

Fee Structures

POLICY

THAT The CICBV establish an education and Member fee structure that the Board of Directors approves each year as part of the annual budget process that meets the following criteria:

1. Provides for the Institute's needs for the next fiscal year and takes into consideration plans for the following three years of obligations.
2. Matches, as closely as possible, revenues and associated costs.

Annual Member Fee:

The Member fees structure includes, but is not limited to, an annual Member fee that is calculated as the balance of costs over revenues necessary to achieve the Board's annual surplus or deficit objective. This balance is divided by the anticipated number of regular fee paying Members to arrive at the appropriate individual fee.

Conduct and Disciplinary Fee:

A conduct and disciplinary fee is established to cover the cost of the disciplinary process and to have a reserve fund for such purpose.

Retiree Fee:

A Member can obtain "Retired Member" status with the Institute, provided that all the following conditions are met:

1. The Member is at least 55 years of age;
2. The Member does not perform business valuation and related financial services, as determined by the Institute and hereafter defined;
3. No person or entity relies upon, or could be reasonably be seen to rely upon, the Member's knowledge or expertise by virtue of their being a CBV; and
4. The Member does not have active income greater than \$50,000 in a year.

"Active Income" means gross income from all employment or director's fees, and/or net income from self-employment. Active Income does not include employment insurance benefits, pension income or other retirement income, investment income, support payments, or disability income. Active Income is based on individual earnings, not family earnings. All other sources of income will be considered "active".

A Member who meets the conditions listed above may pay a reduced annual Member fee as determined by the Board of Directors from time to time.

In addition, if the Member has had Retired Member status for at least 10 years or the sum of the retired Member's age plus the number of years of membership in good standing equals or exceeds 90, the annual Member fee is waived.

The Retired Member's name will be marked as retired in the Members' registry.

Within three years of Retired Member status, a Retired Member may choose to return to non-retired status by informing the Institute and by paying regular Member fees on a non-retroactive basis.

A Retired Member who wishes to return to non-retired status after three years of obtaining Retired Member status must first meet re-qualification criteria as determined by the Board of Directors.

Parental/Family Care Waiver:

A Member who is not working and parenting or providing full-time care to an elderly or ill family member pays a reduced fee equal to 50% of the annual Member fee, for a cumulative maximum of five years, if:

- The Member is not performing business valuation and related financial services, as determined by the Institute and hereafter defined; and
- The Member is providing full-time care for a child who is under the age of 16 and residing at the home of the parent; or
- The Member provides full-time care for elderly or ill family members who are unable to care for themselves.

The Member must:

- Certify at the time of application for Parental/Family Care fee reduction, and each year thereafter, as to the adherence to the conditions necessary to be granted a Parental/Family Care Waiver.

Disability Waiver:

A Member who is in a long term disability and who does not perform business valuation and related financial services, as determined by the Institute and hereafter defined, during such time, pays a reduced fee equal to 50% of the annual Member fee provided that the Member provides to the Institute documentation from an appropriate licensed medical practitioner that confirms the diagnosis of the disability, its expected duration and the impact on their ability to earn income from their employment/self-employment.

Educational Waiver:

A Member who attends a university on a full-time basis and who does not perform business valuation and related financial services, as determined by the Institute and hereafter defined, during such time, pays a reduced fee equal to 50% of the annual Member fee provided that the Member certifies to the Institute at the time of application for an Educational Waiver, and each year thereafter, as to the adherence to the above-noted conditions.

Financial Hardship due to Unemployment:

A Member experiencing financial hardship due to being unemployed when the Member fees are payable and who has been, or who anticipates being, unemployed for a period of six months, may, upon request, upon so certifying and at the Institute discretion, pay a reduced annual Member fee. If the Member is employed before the six-month period of anticipated unemployment has elapsed, the Member is obligated to so inform the Institute and the fee reduction will be rescinded. This reduction can be available to a Member a maximum of three times.

Student Course Fee:

Course fees are established to cover the cost of providing the course including course materials, course leaders, marker fees, exams, printing, etc. Each course fee should be sufficient to provide a surplus of revenue over costs for the purpose of contributing to the operation of the Institute.

Student Fee:

Student fees are established to cover the fixed costs of the education program overheads.

Re-enrolment Fee:

Re-enrolment fees are established to cover the administrative costs of re-enrolment.

Exemption Fee:

Exemption fees are established to cover the administrative costs of giving a course exemption.

Membership Qualification Examination Fee:

Membership Qualification Examination fees are established to cover the costs of offering a Membership Qualification Examination, including development of the exam.

Cancellation Fee:

Cancellation fees are established to cover the administrative costs of processing and reimbursing a registration fee.

Field of business valuation and related financial services for the purpose of this Policy:

The field of business valuation and related financial services includes a broad portfolio of activities, including:

- determination of the value or worth of businesses, business interests and intangible assets and liabilities,
- mergers, acquisitions and divestitures, including valuation analyses and associated services,
- strategic, financing and business integration activities in support of deals,
- quantification of economic loss,
- development or review of financial models,
- identification of value opportunities and business risks,
- development of investment alternatives and alternatives for value creation
- investment analysis,
- impairment testing and purchase price allocations, and

- development and review of valuation policies, procedures and processes,
- for a multitude of purposes, including deal advisory, dispute resolution, litigation support, statutory requirements, financial reporting and governance of investments.

Board of Directors
November 29, 2018