Appraisal Institute's Code of Professional Ethics or the
595 Appraisal Institute's Standards of Professional Appraisal Practice;

596

597 b. been convicted of a serious crime committed prior to becoming a Member; or

598

599 c. knowingly made false statements, submitted false information, or failed to fully disclose
600 information requested in an application for admission to membership, candidacy, or affiliation,

601

602 shall be referred to the Director of Screening for screening in accordance with the requirements of this
603 Regulation.

604

605 **Section 2. Processing by the Screening Staff**

606 Upon receipt of any such information, the Director of Screening shall make or cause to be made such
607 investigation as he or she may deem appropriate for the purpose of determining the action to be taken
608 under this Regulation. The Director of Screening may request that any designated member in good
609 standing who holds the status "Continuing Education Completed" procure information that may be
610 relevant to the investigation and forward it to the Screening Staff.

611

612 **Section 3. Duty of Members to Submit Additional Information**

613 When requested to do so by the Director of Screening or any duly authorized member of the Screening
614 Staff, a Member must promptly submit, at his or her own expense, to the Director of Screening or any
615 duly authorized member of the Screening Staff, a copy of the appraisal report under investigation or a
616 copy of the appraisal report (or the file memoranda setting forth data, reasoning and conclusions)
617 upon which his or her appraisal testimony was based, together with a copy of all subsequent changes
618 and modifications thereof and all requested supporting documentation relevant to the inquiry.

619

620 **Section 4. Closing of Matters Referred**

621 If, after completion of his or her investigation, the Director of Screening determines that there is no
622 legitimate basis for referral to the Ethics Administration Division and that there is no legitimate basis
623 to notify the Member of concerns relating to possible violations of the Standards of Professional
624 Appraisal Practice, the Director of Screening shall prepare or cause to be prepared a written
625 memorandum indicating the basis for this determination and a copy of this memorandum shall be
626 lodged in the files of the Screening Staff. When appropriate, the Director of Screening may advise the

627 party originally transmitting the information to the Appraisal Institute as to the manner in which the
628 referral was handled and the basis for the action taken. Such notification may be appropriate when the
629 Appraisal Institute does not have jurisdiction over the referred matter or when the party transmitting
630 the information is an individual who is authorized to receive such information under the express rules
631 of this Regulation.

632

633 **Section 5. Routing to Ethics Administration Division**

634 If the Director of Screening determines that a Member may have violated the ethical requirements of
635 the Appraisal Institute's Code of Professional Ethics, the Director of Screening shall refer the matter to
636 the Ethics Administration Division for processing in accordance with Article VIII and as further provided
637 in this Regulation. However, if the Director of Screening determines that a Member may have violated
638 an Ethical Rule under Canon 5, the Director may refer the matter to the Chair of the Ethics
639 Administration Division for processing in accordance with Article V, Part C. Furthermore, if the Director
640 of Screening determines that a Member may have violated Ethical Rule 1-2, 2-3(b), 2-3(c), or 2-3(d),
641 the Director shall refer the matter to the Chair of the Ethics Administration Division for processing in
642 accordance with Article X, Part F or G.

643

644 If the Director of Screening determines that a Member may have: been convicted of a serious crime
645 committed prior to becoming a Member; or knowingly made false statements, submitted false
646 information, or failed to fully disclose information requested in an application for admission to
647 membership, candidacy, or affiliation, the Director of Screening shall refer the matter to the Ethics
648 Administration Division for processing in accordance with this Regulation as modified to reflect the
649 nature of the alleged violation.

650

651 **Section 6. Addressing Possible Standards Violations**

652 If the Director of Screening determines that a Member may have violated the requirements of the
653 Appraisal Institute's Standards of Professional Appraisal Practice, the Director of Screening may notify
654 the Member of concerns relating to such possible violations for educational purposes. The file will
655 then be closed.

656

657

658 **Part B: Additional Rules**

659 **Section 1. Conflict of Interest**

660 If the Director of Screening ascertains that he or she has a conflict of interest with respect to any
661 matter submitted to the Director of Screening for investigation and referral under this Regulation, such
662 matter shall be referred to an Assistant Director of Screening or the Chair of the Professional Ethics
663 and Counseling Committee. The Chair of the Professional Ethics and Counseling Committee may
664 designate the Vice Chair of the Professional Ethics and Counseling Committee or the Chair of the
665 Appraisal Standards Committee to be responsible for the processing of a file referred to the Chair
666 pursuant to this section. The individual to whom a matter is referred under this section shall have the
667 powers and perform the duties of the Director of Screening with respect to such file.

668

669 **Section 2. Authority to Process**

670 If the Director of Screening determines that it is unclear as to whether the Appraisal Institute has
671 authority to review an appraisal report or other document submitted to the Appraisal Institute with a
672 request that it be reviewed, the review of such report or other document shall not commence until the
673 Director of Screening is satisfied that the Appraisal Institute does have authority to review such
674 appraisal report or other document.

675

676 If, at any time, it comes to the attention of any division, panel, board, committee, or member thereof,
677 or any Screening Staff member, that the review of an appraisal report was not authorized by a party
678 having the power to grant such authorization, all further action hereunder shall be postponed until
679 such time as the proper authorization has been secured.

680

681 **Section 3. Duty of Members to Submit Permission to Review Form**

682 If an appraisal report or other document prepared or signed by a Member of the Appraisal Institute
683 fails to authorize review by the Appraisal Institute, the Member who prepared or signed such report or
684 other document shall, upon request, furnish to the Director of Screening an appropriate authorization
685 to review the appraisal report or other document on the Appraisal Institute's Permission to Review
686 form.

687

688 **Grievance Committee**
689 **Composition, Investigation**
690 **and Reporting**

691
692 **Effective June 27, 2006**
693

695

696 **Grievance Committee**

697

698 **Part A: Composition**

699 **Section 1. Appointment of Grievance Committee**

700 Except where provided otherwise, when a matter is referred to the Ethics Administration Division, the
701 Ethics and Counseling Department shall appoint a Grievance Committee composed of a Chair and not
702 less than two nor more than four other members. The Chair and the other members of a Grievance
703 Committee shall be designated members in good standing and shall hold the status of continuing
704 education completed as of the date of appointment. Grievance Committee members shall be from the
705 region in which the Member may have violated the Code of Professional Ethics unless the Ethics and
706 Counseling Department determines that it is in the best interest of the Appraisal Institute to appoint
707 one or more Grievance Committee members from other regions. Members of the Professional Ethics
708 and Counseling Committee and its Divisions or Panels are not eligible for appointment to Grievance
709 Committees.

710

711 **Section 2. Notice of Appointment and Submission of Conflict of Interest Statement**

712 When the Ethics and Counseling Department has selected the members of a Grievance Committee,
713 the Department shall mail to each such appointee a formal Notice of Appointment and a form
714 concerning possible conflict of interest. When the Ethics and Counseling Department has received an
715 acceptance of appointment and a statement indicating no conflict of interest from each of the
716 individuals who have been appointed as the Chair and other members of the Grievance Committee,
717 the Department shall advise the Member of the appointment of the Grievance Committee. This notice
718 shall contain the following information:

719

- 720 a. The name, address and telephone number of the Chair and each Member of the Grievance
721 Committee;
- 722 b. Advice to the Member that he or she may file with the Ethics and Counseling Department a
723 Challenge for Cause requesting that the Chair or any Member of the Grievance Committee be
724 excused because such Chair or Member has a personal interest in the case or is prejudiced
725 against the Member. Any such challenge must set forth the facts and reasoning in support of such
726 challenge; and
- 727 c. The last date for the filing of challenges shall be fifteen days from the date of mailing of the
728 Notice of Appointment.

729

730 Upon a timely request by the Member, and for good cause shown, the Ethics and Counseling
731 Department may extend the period allowed for the filing of any challenges for cause.

732

735 **Section 3. Ruling Upon a Challenge for Cause and Appointment of Replacement**

736 Upon receipt of a Challenge for Cause, the Ethics and Counseling Department shall: review the file
737 and study the facts and reasoning set forth by the Member in support of his or her challenge; and
738 determine whether such challenge should be granted.

739

740 If a challenge for cause is granted, the Ethics and Counseling Department may appoint a replacement
741 for the individual who has been excused. The Member shall have the right to file a challenge for cause
742 to any replacement in accordance with the procedures in Section 2 above.

743

744 **Section 4. Transmittal of File to Grievance Committee**

745 When the final composition of the Grievance Committee is known, the Ethics and Counseling
746 Department shall forward such file to the Chair of the Grievance Committee for processing in
747 accordance with the requirements of this Regulation.

748

749 **Section 5. Subsequent Discovery of a Conflict of Interest**

750 If at any time a member of a Grievance Committee discovers that he or she has a personal interest in
751 any matter assigned to such Grievance Committee for investigation, or has a bias in favor of or
752 prejudice against the Member involved, or has served in any other review or investigative capacity in
753 reference to the subject matter of such file, such member shall immediately notify the Ethics and
754 Counseling Department of such personal interest, bias or prejudice and take no further part in the
755 investigation or actions of such Grievance Committee. When any member of a Grievance Committee is
756 thus disqualified, the Ethics and Counseling Department may then appoint, in accordance with this
757 Part A, another member to serve on such Grievance Committee and act in the place of the disqualified
758 member.

759

760 **Section 6. Removal From Grievance Committee**

761 If the Ethics and Counseling Department or a Regional Member determines that a member of a
762 Grievance Committee may have a conflict of interest or may have failed to perform his or her assigned
763 duties, the Department or Regional Member may remove such member from the Grievance Committee
764 or discharge the entire Committee.

765

766 The Grievance Committee member may file a written objection to the removal with the Professional
767 Ethics and Counseling Committee Chair within ten days of the date of the notice of removal. Upon
768 receipt of any such objection, the Professional Ethics and Counseling Committee Chair shall make
769 such investigation as he or she may deem appropriate. Upon completion of such investigation, the
770 Professional Ethics and Counseling Committee Chair may affirm or reverse the decision of the Ethics
771 and Counseling Department or Regional Member to remove such member from the Grievance
772 Committee or discharge the entire Committee.

773

774 When any member of a Grievance Committee is removed from the Committee in this manner the
775 Ethics and Counseling Department may then appoint another member to serve on the Grievance
776 Committee. Any such appointment shall be made in accordance with the requirements of this Part A.

777

778

779 **Part B: Investigation**

780 **Section 1. Procedure for Investigation**

781 Each Grievance Committee shall conduct a thorough investigation to determine whether they believe
782 they can prove, by the greater weight of the evidence available, that the Member violated the Appraisal
783 Institute's Code of Professional Ethics.

784

785 The Chair of a Grievance Committee may personally conduct all or any portion of an investigation or
786 the Chair may assign all or any portion of a particular investigation to one or more members of the
787 Grievance Committee.

788

789 As part of the Grievance Committee's investigation, one or more members of the Grievance
790 Committee shall interview the Member. When requested to do so by a duly authorized Grievance
791 Committee or member thereof, a Member must appear for a personal interview, participate in an
792 interview conducted by telephone or other electronic medium, and answer all questions concerning the
793 matter under investigation. If the Member declines to be interviewed, the Grievance Committee shall
794 document this fact in writing and shall complete any additional investigation it deems appropriate.

795

796 When requested to do so, a Member must, at his or her own expense, submit to a Grievance
797 Committee or individual member thereof, information that is or should be in the Member's possession
798 or control that is relevant to the investigation or that the Committee or member thereof believes may
799 be relevant to the investigation. In addition, the Member may submit, at his or her own expense, any
800 additional information that he or she believes may be relevant to the investigation. The Member may
801 also request that the Grievance Committee interview specific individuals during the investigation. The
802 Grievance Committee shall decide whether to interview any such individuals.

803

804 The Chair, member or members to whom a particular portion of the investigation is assigned shall
805 report the results of such investigation to the Grievance Committee as a whole. When the Grievance
806 Committee has completed its investigation as it deems appropriate, the Grievance Committee shall
807 evaluate the relevant facts and make a decision as to its preliminary recommendation.

808

809 **Section 2. Other Violations**

810 If, as a result of a Grievance Committee's investigation of the subject matter of a file, such Grievance
811 Committee determines that a Member may have violated the Appraisal Institute's Code of Professional
812 Ethics or Standards of Professional Appraisal Practice other than in connection with the subject matter
813 of the file assigned to it for investigation, then the Grievance Committee shall report its findings with
814 respect to such other violation(s) to the Director of Screening. No further action relating to any such
815 other violation(s) shall be taken by such Grievance Committee unless and until such matter is formally
816 assigned to the Grievance Committee.

817

818

819 **Part C: Grievance Committee Report**

820 **Section 1. Duty to Report**

821 After the Grievance Committee has completed its investigation and made a decision as to its
822 preliminary recommendation with respect to a particular file, the Grievance Committee shall prepare a
823 preliminary written Grievance Committee Report and file such Report with the Ethics and Counseling
824 Department.

825

826 **Section 2. Contents of Grievance Committee Report**

827 The Grievance Committee Report shall contain the following:

828

- 829 a. a statement concerning the subject matter that was assigned to the Grievance Committee for
830 investigation;
- 831 b. a summary of the procedures followed by the Grievance Committee in making its investigation;
- 832 c. the Grievance Committee's findings of fact, together with a summary of the evidence available to
833 the Committee which led the Committee to conclude that such facts could be established by the
834 greater weight of the evidence;
- 835 d. the conclusions of the Grievance Committee with respect to whether the Member violated the
836 Code of Professional Ethics; and
- 837 e. a preliminary recommendation made in accordance with the requirements of Section 3 below.

840

841 If the Grievance Committee concludes that a Member did violate the Code of Professional Ethics, the
842 Grievance Committee Report shall contain a clear, precise statement as to the particular provision or
843 provisions of the Code of Professional Ethics which the Member violated, as well as the specific
844 details of the action (or failure to act) which constituted such violation(s).

845

846 **Section 3. Permitted Recommendations**

847 Except in the case of a violation of Ethical Rule 2-3(b), 2-3(c), or 2-3(d) of the Code of Professional
848 Ethics, each Grievance Committee Report shall make one of the following recommendations:

849

- 850 a. that the file be closed with no further action;
- 851 b. that the file be referred to the Screening Staff for notification of the Member of concerns relating
852 to the possible violation of the Standards of Professional Appraisal Practice; and
- 853 c. that the Member be given the right to accept a specified disciplinary action.

854

855 If the Grievance Committee determines that a violation of Ethical Rule 2-3(b), 2-3(c), or 2-3(d) of the
856 Code of Professional Ethics has occurred and compliance with Ethical Rule 2-3(b), 2-3(c), or 2-3(d) was
857 not excused by an exception to the Ethical Rules, the Grievance Committee shall prepare its report
858 and refer the complete file to the Chair of the Ethics Administration Division for processing under
859 Article X, Part G of this Regulation.

860

865 **Part D: Review of Committee Report and Implementation of**
866 **Recommendation**

867 **Section 1. Review by Ethics and Counseling Department and Regional Member**

868 Upon receipt of a Grievance Committee Report, the Ethics and Counseling Department shall carefully
869 review the file and the Grievance Committee Report to determine whether the investigation made by
870 the Grievance Committee was adequate and whether the Grievance Committee Report is in
871 compliance with the requirements of this Regulation. As part of the review process, the Ethics and
872 Counseling Department shall submit a copy of the Report to a Regional Member of the Ethics
873 Administration Division, who may provide advice concerning the adequacy of the investigation, the
874 compliance of the report with the requirements of this Regulation, and any technical appraisal issues.
875

876 **Section 2. Permitted Actions by the Ethics and Counseling Department**

877 If the Ethics and Counseling Department determines that the Grievance Committee's investigation was
878 insufficient, or that the Grievance Committee Report is not in compliance with this Regulation, the
879 Department shall remand the file to the Grievance Committee with instructions to take such further
880 steps as the Department may specify.

881 If the Ethics and Counseling Department determines that the Grievance Committee's investigation was
882 sufficient and that the Grievance Committee Report is in compliance with this Regulation, the
883 Department shall proceed as follows:

- 884 a. if the Grievance Committee recommended that the file be closed with no further action, the
885 Department shall mark the file "CLOSED," and advise the Member that the file has been closed;
886 b. if the Grievance Committee recommended that the file be referred to the Screening Staff, the
887 Department shall mark the file "ETHICS FILE CLOSED—REFERRED TO SCREENING STAFF," and
888 shall deliver the file to the Screening Staff; or
889 c. if the Grievance Committee recommended giving the Member the right to accept disciplinary
890 action, the Ethics and Counseling Department shall proceed in accordance with Part E of this
891 Article.

892 **Part E: Procedure to be Followed if a Grievance Committee Recommends**
893 **that a Member be Given the Right to Accept Disciplinary Action**

894 **Section 1. Review of Prior Disciplinary Record**

895 If the Ethics and Counseling Department determined that the Grievance Committee's investigation was
896 adequate and that the Grievance Committee Report recommending that the Member be given the right
897 to accept a specified disciplinary action is in compliance with this Regulation, the Department shall
898 review the Appraisal Institute's files relating to such Member to determine whether such Member has
899 previously received any disciplinary actions. The Department shall then notify the Grievance Committee
900 of the Member's prior disciplinary record, if any. The Grievance Committee may then consider such
901 record and change its recommendation as to disciplinary action and any educational alternative.

909 If the Grievance Committee recommends disciplinary action but does not recommend an educational
910 alternative in lieu of such disciplinary action, the Ethics and Counseling Department shall proceed in
911 accordance with Section 2 below.

912
913 If the Grievance Committee recommends a specified educational alternative in lieu of the
914 recommended disciplinary action, the Ethics and Counseling Department shall proceed in accordance
915 with Section 3 below.
916

917 **Section 2. Procedure if Member is Offered Disciplinary Action But No Educational Alternative
918 Offered**

919 If the Grievance Committee recommended disciplinary action but no educational alternative, the Ethics
920 and Counseling Department shall forward to the Member by traceable carrier a copy of the Grievance
921 Committee Report and a notice advising such Member that the Grievance Committee has
922 recommended that such Member be given the right to accept a specified disciplinary action. The
923 Member shall have a period of thirty days from the date of the mailing of such notice to advise the
924 Ethics and Counseling Department in writing by traceable carrier as to whether the Member accepts
925 such disciplinary action or requests reconsideration of the Grievance Committee's findings and
926 recommendation. Such request must show good cause for such reconsideration. Upon receipt of a
927 written request from the Member setting forth facts and circumstances justifying an extension, the
928 Ethics and Counseling Department may extend the time for making such election or filing a request to
929 a date the Department deems reasonable under the circumstances.
930

931 If the Member affirmatively accepts such disciplinary action in writing or fails to respond to the offer of
932 disciplinary action within the thirty day period (or any extension thereof), the disciplinary action shall
933 become effective, the Grievance Committee Report and any letter accepting such disciplinary action
934 shall be placed in the file, the file shall be marked "CLOSED" and the complete file shall be delivered
935 to the Ethics and Counseling Department.
936

937 If the Member files a written request showing good cause for reconsideration by traceable carrier, the
938 Grievance Committee may reconsider and revise its findings and recommendation in accordance with
939 Section 4 below.
940

941 If the Member affirmatively elects not to accept such disciplinary action in writing, by traceable carrier,
942 within the thirty day period (or any extensions thereof) allowed for this purpose, a formal Grievance
943 Complaint shall be prepared in accordance with Section 5 below and the file shall be
944 processed further as set forth in this Regulation.
945

946 **Section 3. Procedure if Member is Offered Disciplinary Action and an Educational Alternative**

947 If the Grievance Committee recommended offering the Member a disciplinary action and the
948 opportunity to complete a specified educational alternative the Ethics and Counseling Department
949 shall forward to the Member by traceable carrier a copy of the Grievance Committee Report and a
950 notice advising such Member that the Grievance Committee has recommended that such Member be
951 given the right to accept a disciplinary action, or in lieu thereof, the right to successfully complete a
952 specified educational alternative within a fixed period of time. This notice shall also advise the
953 Member that he or she shall have thirty days from the date of the mailing of such Grievance

954 Committee Report and Notice to advise the Chair of the Grievance Committee and the Ethics and
955 Counseling Department, in writing by traceable carrier, as to whether he or she elects to accept the
956 offer of an educational alternative, to accept the offer of disciplinary action, to accept neither the
957 disciplinary action nor the educational alternative, or to file a request for reconsideration that shows
958 good cause for such reconsideration. Upon receipt of a written request from the Member setting forth
959 facts and circumstances justifying an extension, the Ethics and Counseling Department may extend
960 the time for making such election to a date which the Department deems reasonable under the
961 circumstances.

962

963 If the Member affirmatively accepts the recommended disciplinary action in writing, or if the Member
964 fails to respond to the offer of disciplinary action and an educational alternative within the thirty day
965 period (or any extension thereof), the disciplinary action shall become effective, copies of the
966 Grievance Committee Report, the Notice offering an educational alternative, and any original letter
967 accepting such disciplinary action shall be placed in the file, and the file shall be marked "CLOSED."

968

969 If the Member files a written request showing good cause for reconsideration by traceable carrier, the
970 Grievance Committee may reconsider and revise its findings and recommendation in accordance with
971 Section 4 below.

972

973 If the Member affirmatively elects not to accept the offer of an educational alternative or the
974 recommended disciplinary action in writing by traceable carrier within the thirty day period (or any
975 extensions thereof) allowed for this purpose, a formal Grievance Committee Complaint shall be
976 prepared in accordance with Section 5 below and the file shall be processed further as set forth in this
977 Regulation.

978

979 If the Member elects to accept such educational alternative, the complete file shall be transmitted to
980 the Ethics and Counseling Department and placed in suspense until the Department can determine
981 whether the Member successfully completed the educational alternative within the specified time
982 period.

983

984 If the Ethics and Counseling Department determines that the Member successfully completed the
985 educational alternative within the specified time period, this fact shall be recorded in the file of the
986 Member and the file shall be marked "CLOSED." If the educational alternative was in lieu of reprimand
987 or admonishment, the disciplinary action shall not become effective. If the educational alternative was
988 in lieu of censure, the disciplinary action shall be reduced to admonishment which shall be recorded in
989 the Member's disciplinary record.

990

991 If the Ethics and Counseling Department determines that the Member failed to successfully complete
992 the educational alternative within the specified time period, the disciplinary action shall become
993 effective and shall be posted to the record of the Member, and the file shall be marked "CLOSED."

994

995 **Section 4. Reconsideration of Grievance Committee Report**

996 Upon receipt of a timely and proper request for reconsideration of a Grievance Committee Report
997 finding that a Member violated the Code of Professional Ethics and recommending disciplinary action

998 (and possibly educational alternative in lieu thereof), the Grievance Committee may reconsider its
999 findings and recommendation.

1000

1001 If the Grievance Committee decides not to revise its findings or recommendation, the Grievance
1002 Committee shall so notify the Ethics and Counseling Department. If the Grievance Committee decides
1003 to revise its findings or recommendation, it shall submit its revised report to the Ethics and
1004 Counseling Department.

1005

1006 The Ethics and Counseling Department will review the revised report (if any) to determine whether the
1007 Grievance Committee's consideration of the Member's request was adequate and whether its revised
1008 report (if any) is in compliance with Regulation No. 6. If the Grievance Committee's consideration was
1009 inadequate or its revised report is not in compliance with Regulation No. 6, the Ethics and Counseling
1010 Department shall remand the revised report to the Grievance Committee with instructions to take such
1011 further steps as the Department may specify.

1012

1013 If the Ethics and Counseling Department determines that the Grievance Committee's consideration of
1014 the Member's request was adequate and its revised report (if any) is in compliance with Regulation
1015 No. 6, the Ethics and Counseling Department shall notify the Member of the Grievance Committee's
1016 findings and recommendation as provided in Part C and D of this Article. However, if the Grievance
1017 Committee still recommends disciplinary action (and possibly an educational alternative in lieu
1018 thereof), the Member will have a right to request a formal hearing (in which case a formal Grievance
1019 Committee Complaint will be prepared and filed), rather than another right to request reconsideration
1020 of the Grievance Committee's findings and recommendation.

1021

1022 Section 5. Preparation of a Formal Grievance Committee Complaint

1023 If a Member affirmatively elects in writing not to accept an offer of disciplinary action (and any offer of
1024 an educational alternative), a formal Grievance Committee Complaint shall be prepared. The Complaint
1025 shall include the following information:

1026

1027 a. Allegations of Fact: The Grievance Committee shall set forth in detail each alleged act (or failure to
1028 act) that the Grievance Committee believes violates the Appraisal Institute's Code of Professional
1029 Ethics so as to fully inform the Member of the basis for the Grievance Committee Complaint; and

1030

1031 b. Relation to Code of Professional Ethics: The Grievance Committee shall set forth each provision of
1032 the Appraisal Institute's Code of Professional Ethics that the Grievance Committee alleges the
1033 Member violated. The Complaint shall also clearly and specifically state the Member's act or acts
1034 (or failure to act) that violated each such provision.

1035

1036

1037 **Rules Governing Disciplinary
1038 Proceedings**

1039

1040 **Effective June 27, 2006**

1041

1042

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1045

Hearings

1046

**Part A: Appointment of Hearing Committee and Filing of Grievance
Committee Compliant****Section 1. Appointment of Hearing Committee**

When the Ethics and Counseling Department has approved a formal Grievance Committee Complaint, the Department shall appoint a Hearing Committee. The Chair and other members of a Hearing Committee shall be designated members in good standing and shall hold the status of continuing education completed as of the date of appointment. Hearing Committee members shall be from the region in which the Member's Chapter is located unless the Ethics and Counseling Department determines that it is in the best interest of the Appraisal Institute to appoint one or more Hearing Committee members from other regions. Members of the Professional Ethics and Counseling Committee and its Divisions or Panels are not eligible for appointment to Hearing Committees.

1058

Each Hearing Committee shall consist of a Chair and not less than two nor more than four other members. No member of the Hearing Committee shall be personally interested in the case or biased in favor of or prejudiced against the accused Member or any member of the Grievance Committee, and no member of the Hearing Committee shall have participated in any investigation of the allegations contained in the Complaint or have served on the Grievance Committee that prepared the Complaint.

1064

Section 2. Filing of Complaint

When the Ethics and Counseling Department receives an acceptance of appointment and a statement indicating no conflict of interest from a Chair and two to four members, the Department shall file the formal Grievance Committee Complaint by sending a copy thereof to the accused Member, by traceable carrier. This notice shall contain the following information:

1070

- 1071 a. the name, address, and telephone number of the Chair and each member of the Hearing
Committee;
- 1073 b. the name, address and telephone number of the Chair and each member of the Grievance
Committee;
- 1075 c. advice to the accused Member that he or she may file with the Ethics and Counseling Department
a Challenge for Cause requesting that the Chair or any member of the Hearing Committee be
excused from serving on the Hearing Committee because such Chair or other member of the
Hearing Committee has a personal interest in the case or is prejudiced against the accused
Member;
- 1082 d. advice to the accused Member that he or she may file with the Ethics and Counseling Department
one Preemptory Challenge requesting that the Chair or one other member of the Hearing
Committee be excused from serving on the Hearing Committee;

- 1086
1087 e. the last day for the filing of Challenges for Cause and a Preemptory Challenge shall be twenty days
1088 from the date of mailing of the Notice of Appointment to the accused Member;
1089
1090 f. advice to the accused Member that he or she has the right to be represented at the Hearing by
1091 legal counsel provided that he or she gives proper notice;
1092
1093 g. advice to the accused Member as to his or her rights to file a written Answer to the Complaint, a
1094 written Request for a Bill of Particulars, and a written request that the Hearing Committee Chair
1095 issue summons and invitations for witnesses or the production of documents, and the dates by
1096 which such rights must be exercised; and
1097
1098 h. advice to the accused Member that he or she must notify the Hearing Committee Chair and the
1099 Ethics and Counseling Department as to the dates that he or she is available for the Hearing.
1100

1101 The filing date of any Challenges or pre-hearing filings shall be the postmark date that such item is
1102 mailed to the Ethics and Counseling Department or, if not mailed, the date that such item is received
1103 by the Department.

1104 Upon a timely written request by the accused Member, and for good cause shown, the Ethics and
1105 Counseling Department shall have the power to extend the period allowed for the filing of any
1106 Challenges or pre-hearing filing. However, once the Hearing Committee Chair is determined, the
1107 Hearing Committee Chair shall have the power to extend the period allowed for pre-hearing filings
1108 upon timely written request and good cause shown.

1111 **Section 3. Challenges for Cause**

1112 An accused Member may file with the Ethics and Counseling Department a Challenge for Cause
1113 requesting that any member of the Hearing Committee be excused from serving on the Hearing
1114 Committee because such member of the Hearing Committee has a personal interest in the case or
1115 is otherwise prejudiced against the accused Member. There is no specific limit upon the number of
1116 Challenges for Cause that may be filed in a disciplinary proceeding provided that each such Challenge
1117 for Cause is filed within the time limits established pursuant to this Regulation. Each such Challenge
1118 for Cause must specifically set forth the facts and reasoning which support the request of the accused
1119 Member.

1121 **Section 4. Procedure for Ruling Upon a Challenge for Cause**

1122 Upon receipt of a Challenge for Cause, the Ethics and Counseling Department shall: (a) review the
1123 complete file and study the facts and reasoning set forth by the accused Member in support of his
1124 or her request; and (b) determine whether such request should be granted.

1126 **Section 5. Preemptory Challenge**

1127 An accused Member may file with the Ethics and Counseling Department one (and only one)
1128 Preemptory Challenge requesting that one member of the Hearing Committee be excused from serving
1129 on the Hearing Committee. No facts or reasoning need be stated to support a Preemptory Challenge

1130 and such request shall automatically be allowed if it was filed within the time limits established
1131 pursuant to this Regulation.

1132

1133 **Section 6. Appointment of Replacements**

1134 If a Preemptory Challenge is received and allowed or if a Challenge for Cause is received and granted
1135 (or if a member of a Hearing Committee resigns), the Ethics and Counseling Department may appoint
1136 a new member (or Chair) to replace the individual who has been excused. Upon receipt of an
1137 acceptance of appointment and a statement indicating no conflict of interest from the replacement
1138 appointee, the Ethics and Counseling Department shall notify the accused Member, by traceable
1139 carrier of such replacement appointment. This Notice of Replacement Appointment shall contain the
1140 following information:

1141

- 1142 a. the name, address, and telephone number of each newly appointed Chair and member of the
1143 Hearing Committee;
- 1144 b. advice to the accused Member that he or she may file with the Ethics and Counseling Department
1145 a Challenge for Cause requesting that any newly appointed member of the Hearing Committee be
1146 excused from serving on the Hearing Committee because such newly appointed member of the
1147 Hearing Committee has a personal interest in the case or is prejudiced against the accused
1148 Member; and
- 1149 c. the last date by which any Challenges for Cause may be filed.

1150

1151 An accused Member shall have the right, exercisable within a period of twenty days from the date of
1152 the mailing of the Notice of Replacement Appointment, to file a Challenge for Cause relating to one or
1153 more of the newly appointed members of the Hearing Committee. Each such Challenge for Cause shall
1154 be processed in the same manner as is set forth above in Section 3 and Section 4 of this Part A.

1155

1156 **Section 7. Removal From Hearing Committee**

1157 If the Ethics and Counseling Department determines that a member of a Hearing Committee may have
1158 a conflict of interest or may have failed to perform his or her assigned duties, the Department may
1159 remove such member from the Hearing Committee or discharge the entire Committee.

1160

1161 The Hearing Committee member may file a written objection to the removal with the Professional
1162 Ethics and Counseling Committee Chair and the Ethics and Counseling Department within ten days of
1163 the date of the notice of removal. Upon receipt of any such objection, the Professional Ethics and
1164 Counseling Committee Chair shall make such investigation as he or she may deem appropriate. Upon
1165 completion of such investigation, the Professional Ethics and Counseling Committee Chair may affirm
1166 or reverse the decision of the Ethics and Counseling Department to remove such member from the
1167 Hearing Committee or discharge the entire Committee.

1168

1169

1170

1171

1172 **Part B: Pre-Hearing Notices and Filings**

1173 **Section 1. Answer to Complaint**

1174 An accused Member shall have the right to file a written Answer to Complaint within sixty (60) days
1175 from the date that the Complaint was filed under Part A of this Article. Upon timely written request and
1176 for good cause shown, the Chair of the Hearing Committee shall have the power to adjust the period
1177 allowed for the filing of a written Answer to the Complaint. A written Answer to Complaint shall be filed
1178 with the Chair of the Hearing Committee and a copy thereof shall be mailed to the other Members of
1179 the Hearing Committee, to the Chair and other members of the Grievance Committee, and to the
1180 Ethics and Counseling Department. The Answer to Complaint may deal with each allegation of the
1181 Complaint and may also raise affirmative defenses which, in the opinion of the accused Member,
1182 serve as further answer to the allegations of the Complaint.

1183
1184 If the Answer to Complaint is filed by legal counsel for the accused Member, and the address of such
1185 legal counsel is provided to the Chair of the Hearing Committee and to the Chair of the Grievance
1186 Committee, a copy of all subsequent notices and pleadings shall be mailed by regular mail to such
1187 legal counsel.

1188 **Section 2. Request for a Bill of Particulars**

1190 If, in the opinion of the accused Member, the Grievance Committee Complaint is defective for lack
1191 of specificity and does not sufficiently set forth the details of each action (or failure to act) of the
1192 accused Member which is alleged to be in violation of the Appraisal Institute's Code of Professional
1193 Ethics, the accused Member may file a written Request for a Bill of Particulars to compel the
1194 Grievance Committee to supply such additional information as will enable the accused Member to
1195 be fully aware of the nature of the charges and permit such accused Member to prepare his or her
1196 defense to the allegations of the Complaint.

1197
1198 A written Request for a Bill of Particulars must be filed within sixty (60) days from the date that the
1199 Complaint was filed under Part A of this Article. Upon a timely request and for good cause shown, the
1200 Chair of the Hearing Committee shall have the power to adjust the period allowed for the filing of a
1201 written Request for a Bill of Particulars. A written Request for a Bill of Particulars shall be filed with
1202 the Chair of the Hearing Committee and a copy thereof shall be mailed to the other members of the
1203 Hearing Committee, the Chair and other members of the Grievance Committee and to the Ethics and
1204 Counseling Department.

1205
1206 If the Request for a Bill of Particulars is filed by legal counsel for the accused Member, and the
1207 address of such legal counsel is provided to the Chair of the Hearing Committee and to the Chair of
1208 the Grievance Committee, a copy of all subsequent notices and pleadings shall be mailed by regular
1209 mail to such legal counsel.

1210
1211 **Section 3. Consideration of a Request for a Bill of Particulars**

1212 Upon receipt of a timely Request for a Bill of Particulars, the Chair of the Hearing Committee shall
1213 contact each member of the Hearing Committee for the purpose of ruling upon such Request. If the
1214 majority of the Hearing Committee concludes that all or any part of such Request should be granted,
1215 the Chair of the Hearing Committee shall send a notice to the Chair of the Grievance Committee
1216 requiring the Grievance Committee to file a Bill of Particulars setting forth such additional factual

1217 details as the Hearing Committee may direct. Such notice shall set a deadline for the filing of the Bill
1218 of Particulars and may also reset the date for the Hearing and the deadline by which the accused
1219 Member may file an Answer to the Complaint. The Chair of the Hearing Committee shall also send a
1220 copy of this notice to the other members of the Hearing Committee, the accused Member, the other
1221 members of the Grievance Committee, and the Ethics and Counseling Department.

1222
1223 If the majority of the Hearing Committee concludes that all or any part of such Request should be
1224 denied, the Chair of the Hearing Committee shall notify the accused Member of this decision and the
1225 basis for such denial. The Chair of the Hearing Committee shall also send a copy of this notice to the
1226 other members of the Hearing Committee, the Chair and other members of the Grievance Committee,
1227 and the Ethics and Counseling Department.

1228

1229 **Section 4. Filing of a Bill of Particulars**

1230 If a Hearing Committee rules that a Grievance Committee Complaint is defective for lack of specificity,
1231 the Grievance Committee shall prepare a Bill of Particulars and file such Bill of Particulars with the
1232 Chair and members of the Hearing Committee, the accused Member, the accused Member's counsel,
1233 if any, and the Ethics and Counseling Department within a time period specified by the Hearing
1234 Committee. This Bill of Particulars shall set forth such additional factual details as have been required
1235 by the direction of the Hearing Committee. The Bill of Particulars filed with the accused Member and
1236 the accused Member's counsel, if any, shall be sent by traceable carrier.

1237

1238 **Section 5. Notice of Legal Representation**

1239 Upon compliance with the notice provisions set forth in this section, an accused Member shall be
1240 entitled to be represented by legal counsel at the Hearing. If an accused Member intends to be
1241 represented by legal counsel at the Hearing, the accused Member must file a written Notice of Legal
1242 Representation with the Chair of the Hearing Committee, the Chair of the Grievance Committee, and
1243 the Ethics and Counseling Department within sixty (60) days from the date that the Complaint was
1244 filed under Part A of this Article. This notice shall specify the name, address and telephone number
1245 of the legal counsel who will represent the accused Member at the Hearing. The Notice of Legal
1246 Representation filed with the Chair of the Hearing Committee shall be sent by traceable carrier. Upon
1247 a timely request and for good cause shown, the Chair of the Hearing Committee shall have the power
1248 to adjust the period allowed for the filing of a written Notice of Legal Representation.

1249

1250 **Section 6. Retention of Legal Counsel for the Grievance Committee**

1251 If an accused Member has filed a timely Notice of Legal Representation or if the accused Member has
1252 a juris doctor degree, the Vice President of the Legal Department may authorize the retention of legal
1253 counsel for the Grievance Committee at the Hearing. If the Vice President of the Legal Department
1254 does not authorize the retention of legal counsel for the Grievance Committee, the Grievance
1255 Committee may request the Professional Ethics and Counseling Committee Chair to refer the request
1256 for the retention of legal counsel to the President of the Appraisal Institute. The President of the
1257 Appraisal Institute may authorize such retention of legal counsel, if he or she deems it appropriate.

1258
1259 Legal counsel retained to assist a Grievance Committee at a Hearing held pursuant to this Regulation
1260 shall be permitted to advise and counsel the Grievance Committee; to ask questions of the Chair and
1261 other members of the Hearing Committee; to conduct a direct examination or a cross examination of

1262 the accused Member or any other witness at the Hearing; to ask questions of legal counsel for the
1263 accused Member; and to make oral arguments with respect to the position of the Grievance
1264 Committee.

1265

1266 **Section 7. Retention of Legal Counsel by Hearing Committee**

1267 Whether or not the accused Member is represented by legal counsel at the Hearing, the Hearing
1268 Committee may utilize its own legal counsel to advise it as to legal and procedural issues and to
1269 answer any questions raised by the accused Member, by legal counsel for the accused Member,
1270 by the Grievance Committee or by legal counsel for the Grievance Committee.

1271

1272 If the Hearing Committee decides that it should have legal representation at the Hearing, the Chair
1273 of the Hearing Committee shall request that the Vice President of the Legal Department authorize
1274 retention of such counsel. If the Vice President of the Legal Department does not authorize the
1275 retention of legal counsel for the Hearing Committee, the Chair of the Hearing Committee may request
1276 the Professional Ethics and Counseling Committee Chair to refer the request to the President of the
1277 Appraisal Institute. The President of the Appraisal Institute may authorize such retention of legal
1278 counsel if he or she deems it appropriate.

1279

1280 **Section 8. Summons and Invitations for Witnesses and Evidence**

1281 Both the accused Member and the Grievance Committee shall have the right to file a written Request
1282 for the Issuance of Summons or Invitations within sixty (60) days of the date that the Complaint was
1283 filed under Part A of this Article. Upon a timely request and for good cause shown, the Chair of the
1284 Hearing Committee shall have the power to adjust the period allowed for the filing of a written request
1285 for the Issuance of Summons or Invitations.

1286

1287 Invitations or Summons issued by the Hearing Committee Chair fall into one of the three following
1288 categories:

1289

1290 **a. Invitations to Individuals Who Are Not Members:**

1291 Both the accused Member and the Grievance Committee shall have the right to request that
1292 the Chair of the Hearing Committee issue invitations to the individuals who are not Members
1293 requesting one or both of the following:

1294

1295 (1) that such individual appear and testify at the Hearing; and

1296

1297 (2) that such individual produce such documentary evidence in his or her possession or control
1298 as may be relevant to the subject matter of the proceedings and specified in such invitation.

1299

1300 **b. Invitations to Members:**

1301 Both the accused Member and the Grievance Committee shall have the right to request that the
1302 Chair of the Hearing Committee issue invitations to Members to appear and testify at the Hearing
1303 as expert witnesses. As used in this context an expert witness is an individual invited to testify at
1304 a Hearing who has specialized knowledge that will assist the Hearing Committee to understand
1305 evidence or to determine an issue in the case. Any Member who is issued an invitation to testify
1306 at the Hearing as an expert witness may decline the invitation to testify.

1307

1308 **c. Summons to a Member:**

1309 Both the accused Member and the Grievance Committee shall have the right to request that the
1310 Chair of the Hearing Committee issue a Summons to a Member who possesses knowledge of the
1311 facts which are at issue in the case requiring one or both of the following:

1312

1313 (1) that such Member appear and testify at the Hearing.

1314

1315 (2) that such Member produce such documentary evidence in his or her possession or control
1316 as may be relevant to the subject matter of the proceedings and specified in such summons.

1317

1318 Except for good cause shown, any Member who possesses knowledge of the facts which are at
1319 issue in the case under consideration and receives such a summons but fails to appear and
1320 testify, or fails to produce relevant documentary evidence in his or her possession or control which
1321 is specified in a summons, shall be in violation of Ethical Rule 2-3(e) of the Appraisal Institute's
1322 Code of Professional Ethics.

1323

1324 The Chair of the Hearing Committee shall issue an invitation or summons upon request only if the
1325 following conditions are met:

1326

1327 (1) the request is written.

1328

1329 (2) the request is timely.

1330

1331 (3) the request is material to the issues in the case and is reasonably necessary for the
1332 prosecution or defense of the case.

1333

1334 If the accused Member exercises his or her right to request the Chair of the Hearing Committee to
1335 issue an invitation or a summons, and the Chair of the Hearing Committee does issue such invitation
1336 or summons, the accused Member must pay the expenses of the witness he or she requested.
1337 Provided previous written arrangements have been made, Members who are summoned may seek
1338 reimbursement for travel expenses only.

1339

1340 Upon the issuance of an invitation or summons, the Chair of the Hearing Committee shall mail a copy
1341 thereof to the accused Member, the Chair of the Grievance Committee, and the Ethics and Counseling
1342 Department.

1343

1344 **Section 9. Motion to Dismiss**

1345 If prior to the Hearing, the Grievance Committee obtains new evidence that leads it to conclude that
1346 it cannot prove, by the greater weight of the evidence, that the accused Member violated the Code of
1347 Professional Ethics as alleged in the Complaint, the Grievance Committee may file a Motion to
1348 Dismiss. Such Motion to Dismiss shall be filed with the Chair of the Hearing Committee, with a copy
1349 to the accused Member and the Ethics and Counseling Department.

1350

1351 Upon receipt of a Motion to Dismiss filed by a Grievance Committee, the Chair of the Hearing
1352 Committee shall review the factual information set forth in the Motion to Dismiss and determine
1353 whether the Motion to Dismiss should be granted. If the Motion is granted, the Chair of the Hearing
1354 Committee shall notify the accused Member, the Chair of the Grievance Committee, and the Ethics
1355 and Counseling Department. If the Motion is not granted, the Chair of the Hearing Committee shall set
1356 forth in writing the reason that such Motion to Dismiss was not granted and immediately notify the
1357 accused Member, the Chair of the Grievance Committee, and the Ethics and Counseling Department.
1358

1359 **Section 10. Notice of Hearing**

1360 The Chair of the Hearing Committee must issue a written Notice of Hearing setting forth the date, time
1361 and place for the Hearing. The date of the Hearing shall not be less than sixty (60) days from the date
1362 that the formal Grievance Committee Complaint was filed and not less than thirty (30) days from the
1363 date of mailing of the notice of Hearing. Upon the timely request of any party to the proceedings and
1364 for good cause shown, the Chair of the Hearing Committee shall have the power to reset the date of
1365 the Hearing.

1366
1367 The Chair of the Hearing Committee shall send the Notice of Hearing to the accused Member and his
1368 or her counsel, if any, by traceable carrier and to the other members of the Hearing Committee, the
1369 members of the Grievance Committee, and the Ethics and Counseling Department, by regular mail.
1370
1371

1372 **Part C: Procedural Rules Governing the Conduct of a Hearing**

1373 **Section 1. General Rules**

1374 The Chair of a Hearing Committee shall preside at the Hearing and conduct the Hearing in accordance
1375 with the rules set forth in this Regulation. The Grievance Committee shall be the complainant at the
1376 Hearing and may be represented by one or more individuals serving on the Grievance Committee. The
1377 Grievance Committee has the burden of proof to establish, by the greater weight of the evidence, that
1378 the actions (or failure to act) of the accused Member were in violation of the Appraisal Institute's Code
1379 of Professional Ethics. The accused Member shall have the right to be present during the entire
1380 Hearing.
1381

1382 **Section 2. Procedure at the Hearing**

1383 The Chair of the Hearing Committee shall afford the parties to the Hearing full opportunity to be heard,
1384 to offer the testimony of witnesses and to present documentary evidence relating to the issues
1385 involved in the Hearing, subject, however, to the judgment of the Hearing Committee as to the
1386 relevance of such testimony and documentary evidence to the issues before it. In evidentiary matters
1387 the Hearing Committee may consider the rules of evidence that are applicable in a court of law.
1388 However, the Hearing Committee shall not be bound by such rules of evidence and may consider in
1389 the proceeding all evidence which, in its opinion, fairness or justice requires. Both the accused
1390 Member and the Grievance Committee shall have the right to present such witnesses as the Hearing
1391 Committee deems appropriate, whether or not an invitation or summons was issued to any such
1392 witnesses.
1393

1394 The Grievance Committee shall introduce at the Hearing evidence to support those allegations of the
1395 Grievance Committee Complaint which have not been admitted in the Answer to Complaint of the

1396 accused Member, provided, however, that no evidence shall be presented at the Hearing and no
1397 reference shall be made by the Grievance Committee to any prior disciplinary action taken against or
1398 involving the accused Member unless such prior disciplinary action was published and involved the
1399 same substantive violation of the Appraisal Institute's Code of Professional Ethics as is alleged in
1400 the pending Grievance Committee Complaint. The Grievance Committee may also examine or cross-
1401 examine the accused Member; cross-examine witnesses appearing on behalf of the accused Member;
1402 ask questions of the Chair or any member of the Hearing Committee, or of legal counsel for the
1403 Hearing Committee or the accused Member; and make oral arguments with respect to the subject
1404 matter of the Complaint.

1405
1406 The accused Member shall introduce at the Hearing evidence to rebut the allegations of the Grievance
1407 Committee and to support any affirmative defenses raised in the Answer to Complaint. The accused
1408 Member may also offer the testimony of witnesses and documentary evidence in his or her defense;
1409 examine or cross-examine the Chair or any member of the Grievance Committee; cross-examine
1410 witnesses appearing on behalf of the Grievance Committee; ask questions of the Chair or any member
1411 of the Hearing Committee, or of legal counsel for the Hearing Committee or the Grievance Committee;
1412 and make oral arguments in support of his or her defense.

1413
1414 The members of the Hearing Committee may examine the Chair or any member of the Grievance
1415 Committee; examine the accused Member; examine any of the witnesses presented by the Grievance
1416 Committee or by the accused Member; and ask questions of legal counsel for the accused Member or
1417 for the Grievance Committee.

1418
1419 **Section 3. Recess or Adjournment of Hearing**
1420 The Chair of the Hearing Committee may recess the Hearing or adjourn and reconvene the Hearing
1421 from time to time whenever fairness or convenience requires.

1422
1423 **Section 4. Transcript**
1424 A court reporter shall be present at each Hearing held pursuant to this Regulation and take a verbatim
1425 stenographic record of the entire proceedings. This stenographic record need not be transcribed
1426 unless: the accused Member files a Notice of Appeal; or such transcript is requested by the Ethics
1427 and Counseling Department. In either case, the cost of the transcript shall be paid by the Ethics and
1428 Counseling Department.
1429
1430

1431 **Part D: Actions to be taken at the Conclusion of Hearing**

1432 **Section 1. Hearing Committee Decision**

1433 As soon as possible after the conclusion of a Hearing, the Hearing Committee, in Executive Session,
1434 shall consider the Grievance Committee Complaint, the Answer to Complaint, the testimony of the
1435 witnesses and documentary evidence introduced at the Hearing and the oral arguments to determine
1436 whether, by the greater weight of the evidence, the accused Member violated the Appraisal Institute's
1437 Code of Professional Ethics.

1438
1439 If the determination of the Hearing Committee is that the accused Member did not violate the
1440 Appraisal Institute's Code of Professional Ethics, this determination shall be incorporated in a formal

1441 written decision (hereinafter referred to as "Hearing Committee Decision") in the form hereinafter
1442 specified.

1443
1444 If the determination of the Hearing Committee is that the accused Member did violate the Appraisal
1445 Institute's Code of Professional Ethics, the Hearing Committee shall then consider and determine its
1446 recommendation as to the appropriate disciplinary action to be taken. For this purpose, the Hearing
1447 Committee may take into account all prior disciplinary actions against the Member, if any. Therefore,
1448 after the Hearing Committee has made a final determination that the accused Member did violate the
1449 Appraisal Institute's Code of Professional Ethics, the Chair of the Hearing Committee shall open the
1450 sealed envelope in the file which is marked "CONFIDENTIAL" and contains the prior disciplinary record
1451 of the accused Member. This prior disciplinary record shall then be made known to the members of
1452 the Hearing Committee.

1453
1454 When the Hearing Committee has made a decision concerning its recommendation as to the
1455 appropriate disciplinary action to be taken, both its determination that the accused Member did violate
1456 the Appraisal Institute's Code of Professional Ethics and its recommendation as to the appropriate
1457 disciplinary action to be taken shall be incorporated in a Hearing Committee Decision in the form
1458 hereinafter specified. The Hearing Committee Decision shall be signed by not less than a majority of
1459 the Hearing Committee.

1460

1461 **Section 2. Contents of Hearing Committee Decision**

1462 Each Hearing Committee Decision shall contain:

1463

- 1464 a. a summary of testimony and documentary evidence admitted at the Hearing;
- 1465 b. detailed findings of fact;
- 1466 c. a specific determination as to which alleged violations of the Appraisal Institute's Code of
1467 Professional Ethics have not been proved by the greater weight of the evidence, if any; and
- 1468 d. a specific determination as to which alleged violations of the Appraisal Institute's Code of
1469 Professional Ethics have been proved by the greater weight of the evidence, if any.

1470

1471 If the determination of the Hearing Committee is that the accused Member did violate the Appraisal
1472 Institute's Code of Professional Ethics, then in addition to complying with the above requirements, the
1473 Hearing Committee shall also set forth each provision of the Code of Professional Ethics which was
1474 found to have been violated and the specific action (or failure to act) of the Member which constituted
1475 such violation. In addition, the Hearing Committee Decision shall include the recommendation of the
1476 Hearing Committee as to the appropriate disciplinary action to be taken.

1477

1478 **Section 3. Permitted Recommendations**

1479 If the determination of the Hearing Committee is that the accused Member did violate the Appraisal
1480 Institute's Code of Professional Ethics, the recommendation of the Hearing Committee as to the
1481 appropriate disciplinary action to be taken shall be one of the following:

1482

- 1486 a. Admonishment;
- 1487 b. Reprimand;
- 1488 c. Censure;
- 1489
- 1490 d. Suspension; or
- 1491
- 1492 e. Expulsion.
- 1493
- 1494
- 1495 Unless the Hearing Committee recommends suspension or expulsion, the Hearing Committee may further recommend that the Member be offered an opportunity to complete a specified educational alternative in lieu of the recommended disciplinary action. If the Hearing Committee recommends that the Member be offered an opportunity to complete a specified educational alternative in lieu of the recommended disciplinary action, the decision of the Hearing Committee shall also recommend: the educational alternative the Member must successfully complete; and the period of time within which the educational alternative must be successfully completed. For any Appraisal Institute course that has an examination, the Hearing Committee must recommend that the course examination be taken and passed for successful completion of the educational alternative.
- 1505
- 1506 Prior to issuance of a Hearing Committee Decision offering an educational alternative, the Chair of the Hearing Committee may contact the Professional Ethics and Counseling Committee Chair to obtain his or her advice as to a reasonable and appropriate educational alternative. Upon receipt of any such advice, the Hearing Committee shall make its final determination concerning the specified educational alternative.
- 1511
- 1512 **Section 4. Transmittal of Hearing Committee Decision**
- 1513 When the Hearing Committee Decision has been completed and signed by the members of the Hearing Committee, the Chair of the Hearing Committee shall transmit such Hearing Committee Decision to the accused Member by traceable carrier. A copy of the Hearing Committee Decision shall be mailed by regular mail to the Chair of the Grievance Committee, and the Ethics and Counseling Department.
- 1518
- 1519 If the Hearing Committee Decision is that the accused Member did violate the Appraisal Institute's Code of Professional Ethics, the transmittal letter from the Chair of the Hearing Committee to the accused Member shall: advise the accused Member of his or her right to appeal the Hearing Committee Decision within thirty days of the date that the Decision was mailed to the Member; specify the last date by which such Member may file a Notice of Appeal; and advise the Member that the Notice of Appeal must be filed with the Chair of the Ethics Appeals Panel by traceable carrier and that copies of such Notice of Appeal must be mailed by regular mail to the Chair of the Grievance Committee, Chair of the Hearing Committee, and Ethics and Counseling Department. The transmittal letter from the Chair of the Hearing Committee shall further advise the Member as to the names, addresses and telephone numbers of the Chair of the Ethics Appeals Panel the Chair of the Grievance Committee, the Chair of the Hearing Committee, and the Ethics and Counseling Department.
- 1529
- 1530

1531 If the Hearing Committee Decision recommends that an educational alternative be offered in lieu of
1532 disciplinary action, then the transmittal letter shall further notify the Member that unless he or she
1533 appeals the Decision as specified above or accepts the educational alternative in writing to the
1534 Hearing Committee Chair by traceable carrier within thirty days of the date that the Hearing Committee
1535 Decision was mailed, the disciplinary action recommended in the Hearing Committee decision will
1536 become effective and will be made a part of the record of the Member.

1537
1538

**1539 Part E: Procedure to be followed if a Hearing Committee Recommends
1540 Disciplinary Action**

**1541 Section 1. Action to be Taken When a Timely Appeal is Not Filed and the Hearing Committee Did
1542 Not Recommend That an Educational Alternative be Offered**

1543 If a Member fails to file a timely notice of appeal from a Hearing Committee Decision which
1544 recommends that a disciplinary action be taken but does not recommend a specified educational
1545 alternative in lieu of such disciplinary action, the disciplinary action shall become effective. The file
1546 shall be marked "CLOSED" and shall be delivered to the Ethics and Counseling Department. The
1547 Ethics and Counseling Department shall post the disciplinary action to the record of the Member. If
1548 the disciplinary action to be taken is expulsion, suspension, or censure, such disciplinary action shall
1549 be published in both print and electronic media and the Chapter of the Member shall be notified of the
1550 disciplinary action.

1551

**1552 Section 2. Action to be Taken When An Appeal is Not Filed and the Hearing Committee
1553 Recommended That an Educational Alternative be Offered**

1554 If a Member fails to file a timely notice of appeal from a Hearing Committee Decision and fails to
1555 accept the educational alternative in a timely manner, the recommended disciplinary action shall
1556 become effective and the failure to accept the educational alternative shall be recorded in the file.
1557 The file shall be marked "CLOSED" and shall be delivered to the Ethics and Counseling Department.
1558 The Ethics and Counseling Department shall post the disciplinary action to the record of the Member.
1559 If the disciplinary action to be taken is censure, such disciplinary action shall be published in both
1560 print and electronic media and the Chapter of the Member shall be notified of the disciplinary action.

1561

1562 If the Member accepts the educational alternative, the file shall be placed in suspense until the
1563 Hearing Committee can determine whether the Member successfully completed the educational
1564 alternative within the specified time period.

1565

1566 If the Hearing Committee determines that the Member successfully completed the specified
1567 educational alternative in lieu of admonishment or reprimand within the specified time period, the
1568 disciplinary action shall not become effective and the successful completion of the educational
1569 alternative shall be recorded in the file of the Member. If the Hearing Committee determines that
1570 the Member successfully completed the specified educational alternative in lieu of a censure, the
1571 disciplinary action shall be reduced to admonishment, which shall be recorded in the file along with
1572 the fact that the Member successfully completed the educational alternative. In either case, the file
1573 shall be marked "CLOSED" and shall be delivered to the Ethics and Counseling Department.

1574

1575 If the Hearing Committee determines that the Member failed to successfully complete the educational
1576 alternative within the specified time period, the specified disciplinary action shall become effective
1577 and the failure to complete the educational alternative shall be recorded in the file of the Member. The
1578 file shall be marked "CLOSED" and shall be delivered to the Ethics and Counseling Department. The
1579 Ethics and Counseling Department shall post the disciplinary action to the record of the Member. If
1580 the disciplinary action to be taken is censure, such disciplinary action shall be published in both print
1581 and electronic media and the Chapter of the Member shall be notified of the disciplinary action.
1582

1583 **Section 3. Action to be Taken When a Timely Appeal is Filed**

1584 If the Member files a timely appeal of the Hearing Committee Decision, the Chair of the Hearing
1585 Committee shall promptly deliver the file to the Ethics and Counseling Department and the procedures
1586 found in Article XI shall be followed.
1587
1588

1589 **Part F: Alternate Procedure to be followed for Violation of Ethical Rule 1-2**

1590 **Section 1. Automatic Suspension**

1591 Upon receipt of either: (a) a certified copy of a Court document indicating that a Member has entered
1592 a guilty plea to having committed a crime of the type referred to in Ethical Rule 1-2 together with
1593 information indicating that such Member has not as yet been convicted of such crime, or (b) a certified
1594 copy of a court document indicating that a Member has been found guilty by a judge or a jury of a
1595 crime of the type referred to in Ethical Rule 1-2 together with information indicating that all rights to
1596 appeal from such conviction have not been exhausted, the Chair of the Ethics Administration Division
1597 shall give written notice to such Member that his or her privileges of membership have been
1598 suspended commencing on the day following the postmark date of such notice.
1599

1600 If the suspension is based upon a plea of guilty as described in (a) above and such plea is
1601 subsequently withdrawn, rejected or set aside, the suspension will expire on the date such plea is
1602 withdrawn, rejected or set aside. If the suspension is based upon a plea of guilty as described in (a)
1603 above and a Judgment of Conviction is subsequently entered, the suspension will expire on the date
1604 that all appeals of such conviction have been completed and finally determined. If the suspension is
1605 based upon conviction of a crime as described in (b) above, the suspension will expire on the date
1606 that all appeals of such conviction have been completed and finally determined. When such final
1607 determination has been made, the suspended Member shall have the duty and obligation to promptly
1608 notify the Ethics and Counseling Department as to the substance of such final determination.
1609

1610 **Section 2. Right to Appeal Automatic Suspension**

1611 A Member who has been suspended from the privileges of membership pursuant to Section 1 above
1612 shall have the right to appeal such suspension by filing a timely Notice of Appeal with the Chair of the
1613 Ethics Appeals Panel in accordance with the requirements of Article XI. In such event, the
1614 requirements and procedures governing the appeal shall be as set forth in Article XI of this Regulation
1615 with such modifications thereof as may be required to reflect the fact that the suspension was entered
1616 pursuant to Section 1 above.
1617

- 1618 **Section 3. Automatic Expulsion**
- 1619 Upon receipt of a certified copy of a Judgment stating that a Member has been convicted of a crime of
1620 the type referred to in Ethical Rule 1-2 and evidence that all rights to appeal from such conviction have
1621 been exhausted, the Chair of the Ethics Administration Division shall give written notice to such
1622 Member that he or she will be expelled from membership, subject, however, to the provisions of
1623 Section 4 of this Part F.
- 1624
- 1625 The Member shall be suspended from the rights and privileges of membership during the period in
1626 which he or she can appeal the automatic expulsion. If the Member fails to file a timely appeal, the
1627 expulsion will become effective on the day following the expiration of the period in which to file an
1628 appeal.
- 1629
- 1630 **Section 4. Right to Appeal Automatic Expulsion**
- 1631 A Member who has been sent a notice of expulsion pursuant to Section 3 above shall have the right
1632 to appeal such expulsion by filing a timely Notice of Appeal with the Chair of the Ethics Appeals Panel
1633 in accordance with the requirements of Article XI. In such event, the requirements and procedures
1634 governing the appeal shall be as set forth in Article XI of this Regulation with such modifications
1635 thereof as may be required to reflect the fact that the expulsion was entered pursuant to Section 3
1636 above.
- 1637
- 1638 Upon the filing of a timely Notice of Appeal, the automatic expulsion shall be stayed pending a final
1639 determination of the merits of such appeal. However, the membership privileges of such Member shall
1640 continue to be suspended during the pendency of the appeal.
- 1641
- 1642 **Section 5. Respondent in an Appeal**
- 1643 Since appeals relating to Ethical Rule 1-2 will be from determinations of the Chair of the Ethics
1644 Administration Division and no Grievance Committee will be involved, the Chair of the Ethics
1645 Administration Division shall act in the place of the Grievance Committee in connection with any such
1646 appeal.
- 1647
- 1648 **Section 6. Prima Facie Evidence and Burden of Proof**
- 1649 At any appeal heard pursuant to Section 2 or Section 4 above, the submission into evidence of a
1650 certified copy of a Judgment stating that a Member has been convicted of a crime of the type referred
1651 to in Ethical Rule 1-2 shall be prima facie evidence that the Member has violated Ethical Rule 1-2 of
1652 the Code of Professional Ethics; however, this shall not prevent a Member from introducing into
1653 evidence such evidence as may be appropriate to dispute or explain such conviction and the Chair of
1654 the Ethics Administration Division shall have the burden of proof to establish, by the greater weight of
1655 the evidence, that such accused Member did, in fact, violate Ethical Rule 1-2.
- 1656
- 1657 **Section 7. Decision of an Ethics Appeal Board**
- 1658 At the conclusion of a Hearing on an Appeal taken pursuant to Section 2 above, the Ethics Appeal
1659 Board for such appeal shall either:
- 1660
- 1661 a. affirm the suspension; or
- 1662

1663 b. reverse the suspension and allow the Member to enjoy the privileges of membership until such
1664 time as all appeals of his or her conviction have been finally determined.

1665
1666 At the conclusion of a Hearing on Appeal taken pursuant to Section 4 above, the Ethics Appeal Board
1667 for such appeal shall have all of the powers of an Ethics Appeal Board set forth in this Regulation.
1668

1669
1670 **Part G: Alternate Procedure to be followed for Violation of Ethical Rule
1671 2-3(b), (c), or (d)**

1672 **Section 1. Automatic Expulsion**

1673 Upon receipt of a matter from the Director of Screening relating to Ethical Rule 2-3(b), 2-3(c), or 2-3(d),
1674 the Chair of the Ethics Administration Division shall determine whether the Member violated Ethical
1675 Rule 2-3(b), 2-3(c), or 2-3(d). If the Chair determines that such Member violated Ethical Rule 2-3(b), 2-
1676 3(c), or 2-3(d), the Chair shall give written notice to such Member that he or she will be expelled from
1677 membership, subject however, to the provisions of Section 2 of this Part G.

1678 Upon receipt of a Grievance Committee report from a duly appointed Grievance Committee stating that
1679 it has determined that a Member has violated Ethical Rule 2-3(b), 2-3(c), or 2-3(d) the Chair of the
1680 Ethics Administration Division shall give written notice to such Member advising, that he or she will be
1681 expelled from membership, subject however, to the provisions of Section 2 of this Part G.
1682

1683 The Member shall be suspended from the rights and privileges of membership during the period in
1684 which he or she can appeal the automatic expulsion for violation of Ethical Rule 2-3(b), 2-3(c), or 2-
1685 3(d). If the Member fails to file a timely appeal, the expulsion will become effective on the day
1686 following the expiration of the period in which to file an appeal.
1687

1688 **Section 2. Right to Appeal Automatic Expulsion**

1689 A Member who has been sent a notice of expulsion pursuant to Section 1 above shall have the right
1690 to appeal such expulsion by filing a timely Notice of Appeal with the Chair of the Ethics Appeals Panel
1691 in accordance with the requirements of Article XI. In such event, the requirements and procedures
1692 governing the appeal shall be as set forth in Article XI of this Regulation, with such modifications
1693 thereof as may be required to reflect the fact that the Expulsion was entered pursuant to Section 1
1694 above.
1695

1696 Upon the filing of a timely Notice of Appeal, the expulsion shall be stayed pending a final determina-
1697 tion of the merits of such appeal. However, the membership privileges of such Member shall continue
1698 to be suspended during the pendency of the appeal.
1699

1700
1701 **Section 3. Respondent in an Appeal**

1702 If an appeal under Section 2 above is from a Grievance Committee determination, the Chair of the
1703 Grievance Committee, or such member of the Grievance Committee as may be designated by the
1704 Chair, shall act as the respondent in such appeal. If an appeal under Section 2 above is from a
1705 determination of the Chair of the Ethics Administration Division, such Chair shall act as the
1706 respondent in such appeal.

- 1707
- 1708 **Section 4. Prima Facie Evidence and Burden of Proof for Violation of Ethical Rule 2-3(b)**
- 1709 At any Appeal heard pursuant to Section 2 above concerning a violation of Ethical Rule 2-3(b),
1710 submission into evidence of:
- 1711
- 1712 a. a copy of a request of the Member by the Appraisal Institute, an Appraisal Institute committee or
1713 member thereof, or one of their authorized agents, for relevant documentation or information that
1714 is or should be in the possession or control of the Member;
- 1715
- 1716 b. a document demonstrating delivery or attempted delivery of the request to the Member or an
1717 agent thereof; and
- 1718
- 1719 c. a Grievance Committee Report finding that the Member failed or refused to comply with such
1720 request or an affidavit from the Appraisal Institute, an Appraisal Institute committee or member
1721 thereof, or one of their authorized agents that the Member failed or refused to comply with such
1722 request.
- 1723
- 1724 shall constitute prima facie evidence that the Member violated Ethical Rule 2-3(b). However, this shall
1725 not prevent a Member from introducing such evidence as may be appropriate to dispute or explain the
1726 evidence submitted by the Grievance Committee which shall have the burden of proof to establish, by
1727 the greater weight of the evidence, that such Member did, in fact, violate Ethical Rule 2-3(b).
- 1728
- 1729 **Section 5. Prima Facie Evidence and Burden of Proof for Violations of Ethical Rule 2-3(c)**
- 1730 At any Appeal heard pursuant to Section 2 above concerning a violation of Ethical Rule 2-3(c), the
1731 submission into evidence of:
- 1732
- 1733 a. copy of a written request or contemporaneous record of an oral request of the Member by the
1734 Appraisal Institute, an Appraisal Institute committee or member thereof, or one of their authorized
1735 agents, to answer one or more relevant questions, and the relevant question or questions that the
1736 Member failed or refused to promptly answer;
- 1737
- 1738 b. if a written request, a document demonstrating delivery or attempted delivery of the request to the
1739 Member or an agent thereof; and
- 1740
- 1741 c. a Grievance Committee Report finding that the Member failed or refused to promptly answer one
1742 or more relevant questions or an affidavit from the Appraisal Institute, an Appraisal Institute
1743 committee or member thereof, or one of their authorized agents, stating that the Member failed or
1744 refused to promptly answer one or more relevant questions shall constitute prima facie evidence
1745 that such Member violated Ethical Rule 2-3(c).
- 1746
- 1747 However, this shall not prevent a Member from introducing such evidence as may be appropriate to
1748 dispute or explain such failure or refusal to comply and the Chair of the Ethics Administration Division
1749 shall have the burden of proof to establish, by the greater weight of the evidence, that such accused
1750 Member did, in fact, violate Ethical Rule 2-3(c).
- 1751

1752 **Section 6. Prima Facie Evidence and Burden of Proof for Violations of Ethical Rule 2-3(d)**

1753 At any Appeal heard pursuant to Section 2 above concerning a violation of Ethical Rule 2-3(d), the
1754 submission into evidence of:

1755
1756 a. copy of a request of the Member by the Appraisal Institute, an Appraisal Institute committee or
1757 member thereof, or one of their authorized agents, for a personal interview or a telephone
1758 interview;

1759
1760 b. a document demonstrating delivery or attempted delivery of the request to the Member or an
1761 agent thereof; and

1762
1763 c. a Grievance Committee Report finding that the Member failed or refused to appear for a personal
1764 interview or participate in an interview conducted by telephone or an affidavit from the Appraisal
1765 Institute, an Appraisal Institute committee or member thereof, or one of their authorized agents,
1766 stating that the Member failed or refused to appear for a personal interview or participate in an
1767 interview conducted by telephone

1768
1769 shall constitute prima facie evidence that such Member violated Ethical Rule 2-3(d) of the Code of
1770 Professional Ethics; however, this shall not prevent a Member from introducing such evidence as may
1771 be appropriate to dispute or explain such failure to notify the Ethics and Counseling Department, and
1772 the Chair of the Ethics Administration Division shall have the burden of proof to establish, by the
1773 greater weight of the evidence, that such Member did, in fact, violate Ethical Rule 2-3(d).

1774
1775 **Section 7. Decision of the an Ethics Appeal Board**

1776 At the conclusion of a Hearing on Appeal taken pursuant to Section 2 above, the Ethics Appeal Board
1777 for such appeal shall have all of the powers of an Ethics Appeal Board set forth in this Regulation.

1779
1780 **Part H: Alternate Procedure for Failure to Comply with Terms of Suspension**

1781 **Section 1. Automatic Expulsion**

1782 If a Member fails to transmit his or her certificate, emblem and other indicia of membership to the
1783 Ethics and Counseling Department within thirty days after the postmark date of the notice to the
1784 Member that he or she is suspended pursuant to this Regulation, the Chair of the Ethics
1785 Administration Division shall give written notice to the Member he or she will be expelled from
1786 membership, subject however, to the provisions of Section 2 of this Part H. If a Member suspended
1787 under this Regulation uses or refers to any Appraisal Institute designation or membership during the
1788 period of suspension, the Chair of the Ethics Administration Division shall give written notice to the
1789 Member that he or she will be expelled from membership, subject however, to the provisions of
1790 Section 2 of this Part H.

1791
1792 The Member shall continue to be suspended from the rights and privileges of membership during the
1793 period in which he or she can appeal the automatic expulsion for violation of the terms of his or her
1794 suspension. If the Member fails to file a timely appeal, the expulsion will become effective on the day
1795 following the expiration of the period in which to file an appeal.

1797 **Section 2. Right to Appeal Automatic Expulsion**

1798 A Member who has been sent a notice of expulsion pursuant to Section 1 above shall have the right
1799 to appeal such expulsion by filing a timely Notice of Appeal with the Chair of the Ethics Appeals Panel
1800 in accordance with the requirements of Article XI. In such event, the requirements and procedures
1801 governing the appeal shall be as set forth in Article XI of this Regulation, with such modification
1802 thereof as may be required to reflect the fact that the expulsion was entered pursuant to Section 1
1803 above.

1804

1805 Upon the filing of a timely Notice of Appeal, the expulsion shall be stayed pending a final determina-
1806 tion of the merits of such appeal. However, the membership privileges of such Member shall continue
1807 to be suspended during the pendency of the appeal.

1808

1809 **Section 3. Respondent in an Appeal**

1810 Since an appeal under Section 2 above will be from a determination of the Chair of the Ethics
1811 Administration Division and no Grievance Committee will be involved, the Chair of the Ethics
1812 Administration Division will act in the place of the Grievance Committee in connection with any
1813 such appeal.

1814

1815 **Section 4. Prima Facie Evidence**

1816 At any appeal heard pursuant to Section 2 above, the submission into evidence of:

1817

1818 a. the notice of suspension, along with an affidavit of a member of the Ethics and Counseling
1819 Department that it did not receive the Member's certificate, emblem or other indicia of
1820 membership within thirty days after the postmark date of the notice of suspension; or

1821

1822 b. the notice of suspension, along with a document or affidavit indicating that a suspended Member
1823 used or referred to any Appraisal Institute designation or membership during the suspension.

1824

1825 shall constitute prima facie evidence that the Member violated the terms of suspension. However,
1826 this shall not prevent the Member from introducing such evidence as may be appropriate to dispute
1827 or explain the failure to comply with the terms of the suspension and the Chair of the Ethics
1828 Administration Division shall have the burden of proof to establish, by the greater weight of the
1829 evidence, that such Member did, in fact, violate the terms of the suspension.

1830

1832

1833 **Procedures Governing the Appeal of Hearing 1834 Committee Decisions**

1835

1836 **Part A: Right to Appeal from Hearing Committee Decisions**

1837 **Section 1. Right to Appeal**

1838 A Member shall have the right to appeal any Hearing Committee Decision that recommends that a
1839 disciplinary action be taken against such Member. This right to appeal shall be exercisable only by the
1840 filing of a timely Notice of Appeal with the Chair of the Ethics Appeals Panel in the manner hereinafter
1841 set forth. A Notice of Appeal shall be timely if it is mailed by traceable carrier to the Chair of the Ethics
1842 Appeals Panel within thirty days of the date that the Hearing Committee Decision was mailed to the
1843 Member. A Member filing a Notice of Appeal (the "Appellant") shall mail copies of such Notice of
1844 Appeal by regular mail to the Chair of the Hearing Committee, the Chair of the Grievance Committee,
1845 and the Ethics and Counseling Department.

1846

1847 **Section 2. Appointment of an Ethics Appeal Board**

1848 When a peer review appellate proceeding is required by this Regulation, the Chair of the Ethics
1849 Appeals Panel shall appoint an Ethics Appeal Board consisting of a Chair and not less than four
1850 additional members from the Ethics Appeals Panel. If the Chair of the Ethics Appeals Panel is unable
1851 to appoint an Ethics Appeal Board, the Ethics and Counseling Department shall select another
1852 member of the Ethics Appeals Panel to make such appointments.

1853

1854 No member of an Ethics Appeal Board shall be personally interested in the case or biased in favor of
1855 or prejudiced against the Appellant or any member of the Grievance Committee or Hearing Committee
1856 and no member of an Ethics Appeal Board shall have participated in any prior investigation or Hearing
1857 concerning the subject matter of the file.

1858

1859 When the Ethics and Counseling Department receives an acceptance of appointment and a statement
1860 indicating no conflict of interest from a Chair and not less than four additional members to an Ethics
1861 Appeal Board, the Department shall notify the Appellant of the appointees, by traceable carrier. This
1862 notice shall contain the following information:

1863

- 1864 a. the name, address, and telephone number of the Chair and each member of the Ethics Appeal
1865 Board;

1866

- 1867 b. advice to the Appellant that he or she may file with the Chair of the Ethics Appeals Panel, with a
1868 copy to the Ethics and Counseling Department, a Challenge for Cause requesting that the Chair or
1869 any member of the Ethics Appeal Board be excused from serving on the Ethics Appeal Board
1870 because such Chair or other member has a personal interest in the case or is prejudiced against
1871 the Appellant, the Grievance Committee and/or the Hearing Committee;

1872

- 1873 c. advice to the Appellant that he or she may file with the Chair of the Ethics Appeals Panel, with a
1874 copy to the Ethics and Counseling Department, one Preemptory Challenge requesting that the
1875 Chair or one other member of the Ethics Appeal Board be excused from serving on the Ethics
1876 Appeal Board;
- 1877
- 1878 d. the last day for the filing of Challenges for Cause and a Preemptory Challenge shall be twenty days
1879 from the date of mailing of the Notice of Appointment;
- 1880
- 1881 e. advice to the Appellant that he or she has the right to be represented at any Hearing on Appeal by
1882 legal counsel provided that he or she gives proper notice; and
- 1883
- 1884 f. advice to the Appellant as to his or her responsibility to file a written Appeal Brief and his or her
1885 option to file an Answer to the Reply Brief, and the dates by which such rights must be exercised.

1887 The filing date of any Challenges or Briefs shall be the postmark date that such item is mailed to the
1888 Chair of the Ethics Appeals Panel and the Ethics and Counseling Department or, if not mailed, the
1889 date that such item is received by the Chair of the Ethics Appeals Panel and the Ethics and Counseling
1890 Department.

1891 Upon a timely written request by the Appellant, and for good cause shown, the Chair of the Ethics
1892 Appeals Panel shall have the power to extend the period allowed for the filing of any Challenges or pre-
1893 hearing filing.

1894 **Section 3. Challenges for Cause**

1895 An Appellant may file with the Chair of the Ethics Appeals Panel a Challenge for Cause requesting that
1896 any member of the Ethics Appeal Board be excused from serving on the Ethics Appeal Board because
1897 such member has a personal interest in the case or is otherwise prejudiced against the Appellant.
1898 There is no specific limit upon the number of Challenges for Cause that may be filed provided that
1899 each such Challenge for Cause is filed within the time limits established pursuant to this Regulation.
1900 Each such Challenge for Cause must specifically set forth the facts and reasoning which support the
1901 request of the Appellant. A copy of any Challenge for Cause must also be filed with the Ethics and
1902 Counseling Department.

1903 **Section 4. Procedure for Ruling Upon a Challenge for Cause**

1904 Upon receipt of a Challenge for Cause, the Chair of the Ethics Appeals Panel shall: (a) review the
1905 challenge and study the facts and reasoning set forth by the Appellant in support of his or her
1906 challenge; and (b) determine whether such challenge should be granted.

1907 **Section 5. Preemptory Challenge**

1908 An Appellant may file with the Chair of the Ethics Appeals Panel, with a copy to the Ethics and
1909 Counseling Department, one (and only one) Preemptory Challenge requesting that one member of the
1910 Ethics Appeal Board be excused from serving on the Ethics Appeal Board. No facts or reasoning need
1911 be stated to support a Preemptory Challenge and such request shall automatically be allowed if it was
1912 filed within the time limits established pursuant to this Regulation.

- 1918 **Section 6. Appointment of Replacements**
- 1919 If a Preemptory Challenge is received and allowed or if a Challenge for Cause is received and granted
1920 (or if a member of an Ethics Appeal Board resigns), the Chair of the Ethics Appeals Panel may appoint
1921 a new member (or Chair) to replace the individual who has been excused. Upon receipt of an
1922 acceptance of appointment and a statement indicating no conflict of interest from the replacement
1923 appointee, the Ethics and Counseling Department shall notify the Appellant, by traceable carrier of
1924 such replacement appointment. This Notice of Replacement Appointment shall contain the following
1925 information:
- 1926 a. the name, address, and telephone number of each newly appointed Chair and/or member of the
1927 Ethics Appeal Board;
- 1929 b. advice to the Appellant that he or she may file with the Chair of the Ethics Appeals Panel, with a
1930 copy to the Ethics and Counseling Department, a Challenge for Cause requesting that any newly
1931 appointed member of the Ethics Appeal Board be excused from serving on the Ethics Appeal
1932 Board because such newly appointed member of the Ethics Appeal Board has a personal interest
1933 in the case or is prejudiced against the Appellant; and
- 1934 c. the last date by which any Challenges for Cause may be filed.
- 1935
- 1936 An Appellant shall have the right, exercisable within a period of twenty days from the date of the
1937 mailing of the Notice of Replacement Appointment, to file a Challenge for Cause relating to one
1938 or more of the newly appointed members of the Ethics Appeal Board. Each such Challenge for Cause
1939 shall be processed in the same manner as is set forth above in Section 3 and Section 4
1940 of this Part A.
- 1941
- 1942 **Section 7. Removal From Ethics Appeal Board**
- 1943 If the Chair of the Ethics Appeals Panel determines that a member of an Ethics Appeal Board may
1944 have a conflict of interest or may have failed to perform his or her assigned duties, the Chair may
1945 remove such member from the Ethics Appeal Board or discharge the entire Board.
- 1946
- 1947 An Ethics Appeal Board member may file a written objection to removal with the Professional Ethics
1948 and Counseling Committee Chair and the Ethics and Counseling Department within ten days of the
1949 date of the notice of removal. Upon receipt of any such objection, the Professional Ethics and
1950 Counseling Committee Chair shall make such investigation as he or she may deem appropriate. Upon
1951 completion of such investigation, the Professional Ethics and Counseling Committee Chair may affirm
1952 or reverse the decision of the Chair of the Ethics Appeals Panel to remove such member from the
1953 Ethics Appeal Board or discharge the entire Board.
- 1954
- 1955 **Section 8. Transcript of Hearing**
- 1956 Upon receipt of a copy of a Notice of Appeal for a file in which a Hearing has been held, the Ethics
1957 and Counseling Department shall obtain a transcript of the record of the Hearing before the Hearing
1958 Committee. Upon receipt of this transcript, the Ethics and Counseling Department shall transmit one
1959 copy of such transcript to the Appellant by traceable carrier. Such transcript shall also be mailed by
1960 regular mail to the Chair of the Grievance Committee.
- 1961
- 1962

1963
1964 Upon request, a copy of all documentary evidence admitted at the Hearing shall also be mailed to the
1965 Appellant and to the Chair of the Grievance Committee.

1966

1967

1968 **Part B: Appellate Briefs**

1969 **Section 1. Filing of Brief**

1970 Within thirty days after the receipt of the transcript of the Hearing by the Appellant, or within such
1971 additional time as may be granted for this purpose by the Chair of the Ethics Appeals Panel, the
1972 Appellant shall file a written Brief in support of such appeal by mailing such Brief by traceable carrier
1973 to the Chair of the Ethics Appeals Panel, the Chair of the Ethics Appeal Board, the Ethics and
1974 Counseling Department, and to the Chair of the Grievance Committee. Any decision of the Chair of the
1975 Ethics Appeals Panel with respect to any extension of time shall be communicated to the Appellant,
1976 the Chair of the Grievance Committee, and the Ethics and Counseling Department.

1977

1978 The Brief (and any subsequent pleading) may be prepared and filed by the Appellant or by his or her
1979 legal counsel. Failure to file a written Brief in support of an appeal within the time provided shall
1980 constitute an abandonment of the appeal and the case shall be processed further under this
1981 Regulation as if the member had failed to file an appeal.

1982

1983 If any pleading is prepared or filed by legal counsel for the Appellant, and the address of such legal
1984 counsel is provided to the Chair of the Ethics Appeals Panel, the Chair of the Ethics Appeal Board, the
1985 Ethics and Counseling Department, and to the Chair of the Grievance Committee, a copy of all
1986 subsequent notices and pleadings shall be mailed by regular mail to such legal counsel.

1987

1988 **Section 2. Contents of Appeal Brief**

1989 The written Brief of the Appellant shall state in a concise manner the points relied upon by the
1990 Appellant as the basis for the appeal and shall make appropriate reference to the transcript of the
1991 Hearing and the documentary evidence admitted at the Hearing. If the Appellant believes that the
1992 Hearing Committee did not correctly interpret or apply an Ethical Rule involved in the proceedings, the
1993 Brief shall point out the alleged error and state the interpretation or application the Appellant believes
1994 to be correct. If the Appellant believes that certain findings of fact in the Hearing Committee Decision
1995 are unwarranted or were not established by the greater weight of the evidence, such disputed findings
1996 of fact shall be identified in the Brief and the Appellant shall point out the reasons for disputing such
1997 findings of fact.

1998

1999 The Brief may also include a discussion of such of the following matters as the Appellant deems
2000 applicable to the appeal:

2001

2002 a. specific procedural errors made by the Hearing Committee that resulted in denying the Appellant
2003 the fair and impartial Hearing required by this Regulation;

2004

2005 b. evidence excluded at the Hearing which should have been admitted and which would have been
2006 material to the Hearing Committee Decision;

2007

- 2008 c. evidence material to the Hearing Committee Decision which the Appellant could not, with
2009 reasonable diligence, have produced at the Hearing; and
2010
2011 d. errors in the transcript of the Hearing.
2012
2013 The Appellant may attach to the Brief such evidentiary materials as he or she deems appropriate to
2014 the appeal.

2015
2016 **Section 3. Reply Brief of the Grievance Committee**

2017 Within thirty days after receipt of the Brief of the Appellant, or within such additional time as may be
2018 granted for this purpose by the Chair of the Ethics Appeals Panel, the Chair of the Grievance
2019 Committee shall cause the Grievance Committee to file a Reply Brief responding to the arguments set
2020 forth in the Brief of the Appellant. The Reply Brief may also point out any errors in the transcript of the
2021 Hearing. The Grievance Committee shall mail such Reply Brief to the Chair of the Ethics Appeals
2022 Panel, the Chair of the Ethics Appeal Board, the Ethics and Counseling Department and to the
2023 Appellant by traceable carrier. If the Appellant has retained legal counsel in connection with his or her
2024 appeal and the address of such legal counsel has been provided to the Grievance Committee, a copy
2025 of the Reply Brief shall be mailed by regular mail to such legal counsel.

2026
2027 If evidentiary materials were attached to the Brief of the Appellant, the Grievance Committee may
2028 object to or comment upon such evidentiary materials and may also attach evidentiary materials to
2029 its Reply Brief.

2030
2031 **Section 4. Answer of Appellant to Reply Brief**

2032 Within thirty days after receipt of a Reply Brief, or within such additional time as may be granted for
2033 this purpose by the Chair of the Ethics Appeals Panel, the Appellant may transmit to the Chair of the
2034 Ethics Appeals Panel, the Chair of the Ethics Appeal Board, the Ethics and Counseling Department,
2035 and the Chair of the Grievance Committee a concise Answer to such Reply Brief by traceable carrier.

2036

2037 **Part C: Setting the Appeal Date**

2038 **Section 1. Setting Date for Hearing on Appeal from Hearing Committee Decision**

2039 After the composition of the Ethics Appeal Board for the appeal is finalized, the Chair of the Ethics
2040 Appeal Board shall, set a date, time and place for a Hearing on Appeal by the Ethics Appeal Board.
2041 Ethics Appeal Boards typically meet in conjunction with Appraisal Institute national meetings. The
2042 Chair of the Ethics Appeal Board shall advise the Appellant that he or she must notify the Chair of the
2043 Ethics Appeal Board, the Ethics and Counseling Department and the Chair of the Grievance Committee
2044 in writing not less than thirty days prior to the date of Hearing on Appeal whether he or she will or will
2045 not attend the Hearing on Appeal in person.

2046

2047 **Section 2. Representation by Legal Counsel at Hearing on Appeal From Hearing Committee Decision**

2048 If an Appellant intends to present oral argument in whole or in part through legal counsel at the
2049 Hearing on Appeal, he or she must so notify the Chair of the Ethics Appeal Board, the Ethics and
2050 Counseling Department, and the Grievance Committee Chair not less than thirty days prior to the date
2051 of the Hearing on Appeal. This notice shall contain the name, address and telephone number of such
2052 legal counsel. For good cause shown, the Chair of the Ethics Appeal Board may allow this notice to be
2053 filed less than thirty days prior to the date of the Hearing on Appeal.

2054

2055 If the Appellant has filed a timely notice of his or her intention to be represented by legal counsel at
2056 the Hearing on Appeal or if the accused Member has a juris doctor degree, the Vice President of the
2057 Legal Department may authorize the retention of legal counsel for the Grievance Committee at the
2058 Hearing on Appeal. If the Vice President of the Legal Department does not authorize the retention of
2059 legal counsel for the Grievance Committee, the Grievance Committee may request the Professional
2060 Ethics and Counseling Committee Chair to refer the request of the Grievance Committee to the
2061 President of the Appraisal Institute. The President of the Appraisal Institute may authorize such
2062 retention of legal counsel if he or she deems it appropriate.

2063

2064 **Section 3. Resetting Date for Hearing on Appeal from a Hearing Committee Decision**

2065 Upon the timely request of any party to the proceedings and for good cause shown, the Chair of the
2066 Ethics Appeal Board shall have the power to reset the date of the Hearing on Appeal from a Hearing
2067 Committee Decision. The Chair of the Ethics Appeal Board shall also have the right, in his or her sole
2068 discretion, to reset the date of the Hearing on Appeal whenever he or she is of the opinion that justice
2069 requires such resetting.

2070

2071 **Section 4. Preparation for Hearing on Appeal from Hearing Committee Decision**

2072 Prior to the date of the Hearing on Appeal from a Hearing Committee Decision, the Ethics and
2073 Counseling Department shall furnish every member of the Ethics Appeal Board for such appeal with a
2074 copy of the Grievance Committee Complaint, the Hearing Committee Decision, the Brief of the
2075 Appellant, the Reply Brief of the Grievance Committee and the Answer to Reply Brief, if any. In
2076 addition, the Ethics and Counseling Department shall, upon request, make available to each member
2077 of the Ethics Appeal Board for such appeal a copy of all documents introduced into evidence at the
2078 Hearing and a copy of the transcript of the Hearing. The Ethics and Counseling Department shall also
2079 arrange for a court reporter to be present at the Hearing on Appeal so that a verbatim stenographic
2080 record may be taken of the Hearing on Appeal.

2081

2082 **Part D: Proceedings at Hearings on Appeal Relating to Hearing Committee**

2083 **Decisions**

2084 **Section 1. Individuals Present at Hearing on Appeal**

2085 The Ethics Appeal Board for an appeal shall have the right to have legal counsel for the Appraisal
2086 Institute present at each Hearing on Appeal for the protection of both the Appellant and the Appraisal
2087 Institute. Both the Appellant and the Grievance Committee shall have the right to be present at the
2088 Hearing on Appeal and to be represented by legal counsel as provided in this Regulation.

2089

2090 **Section 2. Procedure at the Hearing of Appeal**

2091 The Chair of the Ethics Appeal Board for an appeal shall preside at the Hearing on Appeal. In the event
2092 of the absence or inability of the Chair of the Ethics Appeal Board to preside, the remaining members
2093 of the Ethics Appeal Board shall select one of the members to act as Chair of the Ethics Appeal
2094 Board.

- 2095
- 2096 The order of proceedings shall be as follows:
- 2097
- 2098 a. the Appellant shall have the opportunity to address the Ethics Appeal Board and present oral
2099 arguments relating to the matters raised in the Brief, the Reply Brief, and the Answer to the Reply
2100 Brief. If the Appellant has given timely notice of his or her intention to be represented by legal
2101 counsel, such oral arguments may be made, in whole or in part, through legal counsel;
- 2102
- 2103 b. the representative(s) of the Grievance Committee shall have an opportunity to answer the oral
2104 argument of the Appellant and to present oral arguments in support of the matters raised in the
2105 Reply Brief of the Grievance Committee. These arguments may be presented through legal counsel
2106 if the Grievance Committee has been authorized to retain legal counsel under the provisions of
2107 this Regulation; and
- 2108
- 2109 c. the Appellant (or, if authorized, legal counsel for such Member) shall have the opportunity to reply
2110 to the oral arguments of the Grievance Committee.

2111

2112 Subject to the general control of the Chair of the Ethics Appeal Board, any member of the Ethics
2113 Appeal Board may at any time ask questions of any member of the Grievance Committee who is
2114 present at the Hearing on Appeal, legal counsel for the Grievance Committee (if any), the Appellant,
2115 and legal counsel for the Appellant (if any). The length of time permitted for the oral arguments
2116 described above shall be determined by the Chair of the Ethics Appeal Board, provided, however, that
2117 not less than thirty minutes shall be allowed for (a) above, not less than thirty minutes shall be
2118 allowed for (b) above, and not less than five minutes shall be allowed for (c) above.

2119

2120 **Section 3. Adjournment to Executive Session**

2121 Upon completion of a Hearing on Appeal, the Ethics Appeal Board shall, in Executive Session, discuss
2122 the matters raised by the Brief, the Reply Brief, the Answer to the Reply Brief and oral arguments. At
2123 the discretion of the Chair of the Ethics Appeal Board, the Executive Session may be adjourned and
2124 reconvened from time to time.

2125
2126 In Executive Session, the Ethics Appeal Board shall first determine whether it should affirm the
2127 determination of the Hearing Committee that the greater weight of the evidence establishes that the
2128 Appellant violated the Appraisal Institute's Code of Professional Ethics. If the Ethics Appeal Board
2129 affirms any such determination, then the Ethics Appeal Board shall determine the appropriate
2130 disciplinary action to be taken.

2131
2132

2133 **Part E: Procedure following Hearing on Appeal from Hearing Committee Decisions**

2135 **Section 1. Required and Permitted Actions of an Ethics Appeal Board**

2136 An Ethics Appeal Board shall take one of the following actions with respect to the Hearing Committee
2137 Decision:

- 2138
- 2139 a. affirm the determination of the Hearing Committee that the Appellant violated the Appraisal
2140 Institute's Code of Professional Ethics and approve the recommendation of the Hearing
2141 Committee as to the appropriate disciplinary action to be taken;
 - 2142 b. affirm the determination of the Hearing Committee that the Appellant violated the Appraisal
2143 Institute's Code of Professional Ethics but reduce the disciplinary action recommended by the
2144 Hearing Committee;
 - 2145 c. reverse the Hearing Committee Decision and close the case; or
 - 2146 d. remand the matter to the Hearing Committee for a new Hearing with such instructions as the
2147 Ethics Appeal Board deems appropriate.

2148

2149 If an Ethics Appeal Board takes action under (a) or (b) above, and if the disciplinary action to be taken
2150 is not suspension or expulsion, such Ethics Appeal Board may, if it deems such action to be
2151 appropriate, determine that the Member shall be offered an opportunity to accept, in lieu of the
2152 specified disciplinary action, a specified educational alternative to be completed within a fixed period
2153 of time. If so, the Decision of such Ethics Appeal Board shall specify: the educational alternative which
2154 must be completed by the Member; and the period of time within which the educational alternative
2155 must be completed. For any Appraisal Institute course that has an examination, such Ethics Appeal
2156 Board must require that the examination be taken and passed.

2157

2158 If an Ethics Appeal Board takes action under (a) or (b) above and decides not to offer the Member an
2159 educational alternative, the Decision of the Ethics Appeal Board shall contain an order making such
2160 disciplinary action a part of the record of the Member. A similar order shall become effective if the
2161 Member declines to accept or fails to complete an educational alternative.

2162

2163 If the disciplinary action to be taken is expulsion, suspension or censure, such disciplinary action shall
2164 be published in both print and electronic media and the Chapter of the Member shall be notified of the
2165 disciplinary action.

2166
2167
2168
2169

2170 The Ethics and Counseling Department shall carry out an order of an Ethics Appeal Board relating to
2171 the publication of a disciplinary action.

2172

2173 If an Ethics Appeal Board takes an action described in items: (a), (b), (c), or (d) above, the action of
2174 the Ethics Appeal Board shall be final and the Decision of the Ethics Appeal Board shall be reduced to
2175 writing. A copy of the Decision of the Ethics Appeal Board shall be delivered to the Member, the Chair
2176 of the Grievance Committee, and the Ethics and Counseling Department.

2177

2178 If the Decision of an Ethics Appeal Board orders expulsion or suspension, a copy of the transmittal
2179 letter advising the Member of such Decision and of the order to immediately transmit his or her indicia
2180 of membership to the Appraisal Institute shall also be delivered to the Chief Executive Officer of the
2181 Appraisal Institute.

2182

**2183 Section 2. Procedure to be Followed if a Disciplinary Action is to be Taken and an Educational
2184 Alternative is Not Offered**

2185 If an Ethics Appeal Board decides not to offer an educational alternative in lieu of a disciplinary action,
2186 the disciplinary action shall be posted to the record of the Member and the Chair of the Ethics Appeal
2187 Board shall deliver the complete file of the Ethics Appeal Board to the Ethics and Counseling
2188 Department. Upon receipt of a copy of the Decision of an Ethics Appeal Board, the Ethics and
2189 Counseling Department shall mark the file "CLOSED."

2190

**2191 Section 3. Procedure to be Followed if a Disciplinary Action is to be Taken and an Educational
2192 Alternative is Offered**

2193 If an Ethics Appeal Board decides to offer an educational alternative in lieu of admonishment,
2194 reprimand, or censure, the Member shall be notified that, unless he or she accepts the educational
2195 alternative by a notice in writing to the Ethics and Counseling Department, mailed or delivered within
2196 twenty days after receipt of the Decision of such Ethics Appeal Board, the stated disciplinary action
2197 will become effective and will be made a part of the record of the Member.

2198

2199 If the Member fails to accept the educational alternative within the twenty day period allowed for
2200 such acceptance, the admonishment, reprimand or censure shall become effective and shall be
2201 posted to the record of the Member. If the Member accepts the educational alternative, the file shall
2202 be placed in suspense and shall be reviewed by the Ethics and Counseling Department following the
2203 expiration of the time period in which the educational alternative was to have been completed. If the
2204 Ethics and Counseling Department finds that the Member failed to complete the educational
2205 alternative, the specified disciplinary action shall become effective and shall be posted to the record
2206 of the Member. If the Ethics and Counseling Department finds that the Member completed the
2207 specified educational alternative in lieu of admonishment or reprimand within the allowed time period,
2208 this fact shall be recorded in the file and the disciplinary action shall not become effective and shall
2209 not be posted to the record of the Member. If the Ethics and Counseling Department finds that the
2210 Member completed the specified educational alternative in lieu of censure, the disciplinary action shall
2211 be reduced to admonishment, which shall be recorded in the file along with the fact that the Member
2212 successfully completed the educational alternative.

2213

2214 **Section 4. Procedure to be Followed if an Ethics Appeal Board Reverses the Hearing Committee**
2215 **Decision and Dismisses the Case**

2216 If an Ethics Appeal Board reverses the Hearing Committee Decision and dismisses the case, the Chair
2217 of such Ethics Appeal Board shall deliver the complete file of the Ethics Appeal Board to the Ethics
2218 and Counseling Department. Upon receipt of a copy of the Decision of such Ethics Appeal Board, the
2219 Ethics and Counseling Department shall mark the file "CLOSED."

2220

2221 **Section 5. Procedure to be Followed if an Ethics Appeal Board Remands the Matter to the Hearing**
2222 **Committee**

2223 Upon receipt of the Decision of an Ethics Appeal Board that remands the matter to the Hearing
2224 Committee, the Chair of the Hearing Committee shall schedule a new Hearing in accordance with the
2225 requirements of this Regulation and such new Hearing shall be conducted in accordance with the
2226 instructions of the Ethics Appeal Board. Subsequent proceedings shall be conducted in accordance
2227 with the procedural rules set forth in this Regulation; provided, however, that in no event shall the
2228 disciplinary action, if any, recommended by the Hearing Committee upon completion of the new
2229 Hearing be more severe than the disciplinary action recommended by the Hearing Committee upon
2230 completion of the first Hearing.

2231

2232 **Section 6. Duty of Grievance Committee to Return File**

2233 Upon receipt of a copy of a Decision of an Ethics Appeal Board that does not remand the matter to the
2234 Hearing Committee, the Chair of the Grievance Committee shall deliver the complete file of the
2235 Grievance Committee to the Ethics and Counseling Department.

2236

2237

2238

2239