

Chesapeake Region By-Laws

CHESAPEAKE REGION PORSCHE CLUB OF AMERICA, INC.

ARTICLE 1: NAME

Porsche Club of America, Inc. (hereinafter referred to as "The Club" or "National Club.") is a non-profit corporation organized under the laws of the District of Columbia. The Club is authorized to issue charters establishing Regions throughout the United States and Canada. The Club on March 20, 1961, issued a charter to establish the Chesapeake Region (hereinafter referred to as "The Region" or "Region"). On or about July 11, 1988, The Region established a Maryland non-profit corporation under the name, "Chesapeake Region, Porsche Club of America, Inc." These By-Laws are adopted as the Corporate By-laws of the Region to replace those formerly adopted by this non-profit corporation.

ARTICLE 2: GENERAL OBJECTIVES

The general objectives of the Region, to which the non-profit corporation and its members are joined together and mutually pledged, shall be the furtherance and promotion of the following:

- 2.1 The highest standards of courtesy and safety on the roads.
- 2.2 The enjoyment and sharing of goodwill and fellowship engendered by owning a Porsche and engaging in such social or other events as may be agreeable to the membership.
- 2.3 The maintenance of the highest standards of operation and performance of the marque by sharing and exchanging technical and mechanical information.
- 2.4 The establishment and maintenance of mutually beneficial relationships with the Porsche Works, Porsche Dealers, and other independent service sources to the end that the marque shall prosper and continue to enjoy its unique leadership and position in sports car annals.
- 2.5 The interchange of ideas and suggestions with other Porsche Regions and Clubs throughout North America and the world and in such cooperation as may be desirable.
- 2.6 The establishment of such mutually cooperative relationships with other car clubs as may be desirable.

ARTICLE 3: POWERS, CORPORATE SEAL AND BADGE

3.1 Powers: The Region through this non-profit corporation shall be empowered to do all things and conduct all business, not for profit, necessary to carry out the general objectives of the Region as set forth in the Certificate of Incorporation, issued under the statutes of the State of Maryland, and in these Bylaws.

3.2 Corporate Seal: The corporate seal of the Region shall be circular in form, being inscribed with the name of the Region and the year and place of its incorporation.

3.3 Badge: The Region is authorized to adopt a badge of a design and color(s) symbolic of the Chesapeake region of Maryland.

ARTICLE 4: MEMBERSHIPS, DUES, AND FEES

4.1 Membership: Membership in the Region shall be restricted to owners, lessees, or co-owners of Porsches who are 18 years of age or older, and to such other persons interested in the Region and its objectives as provided in Section 4.2 of this Article. A Porsche is defined as an automobile body and suspension which is, basically, as manufactured by or designated as a Porsche automobile by Porsche, Porsche AG or its successor, which is powered by an engine which is, basically, one which was installed in such bodies by the manufacturer of such automobiles, although not necessarily in the body concerned. The word "co-owner", in addition to its usual meaning, shall include a person who holds a substantial stock ownership in a franchised Porsche dealership or distributorship.

4.2 Classes of Membership

4.2.1 ACTIVE: Any owner, lessee or co-owner of a Porsche acceptable to a Region, who is 18 years of age or older, having paid Region dues and fees as required, and may include (if requested by the active member) as a family-active member, one other person of the active member's immediate family, also 18 years or older, restricted to wife, husband, brother, sister, son, daughter, mother or father, whether otherwise qualified for active membership by ownership of a Porsche or not.

4.2.2 ASSOCIATE: Any active member who ceases to own, lease or co-own a Porsche while in good standing, or any person, employed by a Porsche-oriented business, interested in the Region and its objectives having paid Region dues and fees as required. A person of the associate member's family who has been a family-active member as in 4.2.1 above, may continue as a family-associate member similarly.

4.2.3 HONORARY: Any person who, on the affirmative vote of the Executive Council, is deemed to merit recognition for outstanding interest in or service to the Region. Such membership shall be limited to one year, but may, upon the affirmative vote of the Executive Council be renewed.

4.2.4 LIFE: Any person who, on the affirmative vote of the Board of Directors, is deemed to have performed such extraordinary service to the Region as to warrant this signal honor. Each President, upon termination of the President's elected term, shall automatically be a life member without such vote. A life member shall be considered as an active member, may name a family member under 4.2.1 above, and the Region shall reimburse annual dues paid by LIFE MEMBERS under Section 4.6.

4.2.5 AFFILIATE MEMBER: A person, 18 years of age or older, named by the active member at the time of joining or at any renewal of membership in lieu of a family-active member.

4.3 Region Membership: No active, family-active, associate, nor family-associate member may hold membership in the Chesapeake Region without at the same time being a member in good standing of National Club.

4.4 Membership Application: All applications for membership shall be submitted to the Chesapeake Region which shall either accept or reject the application. Subscriptions to PANORAMA and PORSCHE PATTERN shall begin with the issue of the next month after receipt and approval of application for membership. In case of rejection the applicant or a member on behalf of the applicant may appeal to the National Executive Council whose decision shall be binding on the Region.

4.5 Dues: Annual dues for the various classes of membership shall be determined from time to time by the Board of Directors of the National Club. National dues shall be collected by the National Club, which shall refund to the Region such part thereof as shall have been set by the Board of Directors of the National Club. Annual dues shall be due and payable at the end of the month in which the member joined or in which the member last renewed. In addition to dues established by the National Club, the Region may establish additional dues and fees.

4.6 Membership Year: The National Club shall send each Region member one billing for renewal dues about 45 days prior to their membership expiration. Members who do not renew shall be dropped from membership and their Regions so notified.

4.7 Privileges: Members, including family members, in good standing shall be entitled to all the privileges of the Region, except that honorary members, associate members and affiliate members shall be entitled neither to vote nor hold elective Regional office, and except further that family-active members, affiliate members, and family-associate members shall not be entitled to receive Porsche PATTERN or any duplication of any mailing to the active member. Ballots will be mailed to active members only, with space for the vote of the family-active member. Only active members and family-active members, in good standing, shall be eligible to be nominated for elective Regional office. A member may cast only one vote in any election or referendum.

4.8 Suspension: Any member may be suspended by a two-thirds vote of the Board of Directors of the Region in accordance with its Bylaws for infractions of Regional rules or regulations or for action inimical to the general objectives or best interests of the Region. Upon written notice of such suspension, the suspended member shall be afforded reasonable opportunity to be heard, in person or through a representative, by the National Club Board of Directors or a committee appointed by it for the purpose,

concerning the alleged misconduct. The National Club Board of Directors may thereafter continue the suspension for a definite time, terminate the suspension, or expel the member, and its decision shall be final. Suspensions of active and associate members are also applicable to family-active, family-associate and affiliate members.

4. 9 Resignations: Any member may resign by addressing a letter of resignation to the Secretary of the Region or to the manager of the Executive Office of the National Club. The recipient shall inform the other of the resignation. The member's resignation shall become effective upon receipt and all Club and Region privileges shall terminate as of that date. An active member may terminate the membership of an affiliate member named by written notification to the manager of the Executive Office.

ARTICLE 5: ELECTED OFFICERS AND SPECIAL APPOINTMENTS

The elected officers of the Region shall be a President, Vice President, Secretary, and Treasurer. Their terms of office shall be two years, and shall end on December 31. No officer shall serve in the same office more than two consecutive terms. No officer may continue in office if the officer shall move the officer's residence beyond the borders of the following areas within the State of Maryland: Anne Arundel County, Baltimore County, Baltimore City, Caroline County, Carroll County, Cecil County, Dorchester County, Harford County, Howard County, Kent County, Queen Anne's County and Talbot County.

ARTICLE 6: EXECUTIVE COUNCIL AND BOARD OF DIRECTORS

6.1 EXECUTIVE COUNCIL: The President, the Vice President, the last Past President continuing to be an active member of the Region, the Secretary, the Treasurer, the Executive Vice President, if one has been appointed, shall constitute the Executive Council in which the government of the Region shall be vested. It shall be responsible for the proper conduct of the administrative affairs of the Region, the proper functioning of the several committees, and shall insure compliance with these Bylaws. All decisions of the Executive Council shall be by a majority vote unless otherwise provided in these Bylaws. The last Past President shall be a non-voting member except in case of a tie in which event, the last Past President shall cast the tie-breaker vote.

6.2 Board of Directors:

6.2.1 The Executive Council and chairs of the standing committees shall constitute the Board of Directors of the Region.

6.2.2 It shall be the responsibility of the Board of Directors to determine all matters of Region policy. The Board of Directors shall insure the proper conduct of the administrative affairs of the Region by the Executive Council, the fulfillment of duties by the officers, and compliance with these Bylaws.

6.2.3 All decisions of the Board of Directors involving major policy considerations shall be arrived at by mail, telephonic or electronic canvass of the entire Board, to the fullest extent permitted by law. All decisions of the Board of Directors to be arrived at by mail, telephonic or electronic canvass shall be by majority vote of the Board members voting, to the fullest extent permitted by law.

6.2.4 All decisions of the Board of Directors at any called meeting of the Board shall be by a majority of the votes cast by those members present, to the fullest extent permitted by law. At any meeting of the Board of Directors, one-fifth of the Board of Directors shall constitute a quorum, provided that a majority of those Board members (or their duly authorized representative) present are not members of the Executive Council.

6.2.5 Any Board Members who gives a proxy to another Board Member of the Region, must do so in writing. The written proxy must be presented to the chairperson of the meeting, if requested, in order for the proxy to be valid.

6.2.6 To foster increased participation and add diverse ideas, No member should not hold more than 1 elected position and 1 chairman or 2 chairman positions.

ARTICLE 7: DUTIES OF OFFICERS

7.1 Duties of President:

7.1.1 The President shall preside at all meetings of the Executive Council and the Board of Directors, and shall perform the duties usually appertaining to the President's office.

7.1.2 The President shall call at least six meetings of the Board of Directors per calendar year. The President may call meetings of the Executive Council as the President may see fit and shall call such a meeting at the request of any three members of the Council.

7.1.3 The President shall cause to be published in PORSCHE PATTERN a semi-annual report on the status of the Region, its plans and programs, policy decisions reached by the Board of Directors and other pertinent matters dealing with the affairs of the Region.

7.1.4 In the absence of the President, the Executive Vice President or Vice President in the absence of an Executive Vice President shall preside, and act as President. In case of the President's death, resignation or disqualification, the Executive Vice President shall become President or, if there not be an Executive Vice President, the Vice President shall become President.

7.2 Duties of Executive Vice President

7.2.1 The Executive Vice President shall assist the Executive Committee in matters of corporate governance and compliance with all federal and state tax requirements.

7.3 Duties of Vice President:

The Vice President shall assist the President in the conduct of the administrative affairs of the Region and perform such other duties as may be assigned to the Vice President by the President.

7.4 Duties of Secretary:

7.4.1 The Secretary shall attend all meetings of the Executive Council and the Board of Directors and shall keep full and complete minutes of the proceedings and of all votes cast thereat.

7.4.2 The Secretary shall cause to be published in the PORSCHE PATTERN notices of proposed and adopted amendments of these Bylaws and other matters relating to the proper conduct of the Region.

7.4.3 The Secretary shall have custody of or cause to be kept by the manager of the Executive Office the corporate seal at all times as well as the Region's records. The Secretary shall perform all duties incident to the Secretary's office required by law.

7.4 Duties of Treasurer:

7.4.1 The Treasurer shall have responsibility for all monies, debts, obligations and assets belonging to the Region.

7.4.2 The Treasurer shall cause all monies of the Region to be deposited to the Region accounts in a bank or banks insured by the Federal Deposit Insurance Corporation.

7.4.3 The Treasurer shall have direct control over, and supervision of, all Region assets and of all payments of Region debts and obligations. The Treasurer shall insure strict compliance with these Bylaws in all matters pertaining to the financial affairs of the Region.

7.4.4 The Treasurer shall give bond at the Region's expense, in such amount as may be determined by the Executive Council. (This is to be discussed at Board meeting. WH to call insurance agent to determine cost of bond.)

7.4.5 The Treasurer shall cause to be published in the PORSCHE PATTERN a full and correct report semi-annually on the financial status of the Region. The Treasurer shall also give a full and correct report on the financial status of the Region at any meeting of the Board of Directors.

7.4.6 The Treasurer shall cause to be maintained double-entry books of account which shall properly reflect the true and correct financial status of all receipts, disbursements, balances, assets and liabilities of the Region. All checks or other orders for the payment of monies in the name of the Region shall be signed by the Treasurer.

7.4.7 The Treasurer shall submit the Treasurer's books of account and records to a certified public accountant, at Region expense, no later than ninety days following the last day of each calendar year.

7.5 Interim Appointments:

In the event of the death, resignation, disability or disqualification of the Vice President, Secretary, or Treasurer, the Executive Council shall make an interim appointment to the office so vacated for the balance of the unexpired term.

ARTICLE 8: COMMITTEES

8.1 There shall be thirteen standing committees of the Region, as follows:

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| A. Autocross | H. Patter Editor |
| B. Community Service | I. Publicity |
| C. Concours | J. Social |
| D. Historian | K. Tech Session |
| E. Insurance | L. Tour/Rally Master |
| F. License Plates | M. Webmaster |
| G. Membership | |

8.2 Only Active Region members may serve as Chairperson of a standing committee.

8.3 The Executive Council may create such other committees from time to time, to exist at its pleasure, as it may see fit. The President, with the advice and majority consent of the Executive Council, shall appoint the chairs of the standing and other committees and their members, and may, in like manner dismiss or replace the chairs and members, except that the consent of the Council shall be required for the appointment of the chair and members of the Nominating Committee and for their dismissal or replacement.

ARTICLE 9: ELECTION OF OFFICERS

9.1 Nominating Committee

On or before the first day of August of each year in which elections are to be held, the President shall appoint a nominating committee who shall prepare a report of candidates to be recommended for each elective office on or before the following August 30. The President shall cause a copy of the Nominating Committee's report to be sent to the Patter Editor and the report shall subsequently be published in PORSCHE PATTERN in the October and November issues.

9.2 Nominations by the Members

Active members and/or family-active members in good standing constituting at least 3% of the then active Region membership may nominate a slate consisting of not more than two nominees for each office. Such nominations must be submitted to the Secretary in writing and must include each member's signature, printed name, and must be received by the Secretary on or before September 1st of each year.

9.3 Notice of Elections

In PORSCHE PATTERN for October of any election year, the Secretary shall cause to be published a notice of election and the names of all nominees for office. The notice of election shall state the date and time of any meeting at which elections are to be held.

9.4 Ballots

9.4.1 Ballot will be by voice vote.

9.4.2 Notice of Election Results: The Secretary shall cause to be published the results of the election in PORSCHE PATTERN.

9.3 Powers of Newly Elected Officers: The President-Elect shall, as soon as feasible, call a meeting of the newly constituted Executive Council for the purpose of appointment of committee members whose terms are to start at the first of the next year, as well as other appointments which may be required. At the discretion of the President-Elect, the meeting described above may be by telephone, email or mail.

ARTICLE 10: FISCAL YEAR

The fiscal year of the Region shall be the calendar year.

ARTICLE 11: OBLIGATIONS AND INDEBTEDNESS

11.1 Authority to Incur Obligations or Indebtedness: Only the elected Officers or persons authorized by the Executive Council to act on behalf of the Region shall incur any obligation or indebtedness in the name of the Region. All obligations or indebtedness incurred in accordance with the provisions of these Bylaws shall be incurred solely as corporate obligations. No personal liability whatever shall attach to or be incurred by any member or Officer of the Region by reason of any such corporate obligations or liability.

11.2 No elected officer or any other person authorized by the Executive Council to act on behalf of the Region shall incur any obligation or indebtedness in the name of the Region in excess of the sum of \$25 without approval of a majority of the Executive Council.

11.3 Notwithstanding the foregoing, if an elected officer or any other person authorized by the Executive Council to act on behalf of the Region proposes incurring an expenditure or obligation of the Region for other purposes that would exceed a sum of one thousand dollars (\$1000.00), the Executive Council must advise the Board of Directors in writing or by fax, email or other electronic transmission at least fourteen (14) calendar days before incurring such expenditure or obligation. Upon the request of three members of the Executive Council or three members of the Board of Directors, sent by mail or email to the President and the Secretary and within such fourteen (14) day period, such proposed expenditure or obligation must be submitted for approval by a majority of the Board of Directors. If such requirement for submission to the Board of Directors is not communicated by three members of the Executive Council or the Board of Directors, the proposed expenditure or obligation is deemed approved.

11.4 Any expenditure or obligation of the Region that would exceed the amount of one thousand dollars (\$1,000.00) must be approved by a majority of the Board of Directors.

11.5 Unauthorized Obligations: No elected Officer or any other person authorized to act in behalf of the Region shall incur any obligation or indebtedness in the name of the Region which is not for the general benefit of the entire membership of the Region nor shall the Executive Council or the Board of Directors approve the incurring of any such obligation or indebtedness.

11.6 Personal Liability for Unauthorized Obligation: The incurring of any obligation or indebtedness in the name of the Region by any elected Officer or member in contravention of these Bylaws shall be an ultra vires act. The person or persons responsible for such act or acts shall be personally liable, individually and collectively, to the Region in an amount equal to the obligations or indebtedness which the Region may be required to pay.

ARTICLE 12: DISPOSITION OF SURPLUS FUNDS:

At the close of each fiscal year all surplus funds of the Region as may exist, other than for such amount deemed desirable and necessary as a minimum working balance by the Executive Council, shall be distributed to non-profit organizations supported by the Region's Community Service committee.

ARTICLE 13: AMENDMENT OF BYLAWS

13.1 Amendment of Bylaws: These Bylaws may be amended by a majority of the votes cast in a referendum

of the membership at a duly noticed meeting.

13.2 Proposed Amendments: The Executive Council, Board of Directors, or active and/or family-active members in good standing constituting at least three percent of the then Region membership may propose amendments to these Bylaws. Amendments proposed by such members shall be submitted to the Secretary in writing and shall be signed by each member.

13.3 Notice of Proposed Amendments and Referendum: The Secretary shall cause to be published in PORSCHE PATTERN any proposed amendment submitted to the Secretary within sixty (60) days thereafter, together with an explanation of the proposed amendments and the need therefore by its sponsors. Before the deadline for the third succeeding issue of PORSCHE PATTERN, any member may submit statements of reasons against the adoption of any amendment to the Editor. In the said third succeeding issue the proposed amendments and the explanations and needs shall again be published, together with a summary of any reasons against adoption which may have been submitted.

13.4 Within fifteen days (15) following the mailing of said third succeeding issue, the President shall establish a date and time for a meeting at which the proposed amendment will be submitted to a voice vote. Adoption of the amendment shall be by a majority of active members attending the referendum. The date and time of the referendum shall be published in PORSCHE PATTERN and the election shall be held during the month following publication of the meeting.

13.5 Notice of Vote or Referendum Results: The Secretary shall cause to be published the result of any vote or referendum on a proposed amendment in PORSCHE PATTERN.

Adopted this _____ day of _____, 2008.

CHESAPEAKE REGION PORSCHE CLUB OF AMERICA, INC.

Andrew J.Toth

Cheryl Taylor, Secretary