

Bylaws

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Article I: Purposes

The purpose of The Massachusetts Society of Certified Public Accountants, Inc., a Massachusetts non-profit company (the "Society"), shall be to (1) unite for common purposes the members of the accounting profession; (2) promote and maintain high professional and moral standards; (3) safeguard the interests of Certified Public Accountants; (4) advance the art of accounting; (5) develop and improve accounting education; (6) encourage cordial relations among accountants; (7) participate in other activities consistent with these purposes; and (8) engage in any other activities for which a nonprofit corporation may be formed under Chapter 180 of the Massachusetts General Laws.

Article II: Membership

1. Membership

The Society shall have members consisting of the following classes:

(a) Fellows, (b) Associates and (c) Honorary Members. Such members shall each be qualified and shall have the rights as set forth herein.

An individual shall apply to become a member pursuant to the procedures set forth herein.

2. Qualifications of Members

a) Fellows

A Fellow shall be a Certified Public Accountant, in good standing, under the laws of Massachusetts or of another state of the United States.

b) Associates

An Associate shall be:

1. Any person not qualified to be a Fellow who (i) is in the employ of or supervised by a Fellow, or (ii) owns an equity interest in an entity practicing public accountancy whose other partners, shareholders and/or members include a Fellow;
2. A teacher or professor regularly engaged in the teaching of accounting as a faculty member of a degree granting institution located in Massachusetts;
3. An employee of a federal, state or local governmental unit in Massachusetts engaged in accounting, auditing or taxation;

4. An individual regularly engaged as a Corporate Finance Professional at an organization, subsidiary of an organization or location of an organization that is within Massachusetts;

5. Any person who has passed the Uniform CPA Examination; or

6. A person, in good standing, who holds a valid professional certification in an accounting or finance-related profession in a foreign country. An Associate may hold himself/herself out to the public as an Associate of the Society, but may not hold himself/herself out to the public as a Fellow.

c) Honorary Members

An individual may become an Honorary Member upon the affirmative vote of two-thirds of the members of the Board of Directors (the "Board").

Article II: Membership (cont.)

3. Procedure to Become a Member

a) Application

Except with respect to Honorary Members, application for membership and reinstatement of membership under Article II, Section 8(a) herein shall be made to the Society in writing. Each such application shall;

1. State the class of membership sought (Fellow or Associate);
2. Set forth the qualifications of the applicant;
3. Be accompanied by an application fee; and
4. Contain a statement by the applicant that he/she agrees to abide by the Code of Professional Ethics of the Society, which, unless the Board in its discretion directs otherwise, shall be the Code of Professional Conduct of the American Institute of Certified Public Accountants, Inc. (the "AICPA").

b) Application Fee

There shall be application fees for Fellows and for Associates but not for Honorary Members, in such amounts as shall have been determined from time to time by the Board.

c) Application Review

Once an employee of the Society who has been designated by the Board to review applications reviews an application for membership and determines that an individual meets the qualifications for membership pursuant to Article II, Section 2 herein, such individual shall be granted membership status.

d) Notification

A designated employee of the Society shall notify each applicant in writing as to whether such applicant has been qualified as a member. Upon becoming a Fellow, each Fellow shall receive a certificate of membership which shall be surrendered to the Secretary when membership ceases for any reason other than death.

e) Reapplication

An applicant who submits an application but fails to become a member shall not have his/her reapplication for membership considered within one year from notification of a declination of membership.

f) Associate Qualifying as Fellow

An Associate shall automatically become a Fellow upon becoming a Certified Public Accountant, in good standing, under the laws of Massachusetts or of another state of the United States. Such an Associate shall notify the Society of such event. Such member may be liable for payment of additional dues as determined by the Board.

Article II: Membership (cont.)

4. Removal

Members may be removed from membership at any time with or without cause in the sole discretion of the Board by a vote of two-thirds of the members of the Board.

5. Dues

a) Amount

Each Fellow and Associate shall pay annual dues which shall be payable in advance on or before the first day of each fiscal year, for such fiscal year, in such amounts as shall have been determined by the Board. For purposes of determining dues and initiation fees, the Board may classify Fellows and Associates according to such factors as it deems to be relevant and prescribe dues and initiation fees of different amounts for each class so created.

b) Exemptions

Honorary Members shall be exempt from payment of dues.

c) Remission or Refund

The Board shall have authority in its sole discretion to remit or refund the dues of a member, in whole or in part, on account of advanced age of such member, or, if it is not contrary to the interests of the Society, for other causes.

d) Interpretation

In any case where there are doubts as to the amount of dues to be paid, or if strict application of the then existing dues schedule appears unfair, the Board shall determine which rate shall apply and its decision shall be final.

6. Resignation

a) Subject to Article II, Section 6(b) herein, any member may resign at any time by giving notice of his or her resignation in writing and it shall be effective on the date of receipt.

b) The resignation of a member will not take effect if a complaint or charge is pending against the member before the Joint Trial Board Division of the AICPA, unless the Board, in its sole discretion, allows that such resignation be accepted.

Article II: Membership (cont.)

7. Termination

- a)** A member who fails to make any payments due the Society shall be sent a written request to pay the amount in arrears. If, sixty (60) days after the date of such written request, the debt remains unpaid, the membership of the delinquent member shall terminate and notice to that effect shall be sent to his/her address.
- b)** Termination for failure to pay dues shall not take effect if a complaint or charge is pending against the member before the Joint Trial Board Division of the AICPA, unless the Board, in its sole discretion, allows that such resignation be accepted.
- c)** When an Associate no longer meets the qualifications for membership, his membership shall terminate at the close of the fiscal year in which he/she fails to qualify.
- d)** Membership in the Society shall be deemed automatically terminated upon a judgment of conviction imposed upon any member for:
 1. A crime punishable by imprisonment for more than one (1) year;
 2. The willful failure to file any income tax return which the member, as an individual taxpayer, is required by law to file;
 3. The filing of a false or fraudulent income tax return on the member's or a client's behalf; or
 4. The willful aiding in the preparation and presentation of a false and fraudulent income tax return of a client.
- e)** Membership in the Society shall be deemed automatically terminated should a member's license to practice as a certified public accountant be terminated for any reason by the Massachusetts Board of Public Accountancy or any other state board of public accountancy.

7. Reinstatement

- a)** A member who has resigned or whose membership has terminated for failure to pay dues may apply for reinstatement and be reinstated by the same procedure required of any new applicant.
- b)** A member who has been expelled under Article II, Section 4 or whose resignation has been accepted under Article II, Section 6(b) herein may apply, in writing, at any time after three (3) years from the effective date of such termination or resignation to the Board for reinstatement pursuant to Article II, Section 8(a) herein. The Board may then schedule a hearing to determine whether the applicant should be reinstated. If an applicant for reinstatement under this paragraph is denied, the individual concerned may again apply for reinstatement at any time after two years from the date of such denial.

Article II: Membership (cont.)

9. Sponsors, Benefactors, Contributors, Advisors, Friends of the Society

Section 1

Persons or groups of persons designated by the Board as sponsors, benefactors, contributors, advisors or friends of the Society or such other title as the Board deems appropriate shall, except as the Board shall otherwise determine, serve in an honorary capacity. In such capacity they shall have no right to notice of or to vote at any meeting, shall not be considered for purposes of establishing a quorum and shall have no other rights or responsibilities.

Article III: Meeting of the Members

1. Place

All meetings of the members shall be held at such place within the Commonwealth of Massachusetts or by means of remote or electronic communication, as the Board of Directors shall have determined and as shall be stated in the notice of such meeting.

2. Annual and Regular Meetings

The annual meeting of the members of the Society shall be held in April or May of each year, at such hour and place as the Board designates, and shall be called by the President, Treasurer, Secretary or any director. In the event the annual meeting is not held in such timeframe as provided herein, a special

meeting in lieu of the annual meeting may be held with all the force and effect of an annual meeting. Additional meetings of the members of the Society shall be held during the year at such date, hour and place as the Board may determine.

3. Special Meetings

Special meetings of the members of the Society shall be called by the President or by any director and shall be called by the Secretary, or in the case of the death, absence, incapacity or refusal of the Secretary, by any other officer, upon written request of at least 10% of the Fellows of the Society. In

case none of the officers is able and willing to call a special meeting, the Supreme Judicial or Superior Court, upon application of said members entitled to vote thereat, shall have jurisdiction in equity to authorize one or more of such members to call a meeting by giving such notice as is required by law.

4. Notice

Written or electronic notice of each meeting of the members of the Society, setting forth the day, time, place and agenda, shall be sent to each member at least seven days prior to such meeting, in a manner deemed appropriate by the President, or Secretary or any other officer of the Society. Whenever notice of a meeting is required to be giv-

en to a member under applicable law, the Articles of Organization or these Bylaws, a written waiver thereof, executed before or after the meeting by such member or his attorney thereunto authorized and filed with the records of the meeting, shall be deemed equivalent to such notice.

Article III: Meeting of the Members (cont.)

5. Chair of the Meeting

The Chair, or in the Chair's absence or at the Chair's direction, the President and Chief Executive Officer, or in the President and Chief Executive Officer's absence or at the President and Chief Executive Officer's direction, any officer of the Society shall call all meetings of the members to order and shall act as chair of any such meetings. The Secretary of the Society or, in such officer's absence, an Assistant Secretary shall act as secretary of the meeting. If neither the Secretary nor an Assistant Secretary is present, the chair of the meeting shall appoint a secretary of the meeting. Unless otherwise determined by the Board prior to the meeting, the chair of the meeting shall determine the order of business and shall have the authority in his or her discretion to regulate the conduct of

any such meeting, including, without limitation, convening the meeting and adjourning the meeting (whether or not a quorum is present), announcing the date and time of the opening and the closing of the polls for each matter upon which the members will vote, imposing restrictions on the persons (other than members of record of the Society or their duly appointed proxies) who may attend any such meeting, establishing procedures for the dismissal of business not properly presented, maintaining order at the meeting and safety of those present, restricting entry to the meeting after the time fixed for commencement thereof and limiting the circumstances in which any person may make a statement or ask questions at any meeting of the members.

6. Rules of Order

The Board may adopt such rules and regulations for the conduct of the meeting of the members as it shall deem appropriate. Unless otherwise determined by the Board, prior to any meeting of the members, the usual parliamentary practice shall prevail as provided in Robert's "Rules of Order."

7. Quorum

Fifty (50) Fellows present in person or by proxy shall constitute a quorum, but a smaller number may adjourn the meeting from time to time without further notice until a quorum is present; in which case, notice shall be sent to each member of the Society stating the time and place to which the meeting was adjourned.

Article III: Meeting of the Members (cont.)

8. Voting

Only Fellows have the right to vote. At all meetings of the members every Fellow shall be entitled to one (1) vote. When a quorum is present at any meeting, the vote of a majority of the Fellows represented thereat shall, except where a larger vote may be required by law, the Articles of Organization or these Bylaws, decide any question brought before the meeting. Except as otherwise expressly

provided by law, the Articles of Organization or these bylaws, at all meetings of members, the voting shall be, in the sole discretion of the Board, by voice vote and/or a ballot vote, whereupon such ballot vote may be by electronic transmission, which such ballot shall state the name of the member voting, and, if such ballot be cast by a proxy, it shall also state the name of the proxy.

9. Voting by Proxy

Fellows may vote by written proxy dated not more than six (6) months before the meeting named therein, or any adjournment thereof, which shall be filed with the secretary of the meeting before being voted. Without limiting the manner in which a Fellow may authorize another person or persons to act for the Fellow as proxy pursuant to the General Laws of Massachusetts, the following shall constitute a valid means by which a Fellow may grant such authority: (1) a Fellow may execute a writing authorizing another person or persons to act for the Fellow as proxy, and execution of the writing may be

accomplished by the Fellow by any reasonable means including, but not limited to, by facsimile or electronic signature; or (2) a Fellow may authorize another person or persons to act for the Fellow as proxy by transmitting or authorizing the transmission by means of electronic transmission to the person who will be the holder of the proxy, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the Fellow.

Article IV: Officers

1. Composition and Tenure

The officers of the Society shall be Chair, Chair-Elect, Vice-Chair of Finance, the President and Chief Executive Officer, Chief Financial Officer and Treasurer, and Secretary/Clerk (the "Secretary"). There may be one or more Vice Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers, as the Board may elect. Except for the Chair, Chair-Elect and Vice-Chair of Finance, the officers of the Society

do not need to be a member of the Society. Each officer shall hold office from the annual meeting of members at which he/she is elected until the next annual meeting, or until election or appointment of his/her successor. Two or more offices may be held by the same person. The Board also may at any time create such other office as they shall determine.

2. Elections/Appointments

Except for the Chair, Chair-Elect and Vice-Chair of Finance, which are elected by the Fellows, the Board shall, in its sole discretion, appoint the officers of the Society. Except for the Chair, Chair-Elect and Vice-Chair of Finance, the officers of the Society shall be employees of the Society, and shall serve at the sole discretion of the Board.

3. Resignation or Removal

Any officer may resign at any time by giving his or her resignation in writing to any officer or director of the Society. Officers may be removed from their respective offices with or without cause by vote of a majority of the directors then in office.

4. Chair

The Chair shall preside at all meetings of the members of the Society and of the Board. The Chair shall abide by and enforce the Bylaws of the Society and shall perform duties designated elsewhere in these Bylaws and duties ordinarily pertaining to the Office of Chair or assigned by the Board.

Article IV: Officers (cont.)

5. Chair-Elect

The Chair-Elect shall succeed to the office of Chair at the annual meeting following the annual meeting at which he/she is elected Chair-Elect. If the Office of Chair becomes vacant by reason of death, resignation, removal, permanent disability or other cause permanently impairing the ability of the Chair to perform duties during the remainder of his/her term, the Chair-Elect shall thereupon succeed to that office. If the Chair is absent or is temporarily unable to act, the Chair-Elect shall act in his/her place.

6. Vice-Chair of Finance

The Vice-Chairman of Finance shall have overall responsibility for the financial planning and policy development of the Society.

7. President and Chief Executive Officer

The President shall be the Chief Executive Officer of the Society within the framework of these Bylaws and the plans and policies adopted by the Board. The President and Chief Executive Officer shall provide leadership and administrative staff support in the conception and development of objectives,

plans, policies and budgets for consideration and adoption by the Board. The President and Chief Executive Officer shall direct, evaluate and control the management and staff of the Society and shall report regularly to the Board on specific plans and on progress towards their attainment.

8. Chief Financial Officer and Treasurer

The Chief Financial Officer and Treasurer shall have custody of all monies, securities, and valuable papers of the Society; shall collect all dues, fees, charges and assessments; shall deposit promptly all monies received in one or more banks or trust companies designated by the Board; shall pay all bills after approval thereof in the manner and form designated by the Board; shall keep a correct account of all receipts, dis-

bursements and funds and render a report thereon annually or when requested by the Board; and shall perform other duties ordinarily pertaining to the office or delegated by the Chair, the President and Chief Executive Officer or the Board. If the Chief Financial Officer and Treasurer is absent or is temporarily unable to act, a full time employee or a member of the Board designated by such Board shall act in his/her stead.

Article IV: Officers (cont.)

9. Secretary/Clerk

The Secretary shall keep a record of the proceedings of the meetings of the Society and of the Board, shall issue all notices and calls for meetings, shall conduct the correspondence of the Society, and shall perform other duties designated elsewhere in these Bylaws and duties ordinarily pertaining to the office or as the Chair, the President and Chief Executive Officer or Board may direct. If the Secretary is not present at a meeting or is temporarily unable to keep a record

of the proceedings of a meeting, a person designated by the presiding officer of the meeting shall record its proceedings. If the Secretary is absent or is temporarily unable to act, a full time employee or a member of the Board designated by such Board shall act in his/her stead. The Secretary shall be a resident of Massachusetts unless a resident agent shall have been appointed pursuant to Massachusetts law.

10. Other Officers

Other officers, if created by the Board, shall have such powers as may be designated from time to time by the Board.

11. No Right to Compensation

Unless the directors, in their discretion, provide for compensation, no director or officer resigning, and (except where a right to receive compensation shall be expressly provided in a duly authorized written agreement with the Society) no director or officer

removed, shall have any right to any compensation as such director or officer for any period following his resignation or removal, or any right to damages on account of such removal, whether his compensation be by the month or by the year or otherwise.

12. Vacancies

Vacancies in any office may be filled by the directors.

Article V: Board of Directors

1. Powers and Duties

The Board shall be the governing body of the Society. The Board shall administer the affairs of the Society, supervise its property and finances, create committees as it deems

necessary and appropriate, and exercise such other powers and perform such other duties as may be designated in these Bylaws or voted by the Society.

2. Composition and Tenure

The Board shall consist, subject to the Articles of Organization of the Society, of such number of directors as shall from time to time be fixed exclusively by resolution adopted by affirmative vote of the majority of the Board, provided that such number of directors shall not be fewer than three (3) and not more than twenty (20). As of the

date of the adoption of these Bylaws, the Board shall consist of the Chair, the Chair-Elect, three (3) Vice-Chairs, one being the Vice-Chair of Finance, the President/CEO, the immediate Past-Chair, and twelve (12) others who are members of the Society, the majority of these twelve (12) shall be Fellows of the Society.

3. Classes of Directors

The Board shall be and is divided into three (3) classes, as nearly equal in number as possible, designated: Class I, Class II and Class III. In case of any increase or decrease, from time to time, in the number of directors, the number of directors in each class shall be apportioned as nearly equal as possible. No decrease in the number of directors shall shorten the term of any incumbent director.

Article V: Board of Directors (cont.)

4. Election; Term of Director

At each annual meeting of the members of the Society, directors shall (except as hereinafter provided for the filling of vacancies and newly created directorships) be elected by the holders of a plurality of the votes cast by the Fellows present in person or by proxy at any meeting of the members of the Society held to elect directors and entitled to vote on such election of directors. Each director (other than the President and Chief Executive Officer, who shall serve a one-year term) shall serve for a term ending on the date of the third annual meeting following the annual meeting at which such director was elected; provided, that each director currently deemed to be Class I directors shall serve for an initial term expiring at the Society's next annual meeting of the members of the Society following the effectiveness of these Bylaws; each director currently deemed to be Class II directors shall serve for an initial term expiring at the Society's second annual meeting of the members of the Society following the effectiveness of this provision; and each director currently

deemed to be a Class III director shall serve for an initial term expiring at the Society's third annual meeting of the members of the Society following the effectiveness of this provision; and provided, further, that the term of each director shall continue until the election and qualification of a successor and be subject to such director's earlier death, resignation or removal. Any eligible person may be re-elected, without limitation, to serve successive terms as a director. The directors may fill any vacancy in the Board prior to the annual meeting of the members of the Society at any meeting; provided, however, that the term of office for a director elected between annual meetings of the members of the Society shall be for the period remaining until the next annual meeting at which such class of directors will ordinarily be elected. Should the resignation or removal of a director pursuant hereto result in there being fewer than three (3) directors, the directors shall elect such number of new directors necessary to bring the number of directors into compliance with these Bylaws.

5. Resignation or Removal

The resignation of a member of the Board shall be tendered to the Board. Any member of the Board may be removed from office by vote of two-thirds of all Fellows present at a meeting of the Society, the call for which contained a notice of intent to consider

such removal. The absence of any elected member of the Board from three (3) consecutive meetings shall be deemed a tender of his/her resignation, unless there is an explanation deemed satisfactory by the Board, in its sole discretion.

Article VI: Meetings of the Board

1. Place of Board Meetings

All meetings of the members shall be held at such place within the Commonwealth of Massachusetts or by means of remote or electronic communication, as the Board of Directors shall have determined and as shall be stated in the notice of such meeting.

2. Annual and Regular Meetings

The annual meeting of the Board shall be held each year promptly after the annual meeting of the members at which the Board is elected. In the event the annual meeting is not held as described above, a special meeting in lieu of the annual meeting may be held with all the force and effect of an annual meeting. Regular meetings may be held at such times as the directors may fix.

3. Special Meetings

Special meetings of the Board may be called by the President or any other officer or director at other times throughout the year.

4. Notice

No notice need be given for a regular or annual meeting. Forty-eight (48) hours' notice by mail, telegraph, telephone, e-mail or other electronic means or word of mouth shall be given for a special meeting, unless shorter notice is adequate under the circumstances. A notice or waiver of notice need not specify the purpose of any spe-

cial meeting. Notice of a meeting need not be given to any director if a written waiver of notice, executed by him before or after the meeting, is filed with the records of the meeting, or to any director who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him or her.

5. Quorum

A majority of the directors then in office shall constitute a quorum, but a smaller number may adjourn finally or from time to time without further notice until a quorum is present. If a quorum is present, a majority of

the directors present may take any action on behalf of the Board except to the extent that a larger number is required by law, the Articles of Organization or these Bylaws.

Article VI: Meetings of the Board (cont.)

6. Action by Consent; Telephone Conference Meetings

Any action required or permitted to be taken at any meeting of the directors may be taken without a meeting if all the directors consent to the action in writing and the written consents are filed with the records of the meetings of the directors. Such consents shall be treated, for all purposes, as a vote at a meeting. Members of the Board of the Society, or any committee designat-

ed thereby, may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

7. Independent Nominations

The Board shall submit director nominees to the Fellows for election to the Board. Any group of Fellows constituting at least 10% of the Fellows of the Society may submit independent nominations for election to the Board at the annual meeting of members of the Society, such independent nominations to be filed with the Secretary at least twen-

ty (20) days before the annual meeting of the members of the Society and sent to the Fellows at least ten (10) days before the annual meeting of the members of the Society. Nominations may be made from the floor at any meeting at which an election is held but only by the consent of a majority of the Fellows present.

8. Nominations

The Board, in its discretion, may form a nominating committee and delegate such committee the authority to nominate individuals for election by the members of the Society to the Board and individuals for appointment as officers of the Society.

Article VII: Committees

1. Activation

The President and Chief Executive Officer or the Board may activate at any time any committee that the Board may establish and may appoint a chairperson and members of each such committee.

2. Terms and Eligibility

Except as provided by these Bylaws, the chairperson and members of each active committee shall serve one-year terms on the committee to which they are appointed, unless removed and replaced prior to the end of such term at the discretion of the

President and Chief Executive Officer or the Board, and may be re-appointed, without limitation, for successive terms. Any committee to which the powers of the Board are delegated shall consist solely of directors.

3. Minutes

A report of all material actions taken by each committee shall be made to the Board no later than the next meeting of the Board. Minutes of each committee shall be available to any director for inspection.

4. Quorum and Voting at Meetings

Except as otherwise provided by law, a majority of the members of any committee then in office shall constitute a quorum at all meetings of such committee. Members of any committee may be present at and participate in such meetings by telephone as provided in Article VI, Section 6 herein.

When a quorum is present at any committee meeting, the votes of a majority of the members present and voting shall be necessary and sufficient for the decision of any question brought before the meeting, except as otherwise provided by law or the Articles of Organization.

Article VIII:

Professional Conduct and Discipline

1. Sub-Committee on Professional Ethics

There shall be a Committee on Professional Ethics which shall consist of a Chair and not less than two other Fellows appointed annually by the Chairman and continuing in office to the end of the fiscal year or until their successors are appointed. The general

duties of the committee shall be to promote and maintain high professional, ethical and moral standards among the membership.

The committee shall assist the Chairman and the Board in the enforcement of this Article of these Bylaws.

2. Code of Professional Conduct and Discipline

The Society shall adopt as its Code of Professional Conduct (the "Code") the Code of Professional Conduct of the American Institute of Certified Public Accountants, Inc. (AICPA) in effect as of the date of adoption of these Bylaws, except that in the case of any conflict between the Code and these Bylaws, these Bylaws shall prevail. The Code may be amended by a two-thirds vote of the Board provided that prior notice be given to all the members of the Board of the proposed amendments. The Board may make, or may authorize the Committee on Professional Ethics to make, subject to ratification of the Board, interpretive or case rulings construing the Code. The Code, and amendments thereto and interpretations thereof, shall be binding on the membership.

a) The disciplinary proceedings of the Society shall be governed by these Bylaws and by the Code as they may be hereafter amended (in accordance with Section 2 of this Article).

b) Whenever a member of the Society,

whether or not he/she is a member of the AICPA, shall be charged with violating these Bylaws or the Code the said charge shall be initiated in accordance with the terms of any then existing agreement between the Society and the AICPA relating to ethics enforcement. In 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, and then operative rules of the Joint Trial Board Division of the AICPA 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 carry the provisions of Section 2(b) of this Article into effect 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.

Article VIII:

Professional Conduct and Discipline (cont.)

- d)** Membership in the Society shall be suspended without a hearing should any of the following occur:
1. There be filed with the Secretary/Treasurer of the Society a judgment of conviction imposed upon any member for:
 - i. a crime defined as a felony (or its equivalent) under the law of the convicting jurisdiction;
 - ii. the willful failure to file any income tax return, which he or she, as an individual taxpayer, is required by law to file;
 - iii. the filing of a false or fraudulent income tax return on his or her, or a client's behalf; or
 - iv. The willful aiding in the preparation and presentation of a false and fraudulent income tax return of a client; and Membership in the Society shall be terminated in like manner upon the similar filing of a final judgment of conviction;
 2. A member's certificate as a certified public accountant, or license or permit to practice public accounting be suspended as a disciplinary measure by a State Board of Accountancy, but, such suspension of Membership in the Society shall terminate upon reinstatement of the certificate. Membership in the Society shall be terminated without hearing should such certificate, license or permit be revoked, withdrawn, or canceled as a disciplinary measure by the said State Board of Accountancy;
 3. A member of the Society voluntarily agree to resolve any disciplinary proceedings on terms acceptable to the Committee on Professional Ethics.
- e)** Notice of the result of final action in every disciplinary matter that results in termination of the member under Section 2(b) or Section 2(d) of this Article shall be published in a membership periodical of the Society. In the case of action taken under Section 2(b) of this Article, the notice shall be in a form approved by the Chairman of the hearing panel, which took the last action in the matter. In the case of action taken under Section 2(d) of this Article, the notice shall be in a form approved by the Board. In every case, the notice shall disclose the name of the member involved if the hearing panel or the Board so decides by a majority of the members present and voting at the meeting or hearing at which the action is taken. No such publication shall be made until such decision shall have become effective according to any then governing rules.
- f)** Whenever, as a result of action involving the Committee on Professional Ethics or by operation of Article VIII of these Bylaws, a member of the Society is voluntarily or involuntarily terminated, the Secretary of the Society shall be required to promptly provide notice of the termination, along with copies of documentation reflecting the termination to the Massachusetts Board of Public Accountancy.

Article VIII:

Professional Conduct and Discipline (cont.)

3. Composition and Tenure

Standing and Special committees each shall consist of a Chairman and two or more members, appointed annually by the Chairman. So long as each of such committees is in being, its members shall serve until their successors are appointed.

Article X: Conflict of Interest

Except as otherwise provided by law or in the Articles of Organization, no contract or transaction between the Society and one or more of its directors or officers, or between the Society and any other corporation, partnership, association, or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board or committee thereof which authorized the contract or transaction, or solely because his or their votes are counted for such purpose, if: (i) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Board or the committee and the board

or committee in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the members of the Society entitled to vote thereon, and the contract or transaction as specifically approved in good faith by vote of such members; or (iii) the contract or transaction is fair as to the Society as of the time it is authorized, approved or ratified, by the Board, a committee or the members. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes the contract or transaction.

Article XI: Indemnification

1. Indemnification for Directors and Officers

The Society shall, to the extent legally permissible, indemnify each person who serves or has served as a director or officer of the Society, and each person who is or was serving at the request of the Society as an officer or director of another organization (including any trust or other entity maintained pursuant to a retirement plan for employees of the Society), against all liabilities, costs and expenses (including, but not limited to, amounts paid in satisfaction of judgments, in settlement or as fines and penalties, and counsel fees and disbursements) reasonably incurred by or imposed upon him or her in connection with the defense or disposition of or otherwise in connection with or resulting from any action, suit or other proceeding, whether civil, criminal, administrative or investigative, before any court or administrative, legislative or investigative body, in which such person may be or may have been involved as a party or otherwise or with which such person may be or may have been threatened, while in office or thereafter, by reason of his or her being or having been such an officer or director, or by reason of any action taken or not taken in any such capacity; except that no in-

demnification shall be provided with respect to any matter as to which such person shall have been finally adjudicated by a court of competent jurisdiction not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Society or, if applicable, of the other organization of which he or she is or was serving as an officer or director at the Society's request. Expenses, including, but not limited to, counsel fees and disbursements, so incurred by any such person in defending any such action, suit or proceeding, may be paid from time to time by the Society in advance of the final disposition of such action, suit or proceeding, upon receipt of an undertaking by or on behalf of the person indemnified to repay the amounts so paid if it shall ultimately be adjudicated that indemnification of such expenses is not authorized hereunder, which undertaking shall be accepted without reference to the financial ability of such person to make repayment. may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes the contract or transaction.

Article XI: Indemnification (cont.)

2. Settlements

As to any matter disposed of by settlement by any such person, pursuant to a consent decree or otherwise, no such indemnification either for the amount of such settlement or for any other expenses shall be provided unless such settlement shall be approved as in the best interests of the Society, after notice that it involves such indemnification, (i) by vote of a disinterested majority of the whole Board then in office, or (ii) by vote of a majority of the whole Board then in office, but only if the Board shall have been furnished with an opinion of independent legal counsel to the effect that such settlement is in the best

interests of the Society and that such person appears to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Society. No such approval shall prevent the recovery from any such officer or director of any amounts paid to such person or on his or her behalf as indemnification in accordance with the preceding sentence if such person is subsequently adjudicated by a court of competent jurisdiction not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Society.

3. Employees and Agents

By the same procedures set forth in the preceding paragraphs, the Board may vote to extend indemnification provisions substantially similar to those rights and subject to those limitations described above to employees or agents of the Society who are

not officers or directors or to persons serving at the Society's request as either employees or agents of another organization or in a capacity with respect to any employee benefit plan.

4. Non-Waiver of Other Rights

The right or grant of indemnification hereby provided shall not be exclusive of or affect any other rights to which any officer, director, employee or agent may be entitled or which may lawfully be granted to such person.

Article XI: Indemnification (cont.)

5. Insurance

By action of the Board, notwithstanding any interest of the directors in such action, the Society may purchase and maintain insurance, in such amounts as the Board may from time to time deem appropriate, on behalf of any person who is or was an officer, director, employee or other agent of the Society or who is or was serving at the

request of the Society as an officer, director, employee or other agent of another organization, or with respect to any employee benefit plan, against any liability incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Society would have the power to indemnify such person against such liability.

6. Definitions

As used herein, the terms "officer," "director," "employee" and "agent" include their respective executors, administrators and other legal representatives; an "interested" person is one against whom the action, suit or other proceeding on the same or similar

grounds is then or had been pending or threatened; and a "disinterested" person is a person against whom no such action, suit or other proceeding is then or had been pending or threatened.

Article XII: Personal Liability

The directors and officers of the Society shall not be personally liable for any debt, liability or obligation of the Society. All persons, corporations or other entities extending credit to, contracting with, or having any claim against the Society may look only to the funds and property of the Society for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Society.

Article XIII: Non-Discrimination

The Society is committed to a policy of equal opportunity. The Society complies with all applicable laws and regulations regarding employment and ensures that there will be no discrimination on the basis of race, color, religion, gender, sexual orientation, national origin, age, disability, ancestry or any other legally prohibited basis in its selection of directors, officers, employees or agents, applicants for employment, grant recipients or students. The Board and all officers and employees are required to implement this policy.

Article XIV: Fiscal Year

The fiscal year of the Society shall begin on May 1 for one year and end April 30 of the following year.

Article XV: Amendment

1. Initiation

Proposals to amend the Bylaws of the Society may be made by any 10% or more Fellows or by the Board. All such proposals shall be submitted in writing to the Secretary who shall refer to the Board any proposals not made by it.

2. Enactment

These Bylaws may be altered, amended or repealed, in whole or in part, by the affirmative vote of a majority of the members present and voting at any meeting, the notice of which contains a statement of the proposed alteration or amendment. The directors may also make, amend or repeal these Bylaws in whole or in part and shall give written notice of such action to the membership before the next meeting of members; provided, however, that any amendment, modification or repeal of Article IX of these Bylaws may be made solely in

accordance with the preceding sentence. Any alteration, amendment or repeal of these Bylaws by the directors may then be altered, amended or repealed, in whole or in part, by the affirmative vote of a majority of the membership entitled to vote thereon. Notwithstanding the above provisions of this Article XV, any amendment, alteration or repeal of a Bylaw by the directors as provided for in this Article shall be valid and given full force and effect unless and until acted upon by the membership.