

**CHARTERED PROFESSIONAL  
ACCOUNTANTS  
OF  
PRINCE EDWARD ISLAND**

**BY-LAWS**

**Made Under Section 7 of  
*The Chartered Professional Accountants and Public Accounting Act*  
Approved September 9, 2016**

## 1. **DEFINITIONS**

- (1) In these clauses:
- (a) "ACT" refers to the Chartered Professional Accountants and Public Accounting Act.
  - (b) "BOARD" means the Board of Directors of CPA PEI.
  - (c) "AFFILIATE" means the governing body of Chartered Professional Accountants of another province or territory.
  - (d) "BY-LAWS" mean the By-Laws of CPA PEI in force and effect from time to time.
  - (e) "CHAIR" means the Chair of the Board or committee or the member so declared to be acting Chair at a meeting in the absence of the Chair.
  - (f) "CPA Canada" means the Chartered Professional Accountants of Canada.
  - (g) "CPA PEI" means the Chartered Professional Accountants of Prince Edward Island.
  - (h) "EX-OFFICIO" means without voting powers.
  - (i) "FEES" includes any of the fee, dues, charges, penalties or other assessments charged by CPA PEI and CPA Canada.
  - (j) "FISCAL PERIOD" means the fiscal year of CPA PEI, or in the case where a change in year-end has occurred, the period of time from the termination of the previous fiscal year up to the date of the new year-end.
  - (k) "GAINFUL EMPLOYMENT" means any employment or business income of more than \$25,000 annually (per calendar year) and which is related to the CPA designation.
  - (l) "MEMBER" means a person who is certified by CPA PEI or an Affiliate as having satisfied all requirements for membership and remains in good standing.
  - (m) "MEMBER IN GOOD STANDING" means a member of CPA PEI abiding with all By-Laws, rules, regulations, policies, resolutions and reports of CPA PEI and who is not under suspension for any cause.
  - (n) "OFFICER" means one of the Chair, Vice-Chair, Past-Chair, the Secretary-Treasurer, or the Chief Executive Officer of the Board.
  - (o) "PAST CHAIR" means the most recent former chair.
  - (p) "REGISTER" means the membership database maintained on paper or electronic digital storage media.
  - (q) "RESIDENCY" means where a person is ordinarily resident and may take into account, but not limited to, length of stay, location of a permanent residence,

location of personal property, location of spouse or common-law-partner, provincial health insurance and provincial driver's licence.

- (r) "SUSPENDED" and "SUSPENSION" means temporary removal of rights and privileges from a member.
  - (s) "TERMINATION" means removal from membership, and "TERMINATE" means the act of doing so.
- (2) Word and expression usage:
- (a) In the By-Laws, unless the context otherwise requires, words importing the singular number or the masculine gender shall include the plural number or the feminine gender, as the case may be, and vice versa, and the references to persons shall include individuals, firms and corporations.
  - (b) Whenever the words "include", "includes" or "including" are used in the By-Laws, unless the context otherwise requires, such words shall be deemed in each instance to be followed by the words "without limitation".
  - (c) Words and expressions used in By-Laws, rules, policies and resolutions of CPA PEI shall have the same meaning as in the Act or regulations or as defined by these By-Laws or in policies established by CPA PEI and such meanings shall take precedence over any other interpretation. In all circumstances, the meaning as found in the Act shall take precedence.
  - (d) In the event of any dispute arising as to the true interpretation, intent or meaning of any By-Law, rule, regulation, resolution, policy or report in connection with CPA PEI, the interpretation, intent or meaning provided by the Board shall be final, binding and conclusive with regard to any such dispute.
- (3) Articles and sections:
- (a) The division of the By-Laws into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of the By-Laws and may be changed at any time by the Board without member approval.
  - (b) References in these By-Laws to Articles and Sections are to Articles and Sections of these By-Laws unless the context otherwise requires.

## **2. CHANGES TO BY-LAWS**

- (a) The Board may by special resolution repeal, amend or enact any By-Law(s) of CPA PEI. Notice of any proposal to repeal, amendment or enact By-Law(s), including particulars thereof, shall be provided in writing to the Board at least ten (10) days prior to the Board meeting at which any change is to be considered.
- (b) Changes to By-laws approved by the Board shall be presented to members for approval at the next Annual General Meeting or at a Special General Meeting called for that purpose. The full text of the By-law change(s) shall be provided to members at the time of the circulation of the notice of the meeting as set out in Section 41(d). Where such change approved previously by the board is not

presented for acceptance by members at the next Annual General Meeting or at an earlier held Special General Meeting as the case may be, the change shall be null and void, and the fact that the By-Law had been changed by the Board shall be disclosed to the members at the Annual General Meeting.

- (c) Where a By-law, or an amendment of a By-law, is not ratified under subsection (b), at or before the next Annual General Meeting or Special General Meeting after the By-law or amendment was made, the By-law or amendment shall expire at the Annual General Meeting or Special General Meeting.

### **3. BY-LAWS AVAILABLE TO PUBLIC**

The By-Laws of CPA PEI shall be made available to the public by any means deemed appropriate by the Board.

### **4. MEMBERSHIP**

#### **(1) Classes of membership**

- (a) An "ACTIVE MEMBER" is a member who is not a Retired Member or an Associate Member.
- (b) A "RETIRED MEMBER" is a member who has ceased to be gainfully employed, because of age, health or other circumstances, who does not intend at any time thereafter to seek or accept gainful employment, either temporarily or permanent and has received approval from the Board as a Retired Member.
- (c) An "ASSOCIATE MEMBER" is a member who does not have residency on Prince Edward Island and is a member in good standing with an Affiliate who has received approval, by special resolution, from the Board to be a member of CPA-PEI.
- (d) A "STUDENT/CANDIDATE MEMBER" is a member who has met the requirements of Section 5.

(2) A member may make written application to the Board for approval as a Retired Member stating the circumstances and the effective date of the retirement. Approval as a Retired Member shall be decided by the Board upon review of the application at the first Board meeting after receiving the application and upon recommendation by the Membership Committee.

(3) Approval as a Retired Member shall remain in effect only so long as the member does not commence gainful employment. A Retired Member who seeks or obtains gainful employment shall immediately notify the CPA PEI.

(4) In the event of any question whether or not a Retired Member is seeking or has obtained gainful employment, the final decision shall rest with the Board.

(5) The Board may not retroactively grant an effective date of retirement status for a date more than sixty (60) days prior to the date the written application is received by CPA PEI.

- (6) (i) Retired Members shall be entitled to all rights of membership of CPA PEI and be subject to all provisions of the Act, By-Laws, Rules, and Policies of

CPA PEI but, subject to sub-section (ii), are exempted from the requirement of Continuing Professional Development under Section 55.

- (ii) Any Retired Member receiving employment or business income which is related to the CPA designation shall be subject to the requirement of Continuing Professional Development under Section 55.

(7) A member may make written application to the Board for approval as an Associate Member by:

- (i) providing such information as the Board deems appropriate with respect to the circumstances under which the member desires to utilize the designation "CPA" within the Province of Prince Edward Island;
- (ii) providing an unconditional undertaking to CPA PEI to comply with and be bound by the provisions of all Acts, By-Laws, Rules, regulations, policies and resolutions of CPA PEI; and
- (iii) providing the Board with such information as it may require having regard to the circumstances.

(8) The rights and privileges of Associate Members and Student/Candidate Members shall be as determined by the Board, except that no Associate Member or Student/Candidate Member shall have voting rights at any Annual General Meeting or Special General Meeting of CPA PEI.

(9) Approval as an Associate Member shall remain in effect so long as the member continues to be a member in good standing with CPA PEI and the Affiliate or until the member withdraws the membership or the Board, at its discretion, deems appropriate to remove the membership.

## **5. APPLICATION FOR MEMBERSHIP – STUDENT/CANDIDATE**

- (a) Every student/candidate applicant for membership in CPA PEI shall complete and submit to the CPA PEI an application in the form prescribed by CPA PEI along with any applicable fees.
- (b) The name of a student/candidate applicant who has applied for student/candidate membership shall be presented to the Board for consideration of admission to membership, along with the recommendation and confirmation of the Registrar that the student/candidate has met the prescribed requirements.
- (c) Upon acceptance by the Board, and payment of the prescribed fees, a student/candidate shall become a student/candidate member of CPA PEI.

## **6. APPLICATION FOR MEMBERSHIP - TRANSFER IN OF MEMBERSHIP**

- (a) A member of an Affiliate who takes up residency in Prince Edward Island must, within a reasonable period of time, apply to the Affiliate for a transfer to CPA PEI. Upon receipt from the Affiliate of the transfer application supporting that the applicant is in good standing in the Affiliate, and on payment of the prescribed fees, the member shall become a member of CPA PEI.

- (b) CPA PEI shall suspend or terminate any member whose transfer of membership has been accepted if it is subsequently determined that the member did not meet all of CPA PEI's qualification requirements for transfer in.

**7. CERTIFICATES**

- (a) Any person who has fulfilled the conditions for admission as a member of CPA PEI shall be issued a certificate of membership. The Certificate of membership shall be in such form as Board may from time to time determine, bear the seal of CPA PEI, the signature of the Chair and the Registrar, and the date of the Board meeting at which the person was admitted as a member of CPA PEI.
- (b) Each Certificate of Membership shall be and shall remain the property of CPA PEI and shall be surrendered to the Registrar forthwith in the event that the person named therein shall cease to be a member of CPA PEI for any reason whatsoever.

**8. TRANSFER TO AFFILIATE**

- (a) Any member of CPA PEI who takes up residency in an Affiliate's jurisdiction must immediately apply to CPA PEI for transfer to the Affiliate. The member may, if so desired, retain membership in CPA PEI as an Associate Member if approved by the Board under subsection 4(7).
- (b) CPA PEI may suspend any member who has taken up residency outside Prince Edward Island, and who has not applied, within a reasonable period of time, for membership in the Affiliate in the Province or Territory of residency.
- (c) No transfer of membership to an Affiliate will be transacted until the CPA PEI certificate is surrendered, unless the member has become an Associate Member of CPA PEI, and until all outstanding fees and any other amounts owing to CPA PEI by the transferring member have been paid.
- (d) CPA PEI shall immediately notify an Affiliate when it becomes aware of a member of such affiliate who has taken up residency in the province of Prince Edward Island and, within a reasonable amount of time, has not made an application for transfer.

**9. RESIGNATION OF MEMBER**

- (1) The Board may impose conditions which must be satisfied before an application to resign is accepted.
- (2) A member in good standing may resign by giving notice in writing to CPA PEI provided that:
  - (a) all indebtedness of the member to CPA PEI has been paid in full;
  - (b) the member's practicing unit is not the subject of a practice inspection or a practice reinspection;
  - (c) the member's professional conduct is not the subject of an investigation by the Board;
  - (d) the member has fully complied with all orders of the Board; and

- (e) the notice is accompanied by the member's certificate of membership.
- (3) A resignation shall take effect on the day set by the Board.
- 10. The Board may, in its discretion, direct the Registrar to notify the membership, Affiliates, the public and any other persons or entities deemed appropriate by the Board of any member suspended or terminated by CPA PEI or who has resigned, such notification to be made by any means deemed appropriate by the Board.

11. **BANKRUPTCY**

- (1) Any member who becomes bankrupt shall advise CPA PEI of the fact as soon as practicable, but no later than fifteen days after the event.
- (2) The member shall provide to the Board a certified copy of the receiving order or a certificate of the official receiver certifying that the person is a bankrupt.
- (3) The Board may suspend or terminate from membership in CPA PEI, or may suspend the license of a member in public practice under Section 53, any member who becomes a bankrupt, based on the circumstances surrounding the bankruptcy.
- (4) Any person suspended under subsection (3) shall forthwith be given written notice of such suspension or termination.
- (5) Any person whose membership is suspended under subsection (3), may, whether or not the condition giving rise to the suspension has been removed, apply to have the suspension removed; any such application shall be investigated by the Board
- (6) A person applying under subsection (5), shall be given prompt written notice of the findings of the Board. In arriving at its findings, the Board shall have regard to such considerations as may seem appropriate, including whether the applicant:
  - (a) is of good moral character;
  - (b) has been discharged from bankruptcy as evidenced by a court order to that effect; and
  - (c) had no material control of the circumstances leading to the bankruptcy.

12. **READMISSION OF A MEMBER**

- (a) A suspended member shall have the suspension removed when the grounds for the suspension have been rectified, the member requests the removal and the Board approves the removal.
- (b) Any person who has been suspended for non-payment of fees may be reinstated to membership and to any office or to another position on the Board by a decision of the Board and payment of all arrears and any re-admission fee as set out in section 17.
- (c) A former member who has resigned or whose membership in CPA PEI has been terminated in accordance with these By-Laws may apply in writing to the Registrar for readmission to membership. The Board shall consider the application at its next

meeting, and if it is satisfied that readmission is not contrary to the interests of CPA PEI or the public, may readmit the applicant under such terms and conditions as it deems proper including, but not limited to, payment of all fees and passing of any examinations which Board deems necessary to determine the member's familiarity with current accounting practices and related subjects.

- (d) A former member seeking and denied readmission by the Board shall have the right to appeal to CPA PEI's Disciplinary Committee provided that written notice of such appeal is received by the Registrar within thirty days of the date of mailing to the former member of the notice of the Board's refusal to grant application for readmission. The Disciplinary Committee's findings shall be final.

### **13. REGISTER**

- (a) Each member is responsible for the accuracy of his/her demographic information which is held in the registry of CPA PEI and shall immediately inform the Registrar of any changes to personal information maintained in the registry including, but not limited to, occupation, employer, contact information, post-secondary degrees and professional designations. Each member is also responsible for immediately notifying the Registrar of any errors, omissions or misprints in the published registry, as well as any circumstances which may impact the status of his/her membership.
- (b) The Registrar is responsible to ensure the Register accurately reflects the information provided by each member and the status of membership.

### **14. DISCLOSURE OF REGISTER**

- (a) In accordance with subsection 8(3) of the Act, CPA PEI shall make the register available to the public on request. The register shall include the names of all registrants and all licensees, and may also include the name of the community in which they reside along with the members' post-secondary degrees and designations, occupations and current employers as recorded in the Register. This listing may also be publicized on CPA PEI's website.
- (b) CPA PEI shall disclose to any personal enquiry whether a member is in good standing with CPA PEI.
- (c) CPA PEI shall not release any member's personal information other than that outlined in subsections 14(a) and 14(b) unless required by Act or law.

### **15. FEES**

- (a) The Board shall, prior to the end of the fiscal period, fix all fees for the upcoming fiscal period.
- (b) Each member shall pay all annual fees as determined by the Board and in addition each member shall pay the amount required to be paid on the member's behalf to CPA Canada. The whole amount shall be due and payable in advance on the last day of May in each year.
- (c) Membership fees remaining unpaid as at May 31st shall be assessed a late payment charge of \$50 on the unpaid balance and for each full month thereafter

an additional late payment charge of \$50 shall be assessed up to and including September 30, after which the late payment charge shall be 2% at the end of each month on the previous month's unpaid balance until the balance is paid in full. For the purpose of these By-Laws, payments of all fees include the payment of late payment charges.

- (d) The Board may fix the amount of special assessments, but such assessments are subject to ratification by at least seventy-five percent (75%) of the membership at a Special General Meeting called to discuss the assessment's purpose or at the Annual General Meeting when notification of the special assessment is given in the Notice of Meeting.
- (e) The Board may defer, reduce, or waive fees of a member where that member has established grounds for special consideration as determined by the Board, including, but not limited to ill health, misfortune or advanced age of a member.
- (f) In respect of a particular fiscal period, the annual membership fees shall be waived or reduced, if, prior to the first day of the fiscal period, the member has met eligibility criteria as the Board may prescribe from time to time.
- (g) Annual membership fees shall accrue from the first day of each fiscal period or with respect to a member who is admitted during the period and is not a transferee from an Affiliate, as of the date the member is admitted to membership of CPA PEI.
- (h) The initial annual membership fee payable by a student/candidate on admittance to CPA PEI shall be prorated by the number of days remaining in the fiscal period on the date of admittance.
- (i) Membership fees for a member who has transferred from an Affiliate shall accrue from the date of expiry of the membership fees paid to the Affiliate for the fiscal year of the Affiliate in which the member was approved by CPA PEI. All other fees shall accrue from the date the member is accepted by the Board as a member of CPA PEI unless otherwise stated in these By-Laws.
- (j) A member whose resignation is received within the first sixty (60) days following the end of the prior fiscal period shall not be liable for the membership fees or assessments with respect to amounts due for the present fiscal period.
- (k) A member whose resignation is received more than sixty (60) days after the end of the fiscal period shall be liable for the full amount of membership fees or assessments with respect to amounts due for the present fiscal period.

**16. FAILURE TO PAY FEES**

- (a) Any member whose membership fees have not been paid by August 31st shall forthwith be provided a notice sent by registered mail from the Registrar indicating that the member will be suspended unless the membership fees are paid within thirty days from the date of such notice. If the fees are not received within such thirty day period, the member shall be automatically suspended and shall be ineligible to continue as an officer or other member of the Board.

- (b) The Board may at any time after the suspension of a member for non- payment of fees resolve that the member be terminated from membership in CPA PEI. The member shall be provided with notice in writing of the pending termination which shall be forwarded to the member by registered mail. If within thirty days of the posting of such notice the fees of such member have not been paid in full or remitted or forgiven as provided for in By-Law 15(e), the termination of such member shall become effective immediately and the member's name shall be struck from the Register.
- (c) Fees that are in arrears constitute a debt owing by a member to CPA PEI, and may be sued for and recovered in a court of competent jurisdiction notwithstanding the suspension and/or termination of such membership or the resignation of such member.

**17. FEES UPON READMISSION**

All members admitted or re-admitted to membership in CPA PEI shall pay an admission fee as determined by the Board from time to time in addition to the full annual fee, except as otherwise provided.

**MANAGEMENT OF CPA PEI AFFAIRS**

**18. FISCAL PERIOD**

The fiscal period of CPA PEI shall be the year ended March 31 unless otherwise determined in advance of the fiscal year end by the Board and ratified by a majority vote of the members present in person or by proxy, at an annual general meeting or a special general meeting.

**19. MERGERS, AMALGAMATIONS, ETC.**

Any matter pertaining to merger, amalgamation or admission of the membership of another body must be approved at an Annual General Meeting or Special General meeting called for that purpose and any resulting agreement, in order to be binding, must receive the approval of a two-thirds majority of those members voting on such motion.

**20. NOMINATIONS TO THE BOARD AND FOR OFFICERS**

- (a) A Nominating Committee, composed of the three most recent past Chairs of CPA PEI, shall seek out candidates interested in serving on the Board and propose a list of members for election to the Board and a list of proposed members of the Board to serve as officers of CPA PEI at the annual general meeting. The lists shall specify the proposed term of each nominee. The lists shall be circulated to the membership at least ten (10) days prior to the annual general meeting.
- (b) Nominations for election to the Board, other than those proposed by the Nominating Committee, will be allowed. Such nominations must be presented in writing to the Chair or Registrar at least five days before the date of the annual general meeting and must be signed by at least three members of CPA PEI in good standing of whom one shall be the nominee. The list of additional nominees shall be circulated by the Registrar to the members at least three (3) days prior to the annual general meeting.

- (c) Until such time as there shall be three past Chairs of CPA PEI, the Nominating Committee shall be appointed by the Board and consist of one former member from each of the Institute, the Association and the Society (as defined in section 77 of the Act). The nominee for each legacy body shall be proposed by the representatives of such legacy body serving on the Board pursuant to section 78 of the Act.

## **21. ELECTION TO THE BOARD**

- (a) Elections to the Board (other than as set forth in section 24 of these By-Laws and section 78 of the Act) shall take place at the annual general meeting held by CPA PEI each year.
- (b) Members eligible to vote may vote for as many candidates for membership on the Board as there are vacancies to be filled at any given election.
- (c) Members holding proxies may also vote on behalf of each proxy held.
- (d) Every member of the Board shall have residency in Prince Edward Island and, except for those Board members appointed pursuant to subsection 6(1)(b) of the Act, be a member in good standing of CPA PEI.
- (e) In order to allow for succession within the Executive Committee, a member's third consecutive term on the Board may be extended beyond two years.
- (f) Members may, following a period of at least two years since last serving on the Board, reoffer to be elected to the Board.
- (g) The complete slate of persons nominated for election to the Board shall be presented by a member of the Nominating Committee or, in the absence of all members of the Committee, the Chair of the meeting, to the annual general meeting.
- (h) It is not necessary for a member to be present to be elected, but a member not present must have indicated, in writing to the Nominating Committee, a willingness to serve before being elected.
- (i) If the number of persons nominated presented do not exceed the maximum number of member Board positions to be filled, the Chair, upon a motion duly made and seconded and carried, shall declare to the meeting that the persons nominated presented by the Nominating Committee have been elected to the Board for the term specified.
- (j) If the number of persons nominated presented exceeds the maximum number of member Board positions to be filled, the Chair shall call for an election by secret ballot. The names of all persons nominated shall appear on the ballot, in alphabetical order by last name, and each member shall be entitled to vote for the number of vacant positions on the Board. (See Section 46 - VOTING). Ballots shall be counted under the direction of three scrutineers, chosen at the commencement of the meeting, who shall be members present, appointed by the Chair and approved by the members in attendance. In case of a tie in the vote, it shall be broken by a deciding vote cast by the Chair. The nominees for election to the Board who receive the greatest number of votes shall be declared elected to fill the

vacancies which exist on the Board. It is not necessary that such nominees have obtained a majority of votes, but only that they have obtained the highest number. In the event that a tie vote leaves the election of one or more of the nominees undecided, the Chair shall cast the deciding vote(s).

- (k) The ballot utilized in elections for the Board shall be in such form and contain such information as may be approved by the Board.

## **22. ELECTION TO AN OFFICE**

- (a) The slate of officers recommended by the Nominating Committee shall be presented to the annual general meeting. If there are no other nominations for the positions, the Chair, upon a motion duly made, seconded and carried, shall declare to the meeting that the officers have been elected for the ensuing year.
- (b) Nominations for election as officers, other than those proposed by the Nominating Committee, will be allowed. All such nominees must first be elected to the Board. Such nominations must be presented orally or in writing to the Chair or Registrar upon the call for further nominations and such nominees must signify their willingness to stand for office either in person at the meeting or in writing. The list of additional nominees shall be circulated by the Registrar to the members at the annual general meeting.
- (c) If there are additional nominees for officers, the Chair shall call for an election by secret ballot. For each contested position, the names of all persons nominated shall appear on the ballot and each member shall be entitled to vote for each position. Ballots shall be counted under the direction of the scrutineers. In case of a tie vote, it shall be broken by a deciding vote cast by the Chair.

## **23. REMOVAL OF A BOARD MEMBER**

- (1) A member of the Board shall be removed from the Board if that member:
  - (a) ceases to be a member in good standing;
  - (b) becomes bankrupt or is declared insolvent;
  - (c) in the opinion of a majority of the Board, by resolution, becomes of unsound mind;
  - (d) resigns office by notice in writing to the Chair of the Board;
  - (e) has been absent, without being excused by resolution of the Board, from three consecutive meetings of the Board; or
  - (f) is removed from office pursuant to subsection (23)(2).
- (2) Members of CPA PEI may, by special resolution at a general meeting of which notice specifying the intention to pass the resolution has been given, remove any member of the Board before the expiration of such member's term of office provided that such resolution is passed by a vote of not less than seventy-five percent of the members present at the said meeting either personally or by proxy, and may, by a majority of the votes cast

at that meeting, elect any qualified person in the stead of such member of the Board for the remainder of such member's term.

**24. REPLACEMENT OF A BOARD MEMBER**

- (a) When a vacancy occurs in the membership of the Board and the number of remaining members of the Board is not less than five people, the remaining members of the Board may appoint another member in good standing to fill the vacancy. The member appointed shall hold office until the next Annual General Meeting at which time the said vacancy shall be filled by election.
- (b) When a vacancy occurs in the membership of the Board and the number of remaining members of the Board is less than five people, the remaining members of the Board shall forthwith call a general meeting of the members to fill the vacancy. The member or members elected to the Board at the general meeting shall hold office for the duration of the term of the vacancy.

**25. POWERS OF THE BOARD**

Subject to the provisions of the Act, no rule, policy or resolution passed or enacted by the Board, or any other action taken by the Board, requires confirmation or ratification by the members of CPA PEI in order to become valid or to bind CPA PEI. Without limiting the generality of the powers of the Board, the Board shall have the power to pass without any confirmation by the members all necessary rules and policies related in any way to the operations of CPA PEI.

**26. BANKING AND SIGNING AUTHORITY**

- (a) CPA PEI's banking business shall be transacted at a financial institution or institutions determined by the Board.
- (b) Signing authority shall be any two of the Chair, Vice-Chair, Past-Chair, Treasurer, Registrar (CEO), or a member of the Board designated by the Board.
- (c) Deeds, transfers, assignments, contracts, obligations and other instruments in writing requiring the signature of CPA PEI shall be signed on behalf of CPA PEI by any two of the Chair, Vice-Chair, Past-Chair, Registrar, or a member of the Board designated by the Board and CPA PEI seal shall be affixed to such instruments, as may be required, by any person authorized to sign on behalf of CPA PEI. The Board shall have power from time to time by resolution to appoint any officer or officers on behalf of CPA PEI either to sign contracts, documents and instruments in writing generally or to sign specific contracts, documents or instruments in writing.
- (d) Notwithstanding any provisions to the contrary contained in the By-Laws, the Board may at any time and from time to time by resolution direct the manner in which, and the person or persons by whom any particular deed, transfer, assignment, contract, obligation or other instrument in writing or any class of deeds, transfers, assignments, contracts, obligations or other instruments in writing requiring signature by CPA PEI may or shall be signed.

**27. STAFFING**

The Board shall appoint a Registrar and such other officers, staff and agents as CPA PEI may from time to time require or deem necessary to carry out the day-to-day affairs of CPA PEI and may delegate such duties as it determines. For clarity, and if applicable, the Registrar shall also be considered the President/Chief Executive Officer unless otherwise determined by the Board

**28. AGREEMENTS WITH AFFILIATES**

The Board may, on behalf of CPA PEI, enter into agreements with other Affiliates or CPA Canada on such terms and conditions as it considers appropriate.

**29. REMUNERATION**

- (a) Board members shall receive no remuneration for acting on the Board, but shall be paid their reasonable out of pocket expenses of attending meetings of the Board and Committees of CPA PEI and of conducting the affairs of CPA PEI, and the Board may authorize the payment of such expenses to any other members so engaged upon proof of such expenses.
- (b) Expenses of committee members incurred in attending any meeting of a committee, or at the direction of a committee, may be reimbursed by CPA PEI upon proof of such expenses.
- (c) The Board may by resolution award remuneration to any member of CPA PEI undertaking any special services on behalf of CPA PEI and the confirmation of any such resolution or resolutions by the members of CPA PEI shall not be required.

**30. BOOKS AND RECORDS**

- (a) The Board shall ensure that all necessary books and records of CPA PEI required by the By-Laws or any applicable statute or law are regularly and properly kept. The Board and auditor of CPA PEI shall have access to all books and records of CPA PEI.
- (b) The By-Laws, CPA Code of Professional Conduct, and the Register of Members, are open to inspection by Members or the public upon request to CPA PEI.

**31. INDEMNITY**

Every person when acting in the person's capacity as:

- (a) a member of the Board;
- (b) an officer of CPA PEI;
- (c) a member of a Committee of CPA PEI; or
- (d) any other servant or agent of CPA PEI

shall, out of the funds of CPA PEI, be indemnified and saved harmless

- (i) from and against any liability the person may suffer arising out of the normal operation of CPA PEI, or out of any duty or responsibility under these By-Laws, or out of any undertaking or assignment authorized by the Board;
- (ii) for all costs, charges and expenses which the person may suffer or incur in or about the defence of any claim, action, suit or proceeding alleging such liability provided such liability, costs, charges and expenses are suffered or incurred without such person's own malice, willful neglect or default.

**32. SEAL**

The corporate seal of CPA PEI shall be in such form as the Board may, by resolution, from time to time approve.

**33. SOLICITOR**

The Solicitor of CPA PEI, when required, shall be appointed, by resolution, of the Board.

**34. MEETINGS OF THE BOARD**

- (a) The meetings of the Board shall be called whenever deemed necessary, but no less than four times in each 12-month fiscal period, by the Chair, or, in the absence of the Chair the Vice-Chair, and in the absence of both the Chair and Vice-Chair, the Past-Chair.
- (b) A meeting of the Board shall be called at the request in writing duly signed by any three Board members delivered to the Chair or the Registrar and such meeting shall take place within fourteen (14) days after receipt of the written request. Notice of the time and place of holding a meeting of the Board shall be given to each member of the Board such that it would normally be expected to be received not less than three clear business days before the time when the meeting is to be held, save that no notice of a meeting shall be necessary if all the members of the Board are present and do not object to the holding of or have otherwise consented to the holding of such meeting or if those absent have signified their consent to the meeting being held in their absence.
- (c) Notice of meetings of the Board shall be in the form of delivery, telephone, telefax, electronically mailed or other regularly used forms of communication. The declaration of the Registrar or Chair that notice has been given pursuant to this by-law shall be sufficient and conclusive evidence of the giving of such notice.
- (d) Where a matter of discipline is to be considered, such fact shall be included in the notice of meeting.
- (e) No error or omission in giving the notice for a meeting of the Board shall invalidate the meeting or invalidate or make void any proceedings or resolutions taken or had at the meeting, and any member of the Board may, at any time, waive notice of the meeting and may ratify and approve of any or all proceedings taken or had at the meeting.

- (f) The Board may meet any place in Prince Edward Island suiting its convenience or may meet by any electronic means deemed appropriate including, but not limited to, teleconferencing, e-mail, or Skype.
- (g) The Board may, by special resolution, decide that the casting of votes may take place by telephone or other suitable electronic means.
- (h) At any meeting of the Board a quorum shall be constituted when a majority of the Board members are present.
- (i) In the absence of the Chair and Vice-Chair, any member of the Board may, by consent of the members of the Board present, act as Chair.
- (j) A member of the Board or a staff member may act as secretary at any meeting if called upon to do so by the Chair.
- (k) The Board may, as it deems necessary, conduct its business by resolution in writing communicated by any means to all members of the Board. Acceptance of the resolution shall be evidenced in writing and placed with the minutes of the Board.
- (l) Every member of the Board present at a meeting of the Board, except for the Chair, shall have one vote and in the case of a tie vote the Chair shall have a casting vote.
- (m) All votes at any such meeting shall be taken by ballot if so demanded by any Board member present, but if no demand is made, the vote shall be taken in the usual way by assent or dissent. A declaration by the chair of the meeting that a resolution has been carried and an entry to that effect in the minutes shall be admissible in evidence as prima facie proof of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution.
- (n) A majority vote of the Directors present at any meeting of the Board, where a quorum is present, shall carry any motion or resolution.
- (o) The Board may by resolution adopt standing rules of order in respect of the conduct of its meetings. A ruling by the chair of the meeting shall be final on all points of order.
- (p) Minutes of the meeting shall be taken by the Secretary-Treasurer or other person appointed by the Chair of the meeting and a copy of the minutes shall be provided to each member of the Board prior to the next meeting of the Board.

**35. PROCEDURE AT MEETINGS OF THE BOARD**

The order of procedure at meetings of the Board shall include the following:

- (a) Reading, correcting and adopting minutes;
- (b) Business arising from the minutes;
- (c) Reading and considering correspondence;

- (d) Reading and considering financial statements at least on a quarterly basis;
- (e) Reading and considering Committee reports;
- (f) Reading and considering applications for membership and transfers; and
- (g) General business.

**36. EXECUTIVE COMMITTEE**

- (a) There shall be an Executive Committee consisting of the Chair, Vice-Chair/ Past-Chair, Secretary-Treasurer and one other member of the Board. The Registrar shall be an Ex-Officio member of the Executive Committee. Subject to the By-Laws and the approval, direction and authorization of the Board, the Executive Committee shall exercise general supervision and control of the business and affairs of CPA PEI and shall perform such other duties as the Board may from time to time require provided that the Board shall not delegate to the Executive Committee the power to decide matters of policy or to approve extraordinary expenditure.
- (b) Meetings of the Executive Committee shall be subject to the call, oral or written, of the Chair.
- (c) Three voting Executive Committee members present shall constitute a quorum.
- (d) If the decision on any matter considered at a meeting of the Executive Committee is not unanimous, any one (1) member thereof may at such meeting request that the matter be referred to the Board for its consideration.
- (e) Minutes of each Executive Committee meeting shall be submitted to the next meeting of the Board for confirmation.

**37. REMOVAL OF OFFICERS**

The Board may, by special resolution, remove any officer from office and may, by ordinary resolution, appoint another member of the Board in the stead of the removed officer.

**38. DUTIES OF OFFICERS**

- a) The officers of CPA PEI shall consist of a Chair, Vice-Chair or Past-Chair, the Secretary-Treasurer, and the President/Chief Executive Officer.
- (b) The Chair shall be entitled to preside at all meetings of the CPA PEI and the Board, and shall be considered an ex-officio member of all Committees. The Chair shall be elected for a two-year term after which he or she shall become the Past-Chair. The Past-Chair shall remain a member of the Board and a member of the Executive Committee for one year after his or her term as Chair expires. The Vice-Chair shall be elected to a one-year term to coincide with the second year of the Chair's two-year term.
- (c) In the absence of the Chair, the Vice-Chair, or in the event that there is no Vice Chair, the past Chair shall act as chair of any meeting.

- (d) At any meeting of the membership or the Board where the Chair or Vice-Chair or past Chair is not in attendance, those present in person at the meeting, provided they constitute a quorum under these by-laws, may by resolution appoint any other member of the Board to chair the meeting.
- (e) The Secretary-Treasurer shall be responsible to oversee and report to the Board and to the membership on the custody, receipt and disbursement of funds of CPA PEI, the keeping of accounts and the preparation of the budget and financial statements and shall perform such other duties as the Board may direct.
- (f) The Registrar, subject to the authority of the Board, shall have general supervision of the affairs and business of CPA PEI. The Registrar shall be an ex-officio member of all Committees. The Registrar shall perform such other duties as may from time to time be determined by the Board. The Registrar shall be responsible to keep a complete register of members and issue all notices to members, to have charge of all minutes and correspondence of CPA PEI and shall report such facts regarding the same as may be required, to oversee the custody, receipt and disbursement of funds of CPA PEI, the keeping of accounts and the preparation of the budget and financial statements. The Registrar shall present interim financial statements, including a complete listing of receivables, payables and members whose dues are in arrears, to the regular meeting of the Finance and Audit Committee, shall make available for inspection all books and records of CPA PEI to the Board and to the Auditor, render audited financial statements for the fiscal period at the Annual General Meeting, and shall perform such other duties as the Board may direct.
- (g) The seal, books, records, papers, writings and all other property in the possession of the Registrar, shall be turned over to the successor upon expiration of the Registrar's term of employment.

**39. COMMITTEES – PROVINCIAL**

- (1) At the first meeting of the Board after an Annual General Meeting, the Board shall, from the members of the Board, appoint all required national appointments. In the event that a national appointee is unable to attend a meeting, the Chair shall appoint a suitable replacement, not necessarily a member of the Board, for that meeting only.
- (2) The following committees are established as standing committees of CPA PEI:
  - (a) Public Practice and Membership
  - (b) Investigation
  - (c) Discipline
  - (d) Marketing and Member Services
  - (e) Finance and Audit
  - (f) Continuing Professional Development
- (3) The Executive Committee shall recommend to the Board the membership and chair for each Committee. The Board shall appoint the members and chair of each

committee, who except for the Investigation and Discipline Committees, shall be a member of the Board.

(4) The Board may appoint such committees in addition to those expressly provided for in these By-Laws for the purpose of facilitating the business of CPA PEI and for such duration as it deems necessary or desirable.

(5) Members of such committees shall be appointed by the Board, in consultation with the committee chairs, and shall hold office at the pleasure of the Board.

(6) The Registrar shall provide support to the committees and may, at the invitation of the chair of the committee, attend meetings of the committee but shall not have a vote on matters addressed by the committee.

(7) Meetings of a committee shall be called by the chair of the committee.

(8) A majority of committee members (excluding ex-office members) present at a committee meeting shall constitute a quorum.

(9) The chair of each committee shall report verbally or in writing at each meeting of the Board on the activities of the committee.

(10) Unless otherwise provided in these By-Laws, no committee shall have the power to act for or on behalf of CPA PEI or otherwise commit or bind CPA PEI to any course of action. A committee shall only have the power to make recommendations to the Board, or to the members, as the Board may from time to time direct.

#### **40. COMMITTEES - NATIONAL**

The Board shall make all appointments to all CPA Canada board committees unless appointments are made by CPA Canada. In the event that an appointee is unable to attend a meeting, the Chair shall appoint a replacement for that meeting only.

#### **41. MEETINGS OF THE MEMBERS**

(a) A special general meeting of CPA PEI may be called at any time by the Chair or, in the Chair's absence, by the Vice-Chair or by requisition to the Chair signed by fifteen members in good standing.

(b) No business other than that specified in the notice shall be brought before a special general meeting.

(c) An Annual General Meeting of the members of CPA PEI shall be held at the end of each fiscal period at such place in Prince Edward Island and at such time as the Board may determine, provided that the Annual General Meeting shall be held no later than one hundred eighty (180) days after the end of the fiscal period.

(d) The notice of the time and place of holding the Annual General Meeting or any Special General Meeting of CPA PEI, along with a proxy form, shall be sent to each member in good standing by ordinary mail, e-mail, facsimile or any other form of generally accepted medium transfer as approved by the Board, to the member's applicable contact information as registered with CPA PEI, such that the notice is

received not less than ten (10) clear days (excluding both the date of mailing and the day of the meeting) before the date of such meeting.

- (e) The notices shall be in writing and shall state the day, hour and place of the meeting as well as the general nature of the business to be transacted.
- (f) Failure to receive such notice, for any reason whatsoever, including accidental omission to send such notice to any members entitled to such notice, shall not invalidate the said notice nor invalidate the meeting or make void any proceedings taken at the meeting. It shall not be necessary to give public notice or advertisement of the said meeting.
- (g) Each member of CPA PEI who is in good standing shall be entitled to attend an Annual General Meeting or a Special General Meeting of CPA PEI.
- (h) The Board may invite special guests to attend all or part of an Annual General Meeting or a Special General Meeting of CPA PEI.

**42. QUORUM**

- (a) Fifteen members present in person or by proxy shall constitute a quorum of CPA PEI, provided at least twelve are present in person.
- (b) No business shall be transacted at any Annual General Meeting or Special General Meeting of CPA PEI unless a quorum is present at the commencement of such business.
- (c) If a quorum is not present within thirty minutes following the time appointed for an Annual General Meeting, the chair shall call another meeting at such place in Prince Edward Island, at such time, and subject to such notice requirements as the chair shall determine.
- (d) If a quorum is not present within thirty minutes following the time appointed for a Special General Meeting, the meeting may be called again, subject to the requirements set forth in subsections 41(d) and 41(e).

**43.** In the event of failure to hold the Annual Meeting at the time specified, the Board shall continue to exercise the authority vested in them until such time as their successors shall be regularly elected.

**44. MEETING CHAIR**

At any Annual General Meeting or Special General Meeting of CPA PEI, the Chair of CPA PEI, or in the absence of the chair, the Vice-Chair, or in the absence of both of them, a member of the Board present at the meeting chosen by majority vote act as Chair for that meeting.

**45. MOTIONS**

Motions shall be offered in writing if required by the Chair.

**46. VOTING**

- (a) Every Active and Retired Member of CPA PEI who is in good standing and not in arrears in respect of any fee, dues, charges, penalties or other assessments charged by CPA PEI and is in attendance at an Annual General Meeting or a Special General Meeting of CPA PEI shall be entitled to have one vote and no more on each motion, except as provided for by proxy as set forth in subsection 46(b) or, in the case of voting for vacancies on the board, as provided for in subsection 21(j).
- (b) In addition to the member's personal vote, and except as otherwise provided in these By-Laws, a member who is eligible to vote at a meeting shall have one vote for every proxy held as provided for in section 47 for all motions except that for election to the Board and for Officers.
- (c) In the event that a ballot is received on voting for vacancies on the board wherein the member has voted for more candidates than the number to be elected to the board, such ballot shall be null and void.
- (d) Voting at all meetings of CPA PEI shall be by show of hands unless five members present in person request a secret ballot, in which case the Chair shall appoint three scrutineers who are members to take the vote.
- (e) The chair at any Annual General Meeting or Special General Meeting of CPA PEI shall not cast a vote on any matter except in the case of a tie vote.
- (f) Questions about proceedings raised at a meeting of members shall be decided by a majority vote of the members present, either in person or by proxy, unless otherwise provided for in these By-Laws.
- (g) If a majority of members present request, a question raised about proceedings at a meeting of members may be decided by requiring more than a majority vote of the members present, either in person or by proxy. A majority of members must agree to the percentage of vote required.
- (h) At any meeting of CPA PEI, unless a poll is demanded by at least three members, a declaration by the Chair that a resolution has been carried and an entry to that effect in the minutes of the proceedings shall be sufficient evidence of the fact, without proof of the number or proportion of the members recorded in favour of or against such resolution. If a poll is demanded in manner aforesaid, the same shall be taken in such manner as the Chair may prescribe and the result of such poll shall be deemed to be the resolution of CPA PEI.
- (i) After the counting of votes taken by ballot, all ballots shall be placed in a sealed package by the scrutineers and shall be securely kept by the Secretary-Treasurer for a period of one week, after which they shall be destroyed.
- (j) In the event of an irregularity or dispute arising as to the conduct of any given vote at a meeting, which cannot be resolved by reference to these By-Laws, then the decision of the Chair as to the resolution of such irregularity or dispute shall be final. If the vote directly impacts the Chair, then the majority decision of the scrutineers as to the resolution of such irregularity or dispute shall be final.

#### **47. PROXIES**

- (1) Proxies shall:
  - (a) be written in the form approved and published by the Board and filed with the Registrar in person, by mail, fax, e-mail or any other form of generally accepted medium transfer as approved by the Board, at last 24 hours before the scheduled time of the meeting to which it is to apply;
  - (b) be duly completed by the member;
  - (c) only be valid for the meeting, or any adjournment thereof, for which it was specifically given;
  - (d) only be given to a member in good standing and entitled to a vote, but may list up to four additional names for whom the proxy shall be valid in the order of preference stated in the proxy;
  - (e) be limited to a maximum of five to be held by any one member who is in attendance, and in the event that a member has more than five proxies, the member may decide which proxies, up to a maximum of five, the member will represent, the remaining proxies to be transferred as in the order of preference;
  - (f) be considered withdrawn if the member, having given a proxy, subsequently attends the meeting for which the proxy was given and such proxy may not be reinstated; and
  - (g) be withdrawn by a member by a notice in writing, delivered to the Secretary-Treasurer at any time.
- (2) No person shall act as proxy unless entitled to be present and to vote at the meeting in question.

**48. ADJOURNMENT OF MEETING**

Any Annual General Meeting or Special General Meeting of CPA PEI may be adjourned by resolution of a majority of the members present, but no business shall be transacted at the reconvened meeting other than the business left unfinished at the meeting from which the adjournment took place.

**49. QUESTION OF PROCEDURE**

Any question of procedure at or for any meeting of CPA PEI which has not been provided for in these By-Laws shall be determined in accordance with the applicable laws in the province that govern procedure at meetings of corporations. If there is no law applicable to any procedural question that arises, or the law is not determinable, the procedure may be determined by a majority of those present at the meeting at which the question arises.

**50. PROCEDURE AT ANNUAL GENERAL MEETING**

- (1) The order of business at the Annual General Meeting shall be as follows:
  - (a) acceptance of agenda;
  - (b) appointment of scrutineers

- (c) reading, correction and adopting minutes of the previous Annual General Meeting;
  - (d) considering deferred business and business arising out of the minutes, if any;
  - (e) reading, correction and adopting minutes of any Special General Meetings held;
  - (f) reading and considering correspondence, if any;
  - (g) reading and considering any Committee reports presented and adopting as a whole;
  - (h) reading, considering and adopting the annual financial statements;
  - (i) reading, considering and adopting the budget for the ensuing fiscal period;
  - (j) considering amendments to By-Laws previously approved by the Board, if any;
  - (k) election of members to the Board for the ensuing fiscal period;
  - (l) election of Officers for the ensuing fiscal period;
  - (m) appointment of Auditor
  - (n) such other business, if any, as may properly come before the meeting; and
  - (o) adjournment.
- (2) Any member who wishes to have an issue decided upon at an Annual General Meeting must submit the issue to the Registrar or Chair in writing not less than fifteen (15) business days prior to the meeting. The Chair, in consultation with the Registrar, shall decide whether the issue shall be presented to the meeting. In the event the Chair decides that such issue will not be presented at the Annual General Meeting, then it must be brought before the Board at its next meeting for decision on whether the issue should be brought before the membership at a Special General Meeting.

**51. AUDITOR**

- (a) At the annual general meeting of CPA PEI, a member other than a member of the Board or a firm who does not have a partner or employee on the Board shall be appointed auditor to hold office until the close of the next annual general meeting.
- (b) In the event of resignation or death of an Auditor, or of the Auditor becoming disqualified, or if in the opinion of the Board incapable of performing the duties of the Auditor, the Board shall fill the vacancy by appointment until the next annual meeting or a special meeting called for such a purpose.

**52. FINANCIAL STATEMENTS**

- (a) The accounts of CPA PEI for the fiscal year shall be audited by the auditor who shall present draft audited financial statements to the Finance and Audit Committee for consideration and recommendation to the Board. The Chair of the Finance and Audit Committee shall subsequently present the draft financial statements to the Board for its consideration and recommendation to the members

for approval at the Annual General Meeting. The Board shall include as part of its consideration an "in camera" meeting with the auditor without CPA PEI staff present.

- (b) A copy of the draft financial statements, recommended by the Board, shall be available to members prior to the annual general meeting. The draft financial statements shall be verbally presented (in summary) by the Secretary-Treasurer to members at the annual general meeting, with the auditor also present, should members wish to question him/her directly.

## **PUBLIC PRACTICE**

### **53. LICENSING**

- (a) A member who wishes to engage in the practice of public accounting shall apply for a License to do so by filing an application with CPA PEI in the form prescribed by the Board and shall meet the requirements for Licensing to practice public accounting as prescribed by the Act and Regulations.
- (b) Any CPA Canada member being a non-resident Partner-in-Charge of a public accounting engagement on PEI must register and be licensed with CPA PEI and pay such fees as prescribed by the Board. No public accounting engagements shall be conducted on PEI by a CPA Canada member unless the Partner-in-Charge of the engagement has been registered and licensed to engage in the practice of public accounting.

### **54. REGULATING MEMBERS**

- (a) A member of CPA PEI engaged in the practice of public accounting shall abide by the Public Practice Policies of CPA PEI.
- (b) The Board shall suspend or revoke the license of any member who is in violation of this By-Law, provided, however, that any such license may be reinstated upon the submission of evidence satisfactory to the Board that all deficiencies, which led to the suspension or revocation, have been corrected.
- (c) CPA PEI may publicize any member whose license has been suspended or revoked in any manner that it deems appropriate.

## **CONTINUING PROFESSIONAL DEVELOPMENT**

### **55. REQUIREMENT TO COMPLY**

- (a) Members shall comply with the continuing professional development requirements established from time to time by the Board.
- (b) Continuing Professional Development will be reported on a calendar year, with reporting completed on or before January 31 of each year for the previous calendar year.
- (c) The Board may suspend, terminate or otherwise discipline any member who fails to comply with the continuing professional development requirements.

- (d) In the event of any question as to whether or not certain activities qualify as professional development, or if certain activities are verifiable or non-verifiable, the final decision shall rest with the Board.

**56. EXEMPTIONS**

(1) A member transferring to CPA PEI will have the continuing professional development program of the Affiliate from which the member is transferring recognized as being equivalent to CPA PEI for the remaining fiscal period of the Affiliate of origin.

(2) Any member whose membership class changes from Retired Member to Active Member is required, unless otherwise approved by the Board, to fulfill the mandatory continuing professional development program for the calendar year following which the member is reinstated as an Active Member.

**ETHICS AND DISCIPLINE**

**57. REQUIREMENT TO COMPLY**

Members and firms shall comply with all applicable sections of the Act, Code, By-Laws, Policies and Regulations of CPA PEI at all times.

**58. DISCIPLINARY PROCEEDINGS**

All Members shall be subject to disciplinary proceedings conducted in accordance with the Disciplinary Procedures as prescribed by the Act and Regulations and as set forth by CPA PEI.

**59. FORMS**

The forms for application for admission or readmission as a member of CPA PEI, or to transfer as an affiliate member, shall be in the forms set out, as may be amended by the Board from time to time.