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Amended and Restated
Bylaws of
New York State Society of
Certified Public Accountants

Effective June 1, 2020

With further amendments effective through June 1, ~~2023~~2026

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New York State Society
Of Certified Public Accountants

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PREAMBLE

The following, as amended from time to time, shall constitute the bylaws of NEW YORK STATE SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS (hereinafter the "Society"). The Society has been organized and shall exist as a nonprofit corporation pursuant to its Articles of Incorporation and the New York Consolidated Laws, Not-For-Profit Corporation Law (the Act). Notwithstanding the foregoing, the Society shall be operated at all times as a 501(c)(6) organization within the meaning of the U.S. Internal Revenue Code of 1986 as amended from time to time (the "Code") and the activities of the Corporation shall be limited accordingly.

ARTICLE I — OFFICES; PURPOSE

- 1. Principal Office**—The principal office of the New York State Society of Certified Public Accountants, a New York nonprofit corporation (hereinafter referred to as the "Society"), shall be located in New York, New York, or at such other location within New York State as may be determined by the Society's Board of Directors. The Society may relocate the principal office, and may also establish such other offices, as the Board of Directors shall direct if the business of the Society so requires.
- 2. Registered Office and Agent**—The Society shall maintain a registered office and a registered agent within the State of New York in accordance with the requirements of the Act. The location of the registered office and the designation of the registered agent shall be approved by the Board of Directors.
- 3. Nonprofit Purpose**—The Society is a nonprofit corporation and is not organized for the private gain of any person. It is organized under the New York Consolidated Laws, Not-For-Profit Corporation Law and is organized for the purposes set forth in Internal Revenue Code section 501(c)(6) or the corresponding provision of any future United States internal revenue law. Within the context of these general purposes, the Society's specific purposes shall be to serve as an advocate and resource for Certified Public Accountants by representing and cultivating the profession's core values of integrity, professionalism, and ethics. Notwithstanding any other provision in these bylaws, the Society shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purpose of this Society, and the Society shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Internal Revenue Code section 501(c)(6) or the corresponding provision of any future United States internal revenue law.
- 4. Dedication of Property**—

 - (a) All corporate property is irrevocably dedicated to the purposes set forth in Article I, Section 3. No part of the net earnings of the Society shall inure to the benefit of any of its directors, trustees, officers, or members, or to the benefit of any private person except as reasonable compensation for services rendered, goods received, and other property or valuable thing which may be acquired by the Society for the accomplishment of its purposes.
 - (b) On the winding up and dissolution of the Society, after paying or adequately providing for the debts, obligations and liabilities of the Society, the remaining assets of the Society shall be distributed to nonprofit funds, foundations or corporations which have established their tax-exempt status under Internal Revenue Code sections 501(c)(3) or 501(c)(6), or the corresponding provision of any future United States internal revenue law, and which have their principal area of activities in the State of New York and which have as their principal purpose the cultivating the Certified Public Accounting profession's core values of integrity, professionalism, and ethics.

ARTICLE II — MEMBERSHIP

1. **Classes of membership**—Membership in the Society shall consist of two classes: CPA members and associate members. As used in these bylaws, the term “member” shall refer to any member unless the context clearly indicates a member in a specific membership class or category.
2. **CPA members**—Any person who is licensed as a certified public accountant (“CPA”) in good standing of New York State or any other state or political subdivision of the United States (“U.S. Jurisdiction”) shall be eligible to apply to become a CPA member of the Society.
3. **Associate members**—
 - (a) A person who is not a CPA and meets the requirements of one or more of the following categories shall be eligible to apply to become an associate member of the Society.
 - (1) **International associate.** A person who (i) holds a CPA certificate issued outside a U.S. Jurisdiction or is a chartered accountant and (ii) is a member in good standing of an association belonging to the International Federation of Accountants shall be eligible to apply for membership as an international associate.
 - (2) **CPA candidate.** A person who (i) has graduated from college (or its equivalent, if the prospective CPA candidate was educated in a non-U.S. jurisdiction), (ii) meets the curriculum requirements necessary to take the CPA examination in a U.S. Jurisdiction, and (iii) demonstrates intent to complete or has successfully completed the CPA examination shall be eligible to apply for membership as a CPA candidate. A person’s CPA candidate membership shall automatically terminate upon the date he or she notifies the Society of, or upon the date the Society determines, his or her qualification to become a CPA member, in accordance with Article II, Section 2.
 - (3) **Student.** (a) A person matriculated at a college or university; or (b) a current high school student interested in pursuing a career in accounting or finance, shall be eligible to apply for membership as a student. A person’s student membership shall terminate automatically at such time as such person ceases to qualify as a student member pursuant to the foregoing definitions.
 - (4) **CPA firm employee.** A person employed in a professional capacity by an individual or entity qualified in accordance with the law or regulations of a U.S. jurisdiction to perform audit or other attest services (“CPA firm”) shall be eligible to apply for membership as a CPA firm employee. In addition, a person not employed at a CPA firm who provides accounting, tax, or business system or process consulting services and is employed in a professional capacity by a company that (a) provides accounting, tax, or business systems or process consulting services to the public and (b) annually leases one or more employees to a CPA firm to perform attest services (a “lessor company”), shall be eligible for membership as a CPA firm employee. Such membership shall terminate at the end of the Society’s next fiscal year immediately following such time as the employment relationship with the CPA firm or lessor company terminates.
 - (5) **Industry/Non-CPA Associate.** A person not employed in a CPA firm nor a company described in sub-paragraph (4) of this paragraph, but who has a bachelor’s degree and works full-time in any of the following categories shall be eligible to apply for membership as an industry/non-CPA associate:
 - (a) as an educator teaching accounting or accounting-related courses at an educational institution, college or university; or
 - (b) as a non-CPA professional working in the government, industry, non-profit organization, financial, legal or banking services.

Such membership shall terminate at the end of the Society's next fiscal year immediately following such time as the above relationship terminates, except for reasons of retirement.

(b) **[Intentionally omitted.]**

(c) From time to time, the Board may establish the criteria by which associate members evidence their qualification for membership.

(d) Associate members shall not have the right to vote on matters requiring a vote of the membership of the Society.

(e) Associate members shall not be eligible to serve the Society in the following capacities:

(1) Director.

(2) Officer.

(3) Member of the nominating committee.

(4) Member of the audit committee.

(5) Chapter officer.

(6) Committee chairperson, unless the Board acts to provide that an associate member may serve as chairperson for a specified committee.

(f) Except as otherwise provided herein, an associate member is eligible for all Society services and benefits.

(g) **Change in status**—An associate member shall become a CPA member when he/she notifies the Society, or when the Society otherwise determines, that he/she meets all requirements for admission as a CPA member as indicated in Section 4 below, if applicable.

4. Admission—Admission of all applicants for membership, after qualification, shall be determined by the majority vote of the Board of Directors, or in such a manner as the Board of Directors may determine.

Further, those individuals seeking admission as a CPA member (the "Applicant") shall meet the following conditions:

(a) The Applicant shall be in compliance with all applicable continuing professional education requirements of the New York State Education Department, other states if applicable, and other relevant governmental and regulatory agencies of the United States, if applicable.

(b) If the Applicant is engaged, as an owner or principal or in some other capacity, in the practice of public accounting with a firm and is responsible for his/her firm's peer review, that firm shall be in compliance with the applicable mandatory quality review requirements of the New York State Education Department and Board of Accountancy, peer review requirements of other states, if applicable, and other relevant governmental or regulatory authority of the United States, if applicable.

For all applications for membership in the Society, the Board of Directors shall closely review the eligibility, character and fitness of an applicant for admission, according to the Society's policy on membership criteria.

5. Retention of Membership—

(a) Members of the Society shall:

(1) Pay dues as established by the Board of Directors.

(2) Conform with these bylaws, and the Society's certificate of incorporation, along with any amendments.

(3) If a CPA member, such member shall be in compliance with all applicable continuing professional education requirements established by the New York State Education Department and other relevant governmental or regulatory authority of the United States, if applicable.

(4) If a CPA member who is engaged as an owner or principal or in some other capacity, in the practice of public accounting with a firm, and is responsible for his/her firm's peer review, that firm shall be compliant with the applicable mandatory quality review requirements of the New York State Education Department, and peer review requirements/mandatory quality review requirements of other states, if applicable, and other relevant governmental or regulatory authority of the United States, if applicable.

(b) In special circumstances to be determined in the Board's sole discretion, or on the sole discretion of such other person or committee as the Board may designate by resolution, the Board of Directors shall have the power and authority to allow a member to retain his or her membership in the Society despite not meeting all of the requirements of subsection (1) above.

6. Resignation or Death—

(a) A member with respect to whom no disciplinary proceeding is pending may resign his or her membership in the Society; ~~provided, however, that approval of the Board is required before such resignation shall become effective.~~

(b) The membership of a deceased member shall automatically terminate at the end of the fiscal year of the member's death.

7. Termination—

(a) **For unpaid indebtedness—**Any member who is indebted to the Society for dues or other items for more than two months shall be sent a notice by any means permitted by law including but not limited to electronic mail. Such notice shall state that such member's membership may be terminated unless the delinquency is corrected within one month from the date of the notice. If the indebtedness remains unpaid after the one-month period, the Board of Directors may terminate the membership; provided that there is no disciplinary proceeding pending.

(b) **For cause—**A member's membership may be terminated, after at least 10 days' prior notice and an opportunity to be heard in such member's defense, by a two-thirds vote of the Board of Directors present and voting if, in the Board's sole discretion, it is determined that such member's continued participation in the Society is harmful or undesirable. The Board may issue one or more policies or procedures implementing this provision.

8. Reinstatement—The Board of Directors may reinstate the original membership of a former member upon such terms as the Board of Directors may designate, but the reinstatement shall not become effective unless the individual shall have paid all indebtedness to the Society at the time of the termination or resignation of membership, plus all additional amounts (not in excess of one year's dues) that would have since become payable by said individual to the Society had there been no termination of membership. In the case of a membership that had been terminated more than one year past, the Board of Directors, or such other person or committee as the Board may designate by resolution, shall first determine that the former member satisfies the requirements for admission set forth in Section 4 of this Article. In special circumstances to be determined by the Board, in its sole discretion, the Board may reinstate a member without requiring payment of such additional amounts.

ARTICLE III — DUES

1. **Annual dues**—The annual dues, which shall include the cost of any subscriptions to publications of the Society as determined by the Board of Directors, shall be fixed by the Board of Directors. The Board of Directors is expressly authorized to set different levels of dues based on a member's level of employment, location of residence or office (whether in-state or out-of-state), type of employer, years since passing the CPA examination, years since becoming a member, membership classification or category, or any other criteria.
2. **Dues period and payment**—The annual dues period shall be from June 1 of one year to May 31 of the succeeding year. The annual dues shall be payable in full on June 1, or on the application date of the new member. The minimum dues period shall be the annual dues period, except for new memberships as set forth in paragraph 5 of this Article. The annual dues are nonrefundable.
3. **Members qualifying for multiple dues categories**—A member shall pay dues at the highest dues category for which he or she qualifies; provided, however that if an associate member qualifies as a CPA firm employee or a Non-CPA employee, and also qualifies as a CPA candidate or student, such member's dues shall be those of a CPA candidate or student, as the case may be.
4. **Change in status during year**—If a change takes place in the class or category of membership so as to affect the dues rate of a member, the change shall be considered to have taken place on the succeeding June 1 for the purpose of determining the dues.
5. **New memberships**—Except in the case of an existing associate member who newly becomes a CPA member, in which case no additional dues shall be due and owing until the next fiscal year of the Society, a new CPA member or associate member shall pay dues for the first dues period of membership as follows:
 - (a) Full annual dues if his or her application for membership is received by the Society in June, July, or August.
 - (b) Three-quarters of the annual dues if his or her application for membership is received by the Society in September, October, or November.
 - (c) One-half of the annual dues if his or her application for membership is received by the Society in December, January, or February.
 - (d) No dues if his or her application for membership is received by the Society in March, April, or May.

The dues obligation shall be determined at the time of becoming a member.

6. **Member under suspension**—Any member who is under suspension from the Society shall not be liable for dues during the period of suspension except as may be otherwise provided in Article XIII, paragraph 8 of these bylaws or by any rule or resolution adopted by the Board of Directors.
7. **Member expulsion**—Members who have been terminated for ethics violations pursuant to Article XIII paragraphs 2, 3, 4, or 5 shall be reimbursed on a prorated basis as of the date of expulsion.
8. **Cancellation**—The Board of Directors or such person or committee the Board may designate by resolution, in the sole discretion of such body or person, may cancel the dues or other indebtedness of any member, or exempt any member from any future dues or indebtedness, in any case where, in the judgment of such body or person, good cause is shown.

ARTICLE IV — MEETINGS OF MEMBERS

1. **Place**—Every meeting of the members and of the Board of Directors of the Society shall be held at such place in the City of New York, or elsewhere, as shall be designated in the call for, or in the waivers of notice of, such meeting. In the absence of such specification, every meeting shall be held at the principal office of the Society. If and to the extent permitted by applicable law, a meeting of the members may be held telephonically, by video conference, or similar means.
2. **Annual meeting**—An annual meeting of members of the Society shall be held at such date and time during the month of May as the Board of Directors shall designate.
3. **Special meetings**—A special meeting of members of the Society may be called by the Board of Directors, by the President or by two percent of the members eligible to vote. The Board of Directors, the President or such members shall call a special meeting by delivering to the Secretary a written request specifying the purpose of such meeting and requesting that notice thereof be sent to the members of the Society. The Secretary of the Society, upon receiving such written request, shall promptly give notice of such meeting, or if he or she fails to do so within five business days thereafter, any member signing such demand may give such notice at the Society's expense with the use of Society membership lists and personnel.
4. **Notice to membership**—Notice of the annual meeting or any special meeting shall be given to each member, either by hand delivery, mail, electronic mail, facsimile, or by any other means permitted by law. If the notice is given personally by first class mail or by electronic mail, it shall be given not less than ten days, but not more than fifty days, prior to the date of the meeting; if mailed by any other class of mail, it shall be given not less than thirty or more than sixty days before the date of the meeting. If mailed, such notice shall be deemed to have been given when deposited in the United States mail, with postage thereon prepaid, directed to the member at the address as it appears on the record of members, or, if the member shall have filed with the Secretary of the Society a written request that notices to them be mailed to some other address, then directed to him or her at such other address. If mailed electronically, such notice is given when directed to the member's electronic mail address as it appears on the record of members, or, to such other electronic mail address as filed with the secretary of the corporation. In each case, the effective date shall be deemed the "Notice Date" for purposes of Article V. The notice shall set forth the time, place, date (the "Vote Date"), and agenda of the meeting, and, unless it is an annual meeting, indicate that it is being issued at the direction of the person or persons calling the meeting. Notice of a special meeting shall also state the purpose or purposes for which the meeting is called. On any matter on the agenda on which the Board of Directors has voted, the notice shall set forth the result of the vote.
5. **Quorum**—Members entitled to cast one hundred votes, present in person or proxy, shall constitute a quorum for the transaction of business at any meeting of members; but in the absence of a quorum, a majority of those present, in person or by proxy, may adjourn the meeting to another time without notice, if the time, date and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting.
6. **Annual report**—At the annual meeting of the members, the Directors shall present a report in accordance with the provisions of Section 519 of the New York Not-For-Profit Corporation Law, verified by the President and the Treasurer or by a majority of the Directors or reported on by the auditor or firm of auditors selected by the Audit Committee in accordance with the provisions for an annual audit in Article XV of these bylaws. Said report shall be filed with the records of the Society and either a copy or an abstract thereof entered in the minutes of the proceedings of the annual meeting of the members.

ARTICLE V — VOTING

1. **Right to vote**—Only those individuals who are CPA members at both the Notice Date and the Vote Date, as defined herein, shall have the right to vote, each such member being entitled to one vote with respect to matters submitted to the members.

2. Effect of vote at meeting—At any meeting of the members of the Society, each CPA member present in person or by proxy shall be entitled to vote. Any CPA member may vote by proxy at any such meeting only with respect to matters set forth on the agenda included in the notice of meeting, provided that the instrument authorizing such proxy, either in writing or electronically, complies with relevant law. No proxy shall be valid, however, after the expiration of eleven months from the date of its execution, unless the person executing it shall have specified therein the length of time it is to continue in force, which shall be for some limited period. Every proxy shall be revocable at the pleasure of the person executing it. Whenever any corporate action is to be taken by vote of the CPA members, it shall, except as otherwise required by law, be authorized by a majority of votes cast at a meeting of members by the members entitled to vote thereon; provided, however, that when such corporate action relates to the election of Directors and officers, such action shall be authorized by a plurality of the votes cast at such meeting. Whenever CPA members are required or permitted to take any action by vote, such action may be taken without a meeting or notice of a meeting by written consent, setting forth the action so taken, signed by all of the CPA members entitled to vote thereon. Written consent shall include electronic consent provided by the CPA members.

ARTICLE VI — CHAPTERS

1. Organization—The Board of Directors may authorize the organization of chapters of the Society in various parts of the State of New York, define chapter areas, and designate the manner in which the affairs of a chapter shall be conducted. Chapters shall be constituent parts of the Society and shall neither be organized as independent legal entities nor otherwise have any independent legal authority to act.

2. Membership—A new member in the Society with an office in, or employed in, a chapter area shall automatically become a member of such chapter. Notwithstanding the forgoing, a member may belong to any single chapter as such member may request in writing.

3. Representation on Board of Directors—Nominations for members of the Board of Directors, elections, and filling of vacancies shall be in such manner as to ensure that the elected Directors shall at all times include at least one member from each chapter which was in existence at the time of the vacancy and which had at least twenty-five members the previous February 1.

4. Suspension or dissolution—The Board of Directors of the Society, in its sole discretion, may suspend or dissolve any chapter. In such event, all of the property, funds, and records of such chapter shall revert to the Society. All chapter bylaws shall include a provision, acceptable to the Board of Directors of the Society, to such effect.

ARTICLE VII — BOARD OF DIRECTORS

1. Composition, Eligibility and Tenure—

(a) The Society shall be governed by a Board of Directors ("Board"). ~~The Board shall consist of a number of Directors up to but not exceeding 40,~~ The Board shall consist of a number of Directors up to but not exceeding nineteen (19) (not including the Chief Executive Officer); provided, however, that the number of Directors may exceed nineteen (19) (not including the Chief Executive Officer) during the fiscal years beginning on or after June 1, 2026 pending the completion of the remaining unexpired terms of the Directors who are then in office, with it being specifically intended that all Directors who are then in office shall be "grandfathered" so that they may serve out the remaining balance of their unexpired terms as Directors without such terms being cut short due to the reduction in the size of the Board. The Board shall be comprised as follows: (a) the officers as provided in Article IX, (b) the immediate past President, and (c) ~~a number~~ ten "additional Directors" (with such additional Directors to replace the previous categories of "at -large" directors up to but not exceeding the number of chapters, and (d) ~~one~~ Directors and "chapter representative for Directors"). It is the intention of these Bylaws that each chapter havingshall have at least twenty-five members as set forth one representative on the Board of Directors. Accordingly, each chapter not represented by an

Officer or the immediate past President shall be entitled to one position from among the additional Directors; provided, however, that each such chapter shall produce a qualified candidate for Board service for the fiscal year in Article VI, paragraph 3-question. The immediate past President shall serve as a Director for the fiscal year following service as President. In addition, the Chief Executive Officer of the Society shall be a member ex officio of the Board of Directors and Executive Committee; provided, however, that the Chief Executive Officer shall have no vote and shall not participate in any discussion of personnel matters concerning the Chief Executive Officer. Except as otherwise expressly provided herein, all of the Directors, other than the officers, the immediate past President and the Chief Executive Officer of the Society, shall be elected in the manner set forth in Article XI hereof and are referred to herein as "elected Directors.""

(b) Every Director must (i) be a CPA member; (ii) have at least three years' continuous membership in the Society; and (iii) have at least two years of participation on a Society-level committee, as a member of the board of a chapter, or some combination of both.

(c) The immediate past President shall serve for the fiscal year following service as President. Elected Directors shall be divided into four classes, as nearly equal as possible, for the purpose of staggering their terms of office. An elected Director shall serve for the four fiscal years following the annual meeting at which the election took place or the annual meeting at which the Director whose vacancy is being filled took place, or until the election of the Director's successor, whichever is later. The terms of office of the Directors shall be staggered in such manner that approximately one-fourth (1/4) of the total number of Directors shall be elected annually.

(d) No person shall serve more than ten consecutive years on the Board, including any officer positions, unless such Director is serving as President-elect or President during such tenth year, in which case the following rules apply:

(1) President-elect. If the CPA Member is serving as President-elect during his or her tenth consecutive year on the Board, then his or her term shall be extended for up to two additional years coextensive with his or her term as President, and Immediate Past President.

(2) President. If the CPA Member is serving as president during his or her tenth consecutive year on the Board, then his or her term shall be extended for up to one additional year coextensive with his or her term as President and Immediate Past President.

A Director having served for ten consecutive years (including any officer positions), as may be extended as provided herein, shall be eligible for further election or appointment as a Director after an absence from the Board of at least two years.

2. Resignation or removal—The resignation of an elected Director or the immediate past President shall be tendered to the Board. An elected Director, the immediate past President, or a member of the Executive Committee may be removed for cause by a vote of at least two-thirds of the members of the Board present and voting at a meeting, provided a quorum is present.

3. Vacancy—If a vacancy occurs in the elected Directors except as set forth in Article XI, paragraph 1 in respect to nominations by the nominating committee, the Board shall designate a member meeting the requirements of Section 1 of this Article to serve until May 31 following the next annual meeting or until the election of a successor, whichever is later. The vacancy shall be filled at that annual meeting in the manner set forth in Articles X and XI for the nomination and election of an elected Director. The election or designation of an elected Director to be an officer shall create a vacancy. The absence without cause, as determined by a majority of the members of the entire Board, of an elected Director from three consecutive meetings of the Board shall automatically create a vacancy with respect to such Director, in the same manner as if the Director had tendered his or her resignation and the resignation had been accepted.

4. Authority—The Board shall have general charge, management, and control of the affairs, funds, and property of the Society.

5. Meetings and procedures—Regular meetings of the Board shall be held without notice at such time and place as the Board may determine, and may be held telephonically, by video conference, or any other means permitted by law. The President shall designate the time, place, and agenda for any special meeting of the Board, except that a special meeting shall be held within fifteen days from the receipt by the President of a petition for a special meeting, signed by at least one-third of the members of the entire Board. Not less than three business days' notice of such special meeting shall be given to each Director by telephone, in person or electronically, and not less than five days' notice of such special meeting shall be given to each Director if mailed. If mailed, such notice shall be deemed given when deposited in the United States mail, with postage thereon prepaid, directed to the Director at his or her address as the same appears on the records of the Society. One half of the members of the entire Board shall constitute a quorum, but if at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting to another time and place without notice other than the announcement of the time and place to which the meeting is adjourned, and at such adjourned meeting any business may be transacted which might have been transacted at the meeting as originally called. A majority vote of the members of the Board present and voting at a meeting, provided a quorum is present, shall constitute a vote of the Board, except as otherwise required by law or these bylaws. The Board, through the Secretary, shall keep a record of its proceedings, which shall be accessible to members at the office of the Society during business hours.

6. Standing rules—The Board may establish and from time to time amend standing rules to govern the conduct of actions taken by the Board and the Executive Committee. Such standing rules shall become effective ten days following publication to the entire membership, which publication may be effected by publication on the Society's website.

ARTICLE VIII — EXECUTIVE COMMITTEE

1. Authority to designate—The Board of Directors may, by a resolution adopted by a $\frac{3}{4}$ majority of the members of the entire Board, designate from among its members an Executive Committee consisting of the Officers, the immediate past President, and up to ~~four~~two other Directors.

2. Power—The Executive Committee shall have all of the authority of the Board, except that it shall have no authority as to the following matters: (a) the submission to members of any action requiring members' approval under the Not-for-Profit Corporation law of the State of New York; (b) the removal or filling of a vacant term of an officer, a member of the Board of Directors, a member of the Executive Committee, or a member of the nominating committee, or the designation of members of the Board of Directors, the Executive Committee, or the nominating committee; (c) the fixing of compensation of the Directors for serving on the Board of Directors or on the Executive Committee; (d) the amendment or repeal of the bylaws or the adoption of new bylaws; (e) the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable; (f) the approval and amendment of nominating committee protocols (as described in Article XI, paragraph 2); (g) the approval and amendment of Board standing rules (as described in Article VII, paragraph 6); (h) the adoption of a resolution recommending to the members action on the sale, lease, exchange or other disposition of all or substantially all of the assets of the Society; (i) the approval of a merger or plan of dissolution of the Society; (j) the approval of amendments to the Society's certificate of incorporation; and (k) the engagement, termination, and discipline of a Chief Executive Officer.

3. Term—The Executive Committee so designated shall serve at the pleasure of the Board.

4. Meetings and procedure—The President shall designate the time, place and agenda for any meeting of the Executive Committee except that a meeting shall be held, on at least three business days' notice, within ten days from the receipt by the President of a petition for a meeting, signed by at least one-third of the members of the entire Executive Committee. To the extent permitted by applicable law, a meeting of the Executive Committee may be held telephonically, by video conference, or similar means. A majority of the members of the entire Executive Committee shall constitute a quorum. A majority vote of the members of the Executive Committee present and voting at a meeting shall constitute a vote of the Executive Committee. The Executive Committee may make its own rules for the conduct of its meetings. The Executive Committee shall report on its proceedings to the Board, and shall keep a record of its proceedings, which shall be accessible to members at the office of the Society during business hours.

ARTICLE IX — OFFICERS

- 1. Composition and tenure**—The officers shall consist of a President, a President-Elect, five Vice Presidents, a Secretary/Treasurer, and a Chief Executive Officer. All officers must be CPA members except the Chief Executive Officer. No member shall hold more than one office at a time. Except as otherwise provided herein, an officer shall hold office for the fiscal year following the annual meeting at which the officer's election takes place, or until the election of the officer's successor, whichever is later. The term of an officer designated to fill a vacancy shall be the unexpired term of the officer's predecessor; provided, however, that if the President-Elect should become President as a result of the failure of the President to complete a full term of office, such President-Elect shall serve as President for the unexpired term of the predecessor and for an additional one-year term thereafter. No person may serve more than one term in the same elected officer position except that (a) a person may serve a second term as Vice President after a five-year hiatus and (b) a person may serve a second term as Secretary/Treasurer without hiatus.
- 2. Resignation, removal or vacancy**—The resignation of an officer shall be tendered to the Board. If a vacancy occurs in any office other than that of President, President-Elect or Chief Executive Officer, the Board shall designate a CPA member to fill the vacancy. If a vacancy occurs in the office of President, the President-Elect shall automatically become President for the period provided in paragraph 1 of this Article. If a vacancy occurs in the office of the President at a time when there also is a vacancy in the office of President-Elect, the Board shall designate a CPA member to serve as President until the end of the fiscal year. If a vacancy occurs in the office of the President-Elect, no successor shall be chosen except by the CPA members at the next annual meeting. An officer elected by the CPA members of the Society may be removed from office, with or without cause, but only by a vote of the CPA members of the Society. The authority of any officer so elected, however, may be suspended by the Board for cause at any time. Any officer elected or appointed by the Board other than the Chief Executive Officer may be removed by the Board, with or without cause, at any time by a two-thirds vote of the entire Board. The Chief Executive Officer may be removed by the Board pursuant to the terms of his or her employment agreement, if any; and if no such agreement exists, he or she may be removed, with or without cause, at any time by a majority vote of the Board.
- 3. The President**—At the annual meeting next following the member becoming President-Elect, the President-Elect shall automatically be deemed to have been elected President for the fiscal year following such annual meeting. In the event that there should be no President-Elect to succeed to the office of President at any annual meeting and the term of the incumbent President shall not have been extended in accordance with Paragraph 1 of this Article hereof, a President and a President-Elect shall be elected at such annual meeting to hold such offices for the following fiscal year. The President shall serve as Chair of the Board and shall preside at all meetings of the Society, the Board, and the Executive Committee.
- 4. Substitute for President**—If the President is temporarily or permanently unable or unwilling to act, the following shall act in the President's stead in the order named: the President-Elect, a Vice President designated by the Board, a member of the Board designated by the Board.
- 5. President-Elect**—The President-Elect shall perform all executive and other duties ordinarily pertaining to the office of a Vice President and such other duties as may be delegated to the President-Elect by the Board or the President. The President-Elect shall automatically be deemed to have been elected President of the Society at the annual meeting next following becoming President-Elect.
- 6. Duties of Vice Presidents**—The Vice Presidents shall perform all executive and other duties ordinarily pertaining to their office or delegated to them by the Board or the President.
- 7. Substitute for President-Elect and Vice Presidents**—If the President-Elect is temporarily unable or unwilling to act, a Vice President designated by the Board shall act in the President-Elect's stead. If a Vice President is temporarily unable or unwilling to act, another Vice President, designated by the Board, or a member of the Board designated by the Board, shall act in the Vice President's stead.
- 8. Duties of Secretary/Treasurer**—The Secretary/Treasurer shall (a) be the secretary of all meetings of the Society, the Board, and the Executive Committee; (b) give notice of all the meetings requiring notice;

(c) keep a record of the proceedings of all the meetings; (d) serve as the Chair of the finance committee; (e) perform all duties ordinarily pertaining to the office of Secretary; (f) perform all duties ordinarily pertaining to the office of Treasurer; and (g) perform all duties delegated to the Secretary/Treasurer by the Board or the President. The Secretary/Treasurer, with the approval of the President, may designate from among the Directors who are members of the Finance Committee a "Vice Secretary/Treasurer" to assist in the performance of the Secretary/Treasurer's duties. Notwithstanding the foregoing, any Vice Secretary/Treasurer shall not be entitled to any right to vote afforded to the Secretary/Treasurer by reason of that office, including any right to vote in a committee of which the Secretary/Treasurer is a member, or as a member of the board of any affiliate entity. For the avoidance of doubt, any Vice Secretary/Treasurer shall retain his or her right to vote in the capacity as a Director of the Society, as well as a right to vote on any committee to which they have been separately appointed.

9. Substitute for Secretary/Treasurer—If the Secretary/Treasurer is temporarily unable or unwilling to act, a member of the Board designated by the Board shall act in the Secretary/Treasurer's stead. If the Secretary/Treasurer is temporarily unable or unwilling to keep a record of the proceedings of a meeting, a person designated by the presiding officer of the meeting shall act in the Secretary/Treasurer's stead.

10. Chief Executive Officer—The Board shall employ a Chief Executive Officer, who shall manage the general affairs of the Society under the Board's supervision and direction. The term of the Chief Executive Officer shall be set by the Board. It shall be his or her duty to (a) carry out programs and policies of the Board of Directors; (b) represent the Society, where appropriate to do so, in matters of public and government relations; (c) report to the Board as to the activities of the Society; (d) authorize expenditures in accordance with the budget approved by the Board; (e) hire, terminate, and set compensation for the staff, subject to Board-approved budgetary and salary parameters and benefit policies; and (f) carry out such other responsibilities as the Board assigns. The Chief Executive Officer of the Society shall be a member ex officio, member of the Board of Directors and Executive Committee; provided, however, that the Chief Executive Officer shall have no vote and shall not participate in any discussion of personnel matters concerning the Chief Executive Officer.

11. Determination of ability or willingness to serve—The determination as to whether an officer is temporarily unable or unwilling to act shall be made by a majority of the members of the entire Board.

12. Indemnity—The Corporation shall, to the full extent permitted by law, indemnify its officers and directors (each, an "Indemnified Person") against any and all judgments, fines, amounts paid in settling, or otherwise disposing of action or threatened actions, and reasonable expenses, including attorney's fees actually and necessarily incurred, by reason of the fact that he/she is, or was, a director or officer of the Corporation. In providing this indemnification, the Board shall proceed in a manner and to such extent as may be directed by the applicable provisions of the New York Not for Profit Law as are in effect at the time indemnification is to be provided. In any event, such right of indemnification shall not be deemed exclusive of any lawful right, or rights, to which a director or officer may be entitled under any other Bylaw provision, Board resolution, agreement, or otherwise. Notwithstanding the foregoing, no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that such action was in the best interests of the corporation, breached his or her fiduciary duty, or committed willful misconduct, and further provided that any compromise or settlement payment shall be approved by a majority vote of a quorum of directors who are not at that time parties to the proceeding. The Society shall have the power to purchase and maintain insurance for the purposes of indemnification of directors and officers.

ARTICLE X — NOMINATING COMMITTEE

1. Composition and tenure—The nominating committee shall consist of eleven CPA members. Nine of the eleven members of the nominating committee shall be nominated by the members to serve on the committee, as provided in Section 3 of this Article X. On or before the last Friday in October, two of the eleven members of the nominating committee shall be designated by the Board of Directors from its elected members. A member of the nominating committee shall serve until the close of the fiscal year in which the

member is elected or designated, or until the election, or designation, of the member's successor, whichever is later.

2. Qualification to serve—To be eligible to serve on the nominating committee the member must (i) be a CPA member; (ii) have at least five years' continuous membership in the Society; (iii) have at least two years of participation on a Society-level committee, as a member of the board of a chapter, or some combination of both; (iv) not have served as a member of the nominating committee for either of the two preceding fiscal years; (v) not have served more than three terms on the nominating committee; and (vi) except for the Board-designated nominating committee members, not be a current member of the Board.

3. Nominations for committee—Nomination for member of the nominating committee, other than a member designated by the Board, shall be by petition, received by the Secretary on or before noon EDT on the second Friday in August. Each petition shall be signed by at least ten CPA members other than the nominee. No member may sign more than one petition; the signature of any member signing more than one petition shall be disregarded on all petitions carrying such signature. The signing members shall have been members of the Society for at least five consecutive years and shall certify that the nominee has consented to serve if elected. For purposes of this Article, electronic signatures, including scanned or faxed copies, shall be deemed sufficient.

4. Nine or fewer nominees—If there are nine or fewer nominees for members of the nominating committee, other than the two members designated by the Board, all nominees shall automatically be deemed elected. If there are fewer than nine nominees, the Board shall, on or before the last Friday in October, designate additional members to the nominating committee in accordance with paragraph 7 of this Article to complete the nine set forth in paragraph 1 of this Article.

5. More than nine nominees—If there are more than nine nominees for membership on the nominating committee, other than the two members designated by the Board, a member vote shall be had to determine the nine members of the nominating committee. Voting shall be done in accordance with the requirements set forth in Article V. The ballot shall set forth the names of the nominees in alphabetical order. Accompanying the ballot, the Secretary shall set forth the same personal information in respect to each nominee as appears or would appear in the Society's published roster of membership, and a fair summary of the Society accomplishments of each nominee. The nine nominees with the largest number of votes shall be members of the nominating committee. Of the remaining nominees, the two (or one, if there is only one) with the highest number of votes shall be elected as alternates and will serve, in order of votes received, should vacancies occur among the nine nominees not designated members from the Board of Directors. Ballot responses shall be due the third Friday in October.

6. Appointment of nominating committee chair—As soon as possible after the first Tuesday in November, the President shall appoint the chair of the nominating committee from among its members.

7. Vacancy—If a vacancy occurs in the nominating committee, other than the two members designated by the Board, the next alternate with the highest number of votes, if any, shall fill the vacancy as provided in Article X, Section 5; otherwise, the President shall nominate, for consideration and approval by the ~~Executive Committee~~Board, a person from the CPA membership at large to fill the vacancy. A vacancy shall automatically occur if a member of the nominating committee becomes a member of the Board. If a vacancy occurs in the nominating committee in respect to the two members designated by the Board, the Board shall designate an elected Director to fill the vacancy.

ARTICLE XI — NOMINATIONS AND ELECTIONS

1. Nominations by nominating committee—In making its nominations, the nominating committee shall take into consideration the diversity and geographic dispersion of the membership in its selection process. If the committee should nominate for an officer a member whose election would create a vacancy in the elected Directors, the committee shall at the same time nominate a candidate to fill the vacancy. None of the nominees may be members of the nominating committee.

2. Nominating committee protocols—The Board may establish and from time to time amend protocols to be used by the nominating committee in developing its nominations. The nominating committee may recommend changes in the protocols to the Board, but may not exercise its own discretion in adding or deleting any protocols. The nominating committee protocols shall become effective ten days after being published to the membership and shall be made available to any member upon request.

3. Timing and publication of nominating committee report—The nominating committee shall meet in-person on the second Thursday of January each year. The committee may move its meeting date to an earlier date and extend its meeting to an additional day upon the unanimous consent of its membership. The nominating committee shall certify by a report, filed with the Secretary no later than the third Friday of January each year, its recommendations for officers and elected Directors, and that the nominees have consented to serve if elected. Such report shall be (a) posted on the Society's Internet website on or before February 1, (b) sent by electronic mail to all members for whom email addresses are included in official Society records on or before February 3, and (c) reprinted in an electronic or print Society publication made available to the entire membership before March. In addition, any member may request a copy of such report at any time after February 3.

4. Independent nominations—An independent nomination for an officer or elected Director may be made by petition filed with the Secretary by March 1. The petition shall be signed by at least two percent of the members eligible to vote, and shall certify that the nominee has consented to serve if elected. A report of all independent nominations shall be mailed by the Secretary to the members before April. The Secretary shall set forth with the report the same personal information as appears or would appear with respect to each nominee in the Society's published roster of membership, and a fair summary of the Society accomplishments of each nominee.

5. Contingencies—If a nominee of the nominating committee for an officer or elected Director dies or otherwise becomes unavailable as a nominee before the annual meeting, the nominating committee shall, as early as practicable, but by the time of the annual meeting, and without reference to the procedure set forth in paragraph 1 of this Article, report a substitute nomination. If the substitute nomination is of a member previously nominated by the nominating committee for an officer or elected Director, the nominating committee shall at the same time report a substitute nomination for that office or directorship, if an occasion arises permitting such a substitute nomination by the nominating committee, or if before the annual meeting a nominee by independent nomination for an officer or elected Director dies or otherwise becomes unavailable as a nominee, independent nominations for the office or directorship shall be permitted from the floor at the annual meeting, without reference to the procedure set forth in paragraph 1 of this Article. If a successful nominee dies after the annual meeting but before the close of the fiscal year, or if during that period he or she otherwise becomes unavailable to serve his or her term, the death or other unavailability shall be considered as a vacancy that took place at the beginning of the following fiscal year.

6. Elections—A proxy shall be sent by any means permitted under law to all the members with respect to the election of officers or Directors no later than thirty days before the date of the membership meeting, during which the annual election will be held and only those proxies received at the office of the Society, or at such other location designated by the Board, by 9:00 a.m. on the day before the day of the annual meeting shall be counted. The proxy may be transmitted electronically, or mailed with or published in a prominent location of a Society publication which is sent to all members, or by any other means permitted by law. The proxy shall set forth the names of the nominees. Accompanying the proxy, the Secretary shall set forth the same personal information with respect to each nominee as appears or would appear in the Society's published roster of membership and a fair summary of the Society accomplishments of each nominee. The nominee with the largest number of votes, according to the number to be elected to the particular office or directorship, shall be elected officer or Director at the annual meeting.

ARTICLE XII — OTHER COMMITTEES

1. Names and duties—The Board shall designate the names and duties of committees, except as are set forth in these bylaws in respect to the executive committee, the nominating committee, the audit

committee, and the professional ethics committee. The President, or the membership by vote at a meeting taken as set forth in Article V, paragraph 2, may designate the names and duties of additional committees.

2. Composition—

(a) The Board shall designate the members of the executive and audit committees from among its members.

(b) The President shall designate the members of each committee except the executive, audit, and nominating committees. The President shall designate the chairperson of each committee, except the executive committee and the finance committee. The President shall be a member of each committee, except the nominating and audit committees. Qualified associate members shall be eligible to serve on any committee except the executive, audit, and nominating committees, and shall have the right to vote on matters coming before the committees on which they serve.

(c) All committees must be composed of a majority of CPA members, except to the extent the Board exempts one or more committees from this requirement.

3. Tenure, removal, and vacancy—Except as otherwise set forth in Article XIII relating to members of the trial board and this Article relating to members of the audit committee, and except when a committee is earlier discharged, a committee member shall serve until the close of the fiscal year for which he or she is appointed or, in the case of the nominating committee, until the election or appointment of a successor. A member of a committee, except the executive, audit, and nominating committees, may be removed by the President. A vacancy in any committee, except the executive, audit, and nominating committees, shall be designated by the President.

4. Qualifications to Serve on Committees—With regard to service on any specific committee, the Board may designate requirements that need to be met before a person can be appointed to serve on such committee.

5. Limitation of Authority of Committees and Members to Speak on Behalf of Society—The chairperson and members of all committees shall be governed by regulations and procedures established by the Board. A committee chairperson, committee member or individual member of the Society shall not, without prior Board approval, issue any public statement claiming formal Society endorsement of a policy or position. Committees are not authorized to establish Society policies without Board approval. Formal Society comments on accounting principles, auditing standards, and legislative and regulatory matters shall be approved in accordance with policies set by the Board.

6. Audit committee—The Society shall have an audit committee governed by this paragraph. The members of the audit committee, and the chair thereof, shall be named by the President and approved by the Board. The audit committee shall advise the executive committee, the Board of Directors and the officers of the Society on matters pertaining to fiscal policy, books of account and other financial records, and other financial risk management and internal controls. Upon completion of each audit, the audit committee shall review the results of the audit and any related management letter with the independent auditor. The Board shall establish a charter setting forth what shall be its responsibilities and authority.

ARTICLE XIII — PROFESSIONAL CONDUCT AND DISCIPLINARY PROCEEDINGS

1. Rules of professional conduct—

(a) The membership shall be bound by the rules of professional conduct in force at the time immediately preceding the adoption of this paragraph of the bylaws, and by any amendments thereafter made to the rules. The rules shall be communicated to the membership in such manner as the Board may designate. A proposal to amend the rules shall be considered as a proposal to amend the bylaws.

(b) The Code of Professional Conduct of the American Institute of Certified Public Accountants (“AICPA”), together with its interpretations and as it may be amended, has been adopted as the Society’s Code of Professional Conduct, and hereinafter is referred to as the “Society’s Code.” Changes to the Society’s Code will be automatically adopted contemporaneously with changes to the AICPA Code of Professional Conduct or its interpretations.

(c) Amendments or addenda to the Society’s Code may be proposed for adoption as set forth in (a) above to insure consistency with the laws, rules and regulations of New York State.

(d) A member may be disciplined pursuant to disciplinary proceedings under this Article, if the member:

(1) infringes any of these bylaws or any rule of the Society’s Code;

(2) is declared by final determination of a court of competent jurisdiction to have committed any fraud;

(3) is held by a hearing panel of the trial board to have committed an act discreditable to the profession or to have been finally convicted of a criminal offense which tends to discredit the profession; provided that should a hearing panel of the trial board find by a majority vote that the member has been finally convicted by a criminal court of an offense involving moral turpitude, the penalty shall be expulsion;

(4) is declared by final determination of a court of competent jurisdiction to be insane or otherwise incompetent; or

(5) fails to cooperate in accordance with section 12 of this Article.

2. Criminal conviction of member—Membership in the Society shall be suspended automatically without a hearing upon the conviction of any member in any court of the United States or any political subdivision of the United States for:

(a) A crime punishable by imprisonment for more than one year under the law of the convicting jurisdiction;

(b) The willful failure to file any income tax return which the member, as an individual taxpayer, is required by law to file;

(c) The filing of a false or fraudulent income tax return on the member’s or a client’s behalf; or

(d) The willful aiding in the preparation or presentation of a false and fraudulent income tax return of a client.

The suspension automatically shall become an expulsion from membership upon the filing of a final judgment of conviction. The suspension shall automatically be vacated if a reversal of the conviction becomes final. ~~The Board of Directors, with or without a hearing, may consider a timely written petition by the Professional Ethics Committee or the member that the member should not be disciplined pursuant to paragraphs to this Article.~~

3. Impairment of license to practice public accounting—If any member’s CPA license is suspended or revoked, or otherwise impaired by the state agency issuing said license, the suspension or revocation, withdrawal, surrender, indefinite suspension, or cancellation as a disciplinary measure or in connection therewith shall automatically effect, respectively, the suspension (for the same length of time) or the expulsion of such member from the Society. Where a member is so expelled or suspended from the Society, such member may be reinstated pursuant to paragraph 18(a) and (b) of this Article, respectively.

4. Denial of license—If an associate member is an associate member by reason of having passed the CPA examination given by a U.S. jurisdiction, and is denied the license to practice as a CPA by such

jurisdiction for cause having to do with character or fitness, the denial shall automatically effect such associate member's expulsion from the Society. Where membership has been so terminated, it may be reinstated pursuant to paragraph 18(a) of this Article.

5. Automatic discipline—If a governmental agency or organization which has been approved by the AICPA Professional Ethics Executive Committee and the AICPA Board of Directors pursuant to Section 7.3 of the AICPA bylaws temporarily suspends, prohibits or restricts a member from practicing before it or another governmental agency, or from serving as a director, officer or trustee of any entity, the member's membership in the Society shall be suspended by the Board of Directors without a hearing; however, such suspension of membership shall terminate upon such agency's or organization's termination of the suspension, prohibition or restriction. If such approved governmental agency or organization bars or permanently or indefinitely suspends, prohibits or restricts a member from practicing before it or another governmental agency, or from serving as a director, officer or trustee of any entity, the member's membership in the Society shall be terminated by the Board of Directors without a hearing.

6. Disciplinary action without a hearing—A member who has been subjected to any sanction as a disciplinary measure other than or in addition to those sanctions addressed above, by an authority covered in paragraphs 3 or 5 of this Article, may also be subjected to discipline by the Society without a hearing pursuant to guidelines established by the AICPA Professional Ethics Executive Committee and approved by the AICPA Board of Directors.

7. Timely Written Petition—The Board of Directors, with or without a hearing, may consider a timely written petition by the Professional Ethics Committee or the member that the member should not be disciplined pursuant to paragraphs 2, 3, 4, 5, or 6 of this Article. A petition will be considered timely if it is received within 30 days of the date of the disciplinary notice sent pursuant to paragraphs 2, 3, 4, 5, or 6.

8. Definition of suspension—Any member who has been suspended from membership for disciplinary reasons shall, for the period of the suspension, refrain from identifying himself or herself as a Society member either orally or on any letterhead or other written material. Such suspended member may not be a committee member or hold an office in the Society. Such suspended member may not vote. A suspended member's participation in any Society-sponsored insurance program may continue during the period of suspension provided the suspended member continues to pay the Society membership dues and the premiums for such insurance coverage, but the suspended member may not increase his or her existing insurance coverage during the period of the suspension. Subscriptions to Society publications will continue during suspension provided the suspended member's dues payments remain current. Except for Society-sponsored insurance programs and Society publications, a suspended member may not avail himself or herself of any Society member benefits. When all of the conditions of the suspension period have been met, the membership reverts to its status prior to the suspension in accordance with paragraph 18(b) of this Article.

9. Notification of Actions—Any member who has been disciplined by another professional jurisdiction or to whom paragraphs 2, 3, 4 or 5 of this Article apply, shall notify the President of the Society of such action within thirty days of its occurrence.

10. Joint Ethics Enforcement Program—

(a) Notwithstanding anything to the contrary set forth in this Article XIII, so long as the Society remains a party to an agreement with the AICPA relating to joint enforcement procedures, whenever a member of the Society, whether or not he or she is a member of the AICPA, shall be charged with violating these bylaws or the rules of professional conduct promulgated hereunder, the said charge shall be initiated in accordance with the terms of any then subsisting agreement between the Society and the AICPA relating to ethics enforcement.

(b) In the further event that a hearing is required to dispose of such charge or charges, the hearing shall be conducted under the terms of the aforesaid agreement, the then operative rules of the Joint Trial Board Division and the then operative joint ethics enforcement procedures in effect by virtue of the agreement between the Society and the AICPA.

(c) All committees, boards, and other bodies of the Society are hereby empowered to effectuate the provisions of paragraph 10(a) and (b) of this Article by acting jointly and in cooperation with the appropriate bodies of the AICPA under the agreements, rules and procedures in effect between the Society and the AICPA at the time of such action.

11. Professional Ethics Committee—Complaints involving professional conduct of a member shall first be considered by the chair of the professional ethics committee and forwarded to the AICPA for possible investigation if appropriate. If the AICPA is of the opinion that the complaint against such member does not warrant a trial, it will process the complaint through its own procedures and record its disposition in writing. All complaints, except those initiated by the professional ethics committee, must be in writing before they can be considered for action by the committee. If the AICPA or the professional ethics committee shall dismiss any complaint preferred by one member against another member, or shall fail to act thereon within ninety days after such complaint is presented to it in writing, the complainant may present the complaint in writing to the trial board. The chair of the trial board shall cause such investigation of the matter as he or she deems necessary and shall either dismiss the complaint, or refer it to the secretary of the trial board who shall summon the member to answer the complaint.

12. Failure to Cooperate or Comply—Violation of these bylaws shall include, but not be limited to, the following:

(a) Failure by a member to cooperate with the AICPA and the professional ethics committee in any disciplinary investigation of the member or a partner or employee of the member's firm. Such failure shall include, but not be limited to, failing to make a timely, substantive response to interrogatories or to a request for production of documents from the AICPA and the professional ethics committee. A timely response for these purposes means a response within thirty days after the posting of notice of such interrogatories or request for documents to such member's last known address as shown on the membership's records.

(b) Failure to comply with the educational and remedial or corrective action determined to be necessary by the AICPA and/or the Professional Ethics Committee.

13. Multiple Proceedings—Proceedings may be brought or continued under paragraphs 10, 11 or 14 of this Article, even though the complaint is with respect to the same subject matter as involved in a court or administrative proceeding, regardless of the outcome of the court or administrative proceedings and regardless of paragraphs 2 and 3 of this Article.

14. Trial Board—In the event the Joint Trial Board under Article XIII, paragraph 10(b) is ineligible to conduct a hearing, the Society shall form its own trial board. The trial board of the Society shall consist of ten members. Members of the Board of Directors of the Society or members of any accounting disciplinary body of any state or organization shall not be eligible to serve on the trial board. The trial board members shall be selected and appointed by the Board of Directors. A trial board member shall not be eligible for reappointment after his or her appointment to his or her initial five-year term. Vacancies shall be filled by the Board of Directors for unexpired terms and appointments to fill such terms shall not preclude reappointment for one full five-year term. The trial board chairperson shall be selected from among and by the members of that board to serve a term of one year. The chairperson shall not serve as such for more than three successive one-year terms. The chairperson may designate five-person panels to hear cases, and their decisions shall be conclusive.

(a) Referral to Trial Board. In cases of complaints considered by the professional ethics committee in which the committee is of the opinion that the complaint warrants action by the Society trial board, the committee will turn over to such trial board all statements, documents and other material relating to the complaint and the trial board will issue by certified mail a notice of trial to the parties involved at least fifty days prior to a proposed meeting of the trial board. Such notice shall set forth the charges against the member. The notice when mailed by certified mail, postage prepaid, addressed to the member concerned at the last known address shown on the records of the Society, shall be deemed properly served. Said notice, in addition to setting forth the nature of the complaint, shall offer an opportunity to the member complained against to file an answer with the trial board within thirty days from the date of the notice. The trial board shall have the right to extend the time to

file an answer, and the trial board shall also have the right to adjourn the time of trial. The trial board shall have the right and power to amend the statement of complaint and charges contained therein.

In the case of complaints originating with or initiated by the professional ethics committee and referred to the trial board, copies of notices to the member involved in the complaint shall go to the Secretary of the Society. If no timely answers to such notices are filed or if the member complained against does not appear at the hearing before the trial board, the complaint may be deemed established by default.

(b) Trial Board Procedures. At trial board hearings the complainant and member complained against shall have the right to be represented by counsel and have the right to cross-examine. The hearings shall be conducted in such manner as the trial board designates. The rules of evidence applicable in courts of law need not apply. Five members of the trial board shall constitute a quorum. A transcript of the proceedings before the trial board shall be kept. The decision of the trial board shall be in writing, approved by a majority of those hearing the complaint. The decision shall either dismiss the complaint in whole or in part, or order the member complained against to be admonished, censured, suspended from membership for a definite period of not more than two years or expelled from the Society. A copy of the trial board's decision shall be sent by certified mail to the member complained against. The trial board's decision shall be final and not subject to appeal.

15. Publication and Notification—

(a) The names of members who are disciplined after a trial board hearing or by settlement agreement recognized by the Joint Trial Board or Society trial board under paragraph 17 of this Article and of those who are automatically disciplined by the Society shall be published together with a factual summary of the case in

(1) an appropriate publication of the Society which is mailed or provided digitally to all members, and

(2) the Society's website in accordance with a retention timeline established by the Board of Directors.

(b) Complainants shall be informed by the AICPA that its investigation has been conducted and concluded.

16. Admission of guilt—In circumstances where there is a prima facie case and where the member admits guilt in writing, the member's statement may be accepted by the Joint Trial Board and their decision regarding the member's status reached without the member's appearance before the applicable trial board and without recourse to the full procedures of such trial board.

17. Settlement Agreement—In the case of a settlement agreement between a member and the professional ethics committee that provides for admonishment, censure, suspension or termination of membership, the matter shall be referred to a panel of the Joint Trial Board or Society trial board which, upon finding the member has waived his or her rights to a trial board hearing, shall recognize such settlement agreement and arrange for publication of such disciplinary action.

18. Reinstatement—

(a) In a case of expulsion or resignation through a settlement agreement, the member may be restored to membership at any time after two years from such expulsion or resignation, provided (1) a letter setting forth the members' reasons for requesting reinstatement is sent by the disciplined member to the professional ethics committee, (2) the application for reinstatement is approved by the professional ethics committee, and (3) reinstatement is approved by the Board of Directors.

(b) In a case of suspension, the member will be restored to membership when all conditions of the suspension period have been met and upon the payment, within six months after the date of the expiration of the suspension period, of any annual dues which have become payable. If, however,

any new or additional charge of a violation of the Code of Professional Conduct by the suspended member has been initiated since the date on which the penalty of suspension was imposed, the member may be restored to membership only as the professional ethics committee shall determine.

(c) An announcement of any reinstatement shall, at the option of the reinstated member, be published in an appropriate publication of the Society, which is mailed to all members.

19. Disclosure to Regulatory Authorities—The professional ethics committee shall inform the New York State Education Department and any other applicable state or federal regulatory agency (“Regulatory Authorities”) known to the committee of investigations involving professional conduct of a member or a partner or employee of the member’s firm as follows:

(a) after a request has been granted to a member to defer the investigation by the investigating body;

(b) after a member fails to cooperate with the AICPA in any investigation;

(c) after a complaint has been referred to the Joint Trial Board under Article XIII, paragraph 10 or the Society trial board under Article XIII, paragraph 14;

(d) after automatic actions under Article XIII, paragraphs 2, 3, 4, 5 or 6;

(e) after a settlement agreement has been entered into between the member and the AICPA and/or the professional ethics committee.

The professional ethics committee shall turn over to the Regulatory Authorities all statements, documents and other materials relating to the investigation, or copies thereof, requested by the Regulatory Authorities.

ARTICLE XIV — AMENDMENTS TO BYLAWS

1. Initiation—A proposal to amend the bylaws may be initiated by the Board by a two-thirds vote of the Board of Directors present and voting, or by a petition filed with the Secretary and signed by at least one hundred members. The proposal shall set forth the text of the change to be made.

2. Adoption—Within ninety days following the initiation of a proposal to amend the bylaws, a meeting of the members of the Society shall be held in accordance with Article IV hereof to consider such proposal. The proposal shall be adopted if at least two-thirds of the votes cast with respect thereto at such meeting shall be voted in favor thereof. The amendment, if so adopted, shall become effective on the date specified in the proposal or, if no date is specified, on the date of the meeting at which it is adopted.

3. Administrative Changes—A proposal to make administrative changes to the bylaws may be initiated by the Board. The proposal shall be adopted by a majority vote of the Board. Administrative changes shall not require a meeting of the members. Administrative changes are defined as non-substantive changes which do not alter the underlying meaning of a bylaw provision. Examples of administrative changes include but are not limited to: corrections of grammatical errors and misspellings, renumbering, reformatting, and adjustment of section or paragraph titles. The administrative change shall become effective on the date of the Board meeting at which it is adopted.

ARTICLE XV — FISCAL MATTERS AND MISCELLANEOUS

1. Fiscal year—The fiscal year shall begin on June 1 of one year and end on May 31 of the following year.

- 2. Annual Budget**—The Board at or before its final meeting for a given year shall adopt a budget for the upcoming fiscal year. The board may amend the budget from time to time thereafter. No expenditure shall be made in a fiscal year unless it is within the limitations of the budget for that fiscal year, or unless it is authorized or ratified by the Board or Executive Committee. Such authorization or ratification shall automatically amend the budget to that extent. Expenditures from endowments, special funds, or donations shall be budgeted as expenditures, and a corresponding amount budgeted as revenue.
- 3. Annual audit**—At or before the second meeting of the Board in the fiscal year, the Audit Committee shall designate an auditor to examine the financial statements of the Society and its affiliates for that fiscal year. The auditor or any partner of the firm of auditors shall be independent of the Society, and its affiliates. The auditors' report and the financial statements shall be communicated to the membership in such manner as the Board may designate.
- 4. Seal**—The Society shall have a seal of such format as the Board may designate.
- 5. Office**—The principal office of the Society shall be at such place as the Board of Directors may designate.
- 6. Notice and waiver of notice**—Any member or Director may at any time waive any notice required to be given under the provisions of these bylaws or of any law.
- 7. Electronic notification**—Electronic notification shall be limited to notification by facsimile or electronic mail or any other means permitted by law.
- 8. Participation in meetings via telephone or video conferences**—Any one or more members of the Board, the Executive Committee, or any other Society committee or task force may participate in a meeting of such assembly by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time, and to fully participate in the meeting. Participation by such means shall constitute presence in person at a meeting.
- 9. Unanimous consent in lieu of a meeting**—Any action required or permitted to be taken by the Board, the Executive Committee, or any other Society committee or task force may be taken without a meeting if all members of the applicable assembly consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the assembly shall be filed with the minutes of the proceedings of the assembly.
- 10. Percentage of membership**—Percentages of membership referred to in Article IV, Section 3, Article XI, Section 4, and in any other provision of these bylaws shall be computed based upon the membership as of the beginning of the then-current fiscal year.

Adopted by the 123rd Annual Meeting, May 27, 2020. Amended pursuant to Article XIV at the March 22, 2021, Board of Directors Meeting, Item B21 – A – 1; further amendments adopted at the 124th Annual Meeting, May 19, 2021; further amendments adopted at the 125th Annual Meeting, May 26, 2022.