

**BY - LAWS**  
**OF**  
**VIRGIN ISLANDS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS**

**ARTICLE I - OFFICES**

The principal office of the Corporation in the Territory of the Virgin Islands shall be located at Number 5 Strand Street, in the city of Frederiksted of the District of St. Croix 00840. The Corporation may have such other offices, either within or without the Territory of incorporation as the Board of Directors may designate or as the business of the Corporation may from time to time require.

**ARTICLE II - MEMBERS**

1. ANNUAL MEETING

The annual meeting of the members shall be held in November of each year, beginning with the year 2006, for the purpose of electing Directors, as applicable with respect to their terms, and for the transaction of such other business as may come before the meeting.

2. SPECIAL MEETINGS.

Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or by the Directors, or shall be called by the President at the request of not less than 25 percent of all of the members of the Corporation entitled to vote at the meeting.

3. PLACE OF MEETINGS.

The Directors may designate any place within the Virgin Islands as the place of meeting for any annual meeting or for any special meeting called by the Directors. A waiver of notice signed by all members entitled to vote at a meeting may designate any place, within the Virgin Islands unless otherwise prescribed by statute, as the place for holding such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the Corporation.

4. NOTICE OF MEETING

Written, printed or electronic notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 5 days or more than 30 days before the date of the meeting, either personally, by mail, or by electronic, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the membership roster of the Corporation, with postage thereon prepaid.

5. CLOSING OF MEMBERSHIP BOOKS OR FIXING OF RECORD DATE.

For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or in order to make a determination of members for any other proper purpose, the Directors of the Corporation may provide that the membership roster shall be closed for a stated period but not to exceed, in any case, 5 days. If the membership roster shall be closed for the purpose of determining members entitled to notice of or vote at a meeting of members, such books shall be closed for at least 5 days immediately preceding such meeting. In lieu of closing the membership roster, the Directors may fix in advance a date as the record date for any such determination of members, such date in any case to be not more than 5 days and, in case of a meeting of members, not less than 5 days prior to the date on which the particular action requiring such determination on members is to be taken. If the membership roster is not closed and no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the date on which notice of the meeting is mailed shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall apply to any adjournment thereof.

6. VOTING LISTS.

The Secretary of the Corporation having charge of the membership roster of the Corporation shall make the membership roster open to inspection by the members during normal business hours at the principle place of business or as otherwise directed by a corporate resolution. The address of each member shall be included in the membership roster. The membership roster shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting. The original Membership book shall be *prima facie* evidence as to who are the members entitled to examine such list or membership books or to vote at the meeting of members.

7. QUORUM

At any meeting of members twenty-five percent (25%) of the members of the Corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members. If less than twenty-five percent (25%) members are represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

8. PROXIES.

At all meetings of members, a member may vote by proxy executed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting.

9. VOTING.

A member shall be entitled to vote at a meeting of the members if he or she is registered in the membership roster. Each member entitled to vote in accordance with the terms and provisions of the certificate of incorporation and these By-Laws shall be entitled to one vote, in person or by proxy. Upon the demand of any member, the vote for Directors and upon any question before the meeting shall be by ballot. All elections for Directors shall be decided by a majority of all members entitled to vote, all other questions shall be decided by majority vote of those members actually voting, except as otherwise provided by the Certificate of Incorporation or the laws of this Territory.

10. ORDER OF BUSINESS.

The order of business at all meetings of the members shall be as follows:

- I. Roll Call.
- II. Proof of notice of meeting or waiver of notice.
- III. Approval of minutes of preceding meeting.
- IV. Reports of Officers.
- V. Reports of Committees.
- VI. Election of Directors.

VII. Unfinished Business.

VIII. New Business

11. INFORMAL ACTION BY MEMBERS.

Unless otherwise provided by law, any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

**ARTICLE III - MEMBERSHIP QUALIFICATIONS**

There are two membership classifications:

- 1) Licensed CPA Membership
- 2) Student Membership

Voting Licensed CPA Membership

Written application for Membership must first be approved by a majority of the Executive Committee, and then accepted by a majority vote of the members present at any meeting of the Society.

Licensed CPA Membership shall be limited to:

- (1) Certified Public Accountants holding a valid and unrevoked certificate as such issued by the Territory of the United States Virgin Islands.
- (2) Certified Public Accountants holding a valid and unrevoked certificate as such issued by any state or territory of the United States, or the District of Columbia and such individual is a resident of the United States Virgin Islands at the date of application for membership

Student Membership

Written application for Student Membership must first be approved by a majority of the Executive Committee.

Student membership shall be limited to:

- (1) Students enrolled in an accredited college or university with the intent of declaring a major or minor in Accounting. The Student Membership classification has no voting rights.

The Secretary shall issue certificates to new members in such form as may be adopted by the Executive Committee. Each member shall, upon receipt of the certificate of membership, agree in writing to return the same to the Secretary if called upon to do so by the Executive Committee as provided by Article IV.

#### **ARTICLE IV - MEMBERSHIP TERMINATION**

(1) Resignations of members may be offered in writing at any time and shall be effective on the date of receipt, except that any tendered resignation of a member under charges of this Article shall not be effective until such charges have been fully determined under the procedures set forth herein. A member may be permitted to resign or accept suspension or expulsion if an agreement has been reached between the member and the Committee on Professional Ethics.

(2) Any member who shall neglect to pay his/her dues, assessments or other obligations to the Society for a period of 90 days after such have become due and notice thereof shall have been given by the secretary shall forfeit his/her membership. A final delinquency notice will be mailed 30 days prior to date of forfeiture. This paragraph shall not apply to a member under charges under this Article.

(3) Former members may make an application for reinstatement in such manner as shall be prescribed by the Executive Committee and remitting a reinstatement fee.

(4A) A member may be suspended by the Executive Committee without a hearing if it finds:

(1) the member's certificate as a certified public accountant or license to practice accountancy has been suspended by the authority of the State Board or its equivalent of any state, territory, District of Columbia, or foreign country except for suspensions which are the result of the voluntary lapse of a certificate or license to practice accountancy in more than one jurisdiction, and the voluntary lapse was not for the purpose of avoiding suspension for ethical or technical violations;

(2) the members privilege of appearing or practicing before the United States Securities and Exchange Commission ("SEC") has been suspended by the SEC; or

(3) a court or jury of competent jurisdiction renders a finding of guilt of a felony or other crime of misdemeanor involving moral turpitude.

(4B) A member may be expelled by the Executive Committee without a hearing if:

(1) the member's certificate as a certified public accountant or license to practice accountancy has been revoked by the authority of the State Board or its equivalent in any state, territory, District of Columbia, or foreign country except for revocations that are the

result of the voluntary lapse of a certificate or license to practice accountancy in more than one jurisdiction, and the voluntary lapse was not for the purpose of avoiding revocation for ethical or technical violations; or

(2) (a) such member (i) is convicted of a felony or is convicted of any other crime or offense involving moral turpitude, and (ii) such conviction becomes final and nonappealable; or (b) in connection with the criminal prosecution of such member for a felony or for any other crime or offense involving moral turpitude, a court of competent jurisdiction defers adjudication of guilt of such member after a finding of guilt by the court or jury or after the court receives a plea of guilty or *nolo contendere from such member*.

(4C) A member may be placed on probation by the Executive Committee without a hearing if the member has been placed on probation by the authority of the State Board or its equivalent in any state, territory, District of Columbia or foreign country(“boards”). The probation by the Executive Committee shall follow the same terms and conditions as those imposed by the State Board of boards.

(4D) Application of the provisions of this Section shall not limit or otherwise modify and other provision of these *By-Laws* addressing suspension or expulsion of members.

(5) Whenever a member of the Society, whether or not he/she is a member of the AICPA, shall be charged with violating these *By-Laws*, the said charge shall be submitted to the Executive Committee, except that whenever a member shall be charged with violating the Society’s *Code of Professional Ethics*, or is declared by a court of competent jurisdiction to have committed any fraud, the said charged shall be submitted to the Committee on Professional Ethics. If it appears to this committee that the matter should be prosecuted, such prosecution shall proceed in accordance with the terms of any then-existing agreements between the Society and the AICPA relating to ethics enforcement. In the absence of any such agreement, such prosecution shall proceed in accordance with the policies adopted by the Board of Directors.

(6) All committees, boards and other bodies of the Society are hereby empowered to carry the provisions of Section (5) into effect by acting jointly and in cooperation with the appropriate bodies of the AICPA under agreements, rules and procedures in effect between the Society and the AICPA at the time of such action.

(7) If the Committee on Professional Ethics shall dismiss any complaint or shall fail to act thereon within 90 days after such complaint is presented to it in writing, the person referring the complaint may present the complaint in writing to the Trial Board under the agreement in effect between the Society and the AICPA at the time of such presentation. On receipt of such complaint, the said Trial Board shall make such investigation of the matter as is provided for in the existing agreement between the Society and the AICPA relating to joint ethics enforcement.

(8) A member renders himself liable to expulsion or suspension under Section (5) of this Article if:

(a) he/she infringes upon any of these *By-Laws of Code of Professional Ethics* of the Society:

(b) he/she is guilty of an act discreditable to the profession;

(c) he/she is declared by a court of competent jurisdiction to have committed any fraud;  
or

(d) except for good cause, he/she fails to cooperate with the Committee on Professional Ethics in any disciplinary investigation of him/her or his/her partner or employee by not making a substantive response to interrogatories or a request for documents from the Committee on Professional Ethics, or by not complying with the educational and remedial or corrective action determined to be necessary by the Committee on Professional Ethics within 30 days of their posting by registered or certified mail, postage prepaid, to him/her at his/her last known address shown on the records of the Society.

(9) During the period of suspension under this Article, a member who has been suspended remains a member of the Society. The suspended member shall not, however:

(a) vote;

(b) identify himself/herself as a member;

(c) hold an office, committee position or other position or privilege described in these *By-Laws*; or

(d) increase an existing or be eligible for an additional benefit of membership.

(10) Notice of final disciplinary action approved by the Trial Board and the basis thereof shall be published in a membership periodical of the Society.

(a) In the case of suspension or expulsion, such notice shall be in the form approved by the chair of the panel that took the final action in the matter and shall disclose the name of the member concerned.

(b) In the case of other disciplinary action, the Trial Board or sub board shall decide on

the form of the notice of the case and the decision to be published, which notice shall disclose the name of the member involved.

The statement and decision, as released by the chair, Trial Board or panel, shall be published in a membership periodical of the Society. No such publication shall be made until such decision has become effective.

#### **ARTICLE V - MEMBERS' INTEREST IN CORPORATE PROPERTY**

Members shall have no personal interest in the property or assets of the Corporation. Termination of membership, whether voluntary or involuntary, or the sale of any corporate property or asset, shall not give rise to an interest in any corporate property or asset.

#### **ARTICLE VI- BOARD OF DIRECTORS**

##### **1. GENERAL POWERS.**

The business and affairs of the Corporation shall be managed by its Board of Directors. The Directors shall in all cases act as a board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the Corporation, as they may deem proper, not inconsistent with these By-Law and the laws of this Territory. -

##### **2. NUMBER, TENURE AND QUALIFICATIONS.**

The Board of Directors shall consist of the Officers of the Society. The minimum number of Directors of the Corporation shall be five. The Directors shall be elected for two year terms or until his or her successor shall have been elected and qualified.

##### **3. REGULAR MEETINGS.**

A regular meeting of the Directors shall be held without other notice than these By-Laws immediately before, and at the same place as, the annual meeting of members. The Directors may provide, by resolution, the time and place for holding of additional regular meetings without other notice than such resolution.

##### **4. SPECIAL MEETINGS.**

Special meetings of the Directors may be called by or at the request of the President or any three Directors. The person or persons authorized to call special meetings of the Directors may fix the place for holding any special meeting of the Directors called by them.



5. NOTICE.

Notice of any special meeting shall be given at least 5 days previously thereto by written notice delivered personally, mailed or electronically to each Director at his or her business address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid, The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

6. QUORUM.

At any meeting of the Directors, a majority of all the Directors, shall constitute a quorum for the transaction of business. If less than a majority of the members is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

7. MANNER OF ACTING.

The act of three of the Directors present at a Meeting at which a quorum is present shall be the act of all of the Directors.

8. VACANCIES.

Vacancies occurring in the board for any reason except the removal of Directors without cause may be filled by a vote of a majority of the Directors then in office although less than a quorum may exist. Vacancies recurring by reason of the removal of Directors without cause shall be filled by vote of the members. A Director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his predecessor.

9. REMOVAL OF DIRECTORS.

Any or all of the Directors may be removed for cause by majority vote of the members. Directors may be removed without cause only by two-thirds (2/3) vote of the members.

Any Board of Directors Member who misses three (3) consecutive Board Meetings is automatically expelled from the Board. Notwithstanding the above, the Board may, at its discretion, excuse a member for legitimate cause.

10. RESIGNATION.

A Director may resign at any time by giving written notice to the Board, the President or the

Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

#### 11. COMPENSATION.

No compensation shall be paid to Directors, as such, for their services, but by resolution of the Board a fixed sum and expenses for actual attendance at each regular or special meeting of the board may be authorized. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other Capacity and receiving compensation therefor.

### **ARTICLE VII- OFFICERS**

- (1) The officers of the Society shall be a President, a St. Croix Vice-President, a St. Thomas/St. John Vice-President, a Secretary, and a Treasurer. Each officer shall be a member of the Society in good standing. The officers shall perform all duties prescribed in these By-Laws and all duties ordinarily pertaining to their office or delegated to them by the Board of Directors.
- (2) The officers of the Society shall be elected by the members at the annual meeting and shall be installed at the conclusion of said meeting.
- (3) Each officer of the Society shall be elected for two year terms, or until his or her successor shall have been elected and qualified.
- (4) The President shall preside at all meetings of the Society and at all meetings of the Executive Committee. In his/her absence the St. Thomas/St. John Vice-President shall preside. The President shall have the power to fill vacancies in the various Committees of the Society and to appoint such Special Committees as he/she may deem necessary.
- (5) The St. Thomas/St. John Vice-President shall preside at all meeting of the Society and the Executive Committee not attended by the President, He shall also represent the members from St. Thomas/ St. John at all meetings of the Society.
- (6) The St. Croix Vice-President shall preside at all meetings of the Society and the Executive Committee not attended by the President and the St. Thomas/ St. John Vice-President. He shall also represent the members from St. Croix at all meetings of the Society.
- (7) The Secretary shall give notice of all meetings of the Society of Executive Committee and shall keep a record of the proceedings thereof, along with a record of all meetings of all other committees of the Society. The secretary shall sign the minutes of all meetings

of the membership, Board of Directors and the Executive Committee and ensure that the minutes are disseminated to the members of the Board of Directors by mail, facsimile or electronic means. The Secretary shall keep a membership register of the members of the Society and their address.

- (8) The Treasurer shall have the charge of funds, accounts and fiscal affairs of the Society, subject to direction or review by the Executive Committee or Board of Directors. The treasurer shall furnish a report of receipts and disbursements along with a paid members list at each Executive Committee and Board of Directors meeting. The books shall be open to inspection subject to the approval of the Executive Committee. The treasurer shall prepare and file or cause to be prepared and filed all Income and Other Tax returns and filings required by the Society.

#### **ARTICLE VIII- EXECUTIVE COMMITTEE**

- (1) The Executive Committee shall consist of the officers of the Society. The Executive Committee shall function for the Board of Directors during the period between Board of Directors meetings and shall have all the powers of the Board of Directors except those powers specially reserved by the Board of Directors.
- (2) The President shall designate the time, place and agenda for any meetings of the Executive Committee. A majority of the members shall constitute a quorum, and a majority vote of the members present and voting shall constitute a vote of the Executive Committee. The Executive Committee shall keep a record of its proceedings, and such record shall be available for inspection by any member of the Society at all reasonable times.
- (3) The Executive Committee members shall hold office for two years following their election or until their successors are elected. Should a vacancy arise in the Executive Committee the remaining Committee members shall have the power to elect a member of the Society to fill such vacancy until such time as the Members of the Society shall elect and install a new officer to fill such vacancy.
- (4) The Executive Committee shall:
  - (a) Inquire into the eligibility of all applications for membership, and to report thereon at the next meeting of the Society.

- (b) Make all necessary arrangements for the meetings of the Society.
- (c) Promote the attendance at the Society’s meetings.

### **ARTICLE IX- COMMITTEES**

- (1) There shall be a Committee on Professional Ethics, no member of which shall serve simultaneously as a member of the State Board.
- (2) There shall be a Committee on Nominations consisting of the immediate past President, and the Vice-Presidents of St. Croix and St. Thomas/St. John.

The Committee on Nominations shall certify by a report filed with the Secretary not later than September 30, its nominations for Officers.

In addition to the nominations of the Committee on Nominations, any member may submit independent nominations for officers, provided that such nominations be filed with the Secretary not later than September 30.

Nominations other than those made as provided above shall not be in order.

- (3) There shall be a Committee on Continuing Education responsible for the organization of lectures, workshops and seminars. Emphasis shall be placed on tax laws and accountancy. The committee shall be appointed by the Executive Committee.
- (4) The Board of Directors or Executive Committee may designate and charge other committees.

### **ARTICLE X - DUES AND ASSESSMENTS**

- (1) Dues shall be determined by the Board of Directors.
- (2) All dues are payable in advance on the first day of each fiscal year. Any member failing to pay his/her dues, assessments, or other amounts due the Society within three months after they have become due shall automatically be suspended from participation in the affairs of the Society and automatically be terminated from membership if such amounts remain unpaid in excess of six months.

- (3) The Society may, by a majority vote of the membership, assess the members a per capita assessment, provided that the Members shall be advised by the Secretary as to the amount of and the reason for such assessment.

### **ARTICLE XI – FISCAL MATTERS**

- (1) The fiscal year of the Society shall begin on September 1 and end on August 31 of the following year.

### **ARTICLE XII – AMENDMENTS AND INTERPRETATIONS**

- (1) A proposal to amend the *By-Laws* may be initiated by the Board of Directors or by a petition filed with the Secretary. No proposal to alter, amend or add thereto shall be acted on unless written notice thereof shall be given to the membership at least thirty days prior to the meeting at which same is to be submitted for action. A copy of such proposed amendments shall be mailed, together with the notice of such meeting, to every Member of the Society at least thirty days prior to the date of such meeting.
- (2) A proposal to amend the *By-Laws* shall be adopted by a two-thirds vote of the Members comprising the membership of the Society.
- (3) In the event of lack of clarity, the Executive Committee shall interpret these *By-Laws*.
- (4) The rules contained in Robert’s Rules of Order shall govern in all cases to which they are applicable, and in which they are not inconsistent with these *By-Laws*.

### **ARTICLE XIII – INDEMNIFICATION**

The Society shall indemnify:

- (1) any person who is or was a party or is or was threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Society or a member of any committee, member section or task force of the Society against expenses, judgments, awards, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person (with the prior consent of the Society acting through it’s Executive Board by a two-thirds vote and concurrence of counsel which the Society shall have retained to defend such person, as hereinafter

provided) in connection with such action, suit or proceeding,

- (a) except with respect to matters as to which it is adjudged in any suit, action or proceeding that such person is liable to the Society by reason of the fact that such person has been found guilty of the commission of a crime or of gross negligence in the performance of his/her duties, it being understood that termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent (whether or not after trial) shall not, of itself, create a presumption or be deemed an adjudication that such person is liable to the Society by reason of the commission of a crime or gross negligence in the performance of his/her duties; and
  - (b) provided that such person shall have given the Society prompt notice of the threatening or commencement (as appropriate) of any such action, suit or proceeding.
- (2) Upon notice from any such indemnified person that there is threatened or has been commenced any such action, suit or proceeding, the Society:
- (a) shall defend such indemnified person through counsel selected by and paid for by the Society and reasonably acceptable to such indemnified person, which counsel shall assume control of the defense; and
  - (b) shall reimburse such indemnified person for expenses encompassed by the foregoing indemnity in advance of the final disposition of any such action, suit or proceeding, provided that the indemnified person shall agree to repay to the Society all amounts so reimbursed if a court of competent jurisdiction finally determines that such indemnified person is liable to the Society by reason of the fact that such indemnified person has been found guilty of the commission of a crime or of gross negligence in the performance of his/her duties. The foregoing provision shall be in addition to any and all rights that the persons specified above may otherwise have at any time to indemnification from and/or reimbursement by the Society.

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VIRGIN ISLANDS SOCIETY OF CERTIFIED  
PUBLIC ACCOUNTANTS  
an I.R.S. 501 (c)(6) corporation

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President, duly authorized

ATTEST

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Secretary