

ARTICLE III

Dues

3.1 Entry Fee. For all members admitted to the Association there shall be an entry fee of Five Thousand Dollars (\$5,000).

3.2 Annual Dues. On or before January 10 of each year, each member firm shall pay one-half of its prior year's annual dues. By March 1, each member firm must report its dues liability for the current year. The remaining portion of the current year's dues shall be paid on or before June 1. The amount of the total annual dues shall be:

3.2.1 \$13,000 for members with \$2.5 million or less in revenues;

3.2.2 For members with \$2.51 million in revenues and above, the base amount will be \$15,000; plus

3.2.3 .20 percent of its gross annual billings between \$3,000,001 and \$5,000,000 for the prior calendar year; plus

3.2.4 .1750 percent of its gross annual billings between \$5,000,001 and \$10,000,000 for the prior calendar year; plus

3.2.5 .1500 percent of its gross annual billings between \$10,000,001 and \$15,000,000 for the prior calendar year; plus

3.2.6 .075 percent of gross annual billings between \$15,000,001 and \$17,704,000 for the prior calendar year.

3.2.7 Firms with revenues of \$17,704,000 and greater will pay \$37,278 in dues.

"Gross annual billings" as that term is used herein shall mean the total amount of all billings of such member during such calendar year, including the revenue of the accounting firm and any majority owned related entities, whether such billings are collected or not, and without reduction for any expense or other item.

3.2.8 For dues years beginning January 2009, the maximum amount (\$36,000 in 2008) will be adjusted to reflect the change in the Consumer Price Index for All Urban Consumers (1982-84=100) from September of the current year compared to the previous September. The upper limit of gross annual billings in 3.2.6 and the base of gross annual billings in 3.2.7 will be increased or decreased annually to reflect the adjusted number.

3.2.9 For new members who join at times other than the beginning of the Association's year, there shall be a prorating of annual dues only as follows

3.2.10 New members joining in January, February or March shall pay 100%;

- 3.2.11 Members joining in April, May or June shall pay 75%;
- 3.2.12 Members joining in July, August or September shall pay 50%;
- 3.2.13 Members joining in October, November or December shall pay 25% of annual dues.
- 3.2.14 The entry fee shall not be prorated regardless of the month in which a new member is admitted.
- 3.2.15 The entry fee and annual dues shall be applied toward the operating expenses of the Association.
- 3.2.16 Upon approval by 80% of the Board of Directors, additional dues may be assessed to member firms in a manner to be determined by the Board of Directors.
- 3.2.17 Dues structure for Mexican member firms in the North American region is calculated and billed as per the US dues formula in Section 3.2 with the following modification: the US dollar equivalent of the current international dues element is subtracted and the remainder is multiplied by 40%. The international element is then added back in to arrive at the total annual dues for Mexican member firms in the North American region.
- 3.2.18 Dues structure for Canadian member firms in the North American region is calculated and billed as per the US dues formula in Section 3.2 with the following modification: the US dollar equivalent of the current international dues element is subtracted and the remainder is multiplied by 75%. The international element is then added back in to arrive at the total annual dues for Canadian member firms in the North American region.