

# **BYLAWS**

## **THE PORSCHE OWNERS CLUB**

A Non-Profit Organization in the State of California

It was early spring in 1955 that the seed was planted, and in not so unique a place as a restaurant and bar in the San Fernando Valley. The parts of this seed were partly composed of an accountant, an attorney, a body and fender repairman, an engineer, a publicity man, a manufacturer and even a representative of Porsche.

Within several months it was obvious that the conditions were ripe. In July of 1955, some 50 Porsches and Porsche owners solidly joined as the Porsche Owners Club Inc. The growing began.

Monthly driving events, monthly meetings, a monthly newsletter and a badge all came about without outside influence or aid. A year and 150 members later the prestige of Porsche and the Porsche Owners Club was felt as the largest one-area, non-racing, non-subsidized single marquee club in the west; possibly the United States, maybe even the world.

The Porsche Owners Club accomplishments over the years deserve mentioning. We have come from an informal breakfast to weekends in Ensenada, Las Vegas, Oakhurst and San Luis Obispo, Palmdale, Tecate, Del Mar, Palm Springs, Carlsbad and Riverside. Besides being social weekends, these all had driving events from gimmick gymkhanas to full fledged time trials. In between we have had our gymkhanas, introduced the slalom to Southern California and promoted rallies on exciting Porsche-type country roads. The POC has lead sports car clubs in the Southern California areas in holding time trials at more major tracks including Willow Springs, P.I. R., Las Vegas, Laguna Seca and before their demise, Ontario and Riverside.

The Club also publishes a pictorial magazine and many other event flyers and posters annually. Its membership has increased to a national basis, with many distant members beyond the California border.

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**ARTICLE I - PURPOSE**

The purpose of the Porsche Owners Club shall be:

1. Collect and disseminate such technical and mechanical information as shall be of benefit to Porsche Owners.
2. Promote and organize sporting events with the performance potential to the Porsche as a basis.
3. Support movement or plans that will improve relations between sports car enthusiasts, the general public and the Porsche Owners Club.
4. Promote the exercise of good driving, highway manners and safety.
5. Engage in social and other events at the pleasure of the members who are thus bonded together within their common interest - the Porsche automobile.
6. Support various charities for the benefit of the members and the general public.

**ARTICLE II -- DIRECTORS**

**NUMBER AND QUALIFICATIONS** -- The Board of Directors shall consist of seven (7) persons, each of whom must be *active* (refer to Article VII) members in good standing of the Porsche Owners Club for a minimum of thirty-six (36) months and have a minimum of two hundred (200) Service Points earned in each of the two (2) consecutive calendar years preceding the year of nomination. The nominating committee shall investigate the status of any member of or candidate for the Board of Directors and shall report to the Board as to his or her compliance with the foregoing requirements.

**TERM OF OFFICE** -- the term of each Director shall commence on January 1 of the year following such Director's election. Each Director shall serve for a nominal term of two (2) years unless he earlier resigns, dies, fails to qualify for continued Active Membership pursuant to the provisions of Article VII, or is recalled from office pursuant to the provisions of Article XI, except that a member appointed to fill a vacancy on the Board of Directors shall serve out only the unexpired term of his immediate predecessor. A Director, once elected, may serve no more than six consecutive years.

**CARRY OVER DIRECTORS** -- Directors elections shall be staggered to a minimum of 3 and a maximum of 5 directors each year to enable overlapping terms and stability of the Board of Directors.

It shall be the duty of the directors to:

- (a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these bylaws;
- (b) Appoint and remove, employ and discharge and, except as otherwise provided in the bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;
- (c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;

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- (d) Meet at such times and places as required by these bylaws; and Register their street addresses and telephone numbers with the Secretary of the corporation. Notices of meetings mailed, mailed electronically, or faxed to directors at such addresses shall be valid notices thereof.

**NON-LIABILITY OF DIRECTORS**

The directors shall not be personally liable for the debts, liabilities or other obligations of the corporation.

**INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS.**

To the extent that a person who is, or was, a director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person (by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue, or matter therein, such person shall be indemnified for the attorney fees, court costs and expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification for expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation only to the extent allowed by law, and in accordance with the requirements of the California Nonprofit Corporation Law.

**INSURANCE FOR CORPORATE AGENTS**

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing (under the California Nonprofit Corporation Law) asserted against or incurred by the agent in such a capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of the California Nonprofit Corporation Law.

**ARTICLE III**  
**EXECUTION OF INSTRUMENT, DEPOSITS AND FUNDS**

**EXECUTION OF INSTRUMENTS**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contact or execute and deliver any instrument on the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable momentarily for any purpose or in any amount.

**CHECKS AND NOTES**

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money and other evidence of indebtedness of the corporation shall be signed by the Treasurer and or Board of Directors as designated by the Board of Directors.

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DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks; trust companies or other depositories as the Board of Directors may select.

**ARTICLE IV - FISCAL YEAR**  
**FISCAL YEAR OF THE CORPORATION**

The fiscal year of the corporation shall begin on 1 January and end on the 31 December of each year.

**ARTICLE V**  
**CORPORATE RECORD, REPORTS AND SEAL**

- (a) Minutes of all meeting of directors, committees of the Board, and if this corporation has members, of all meetings of members indicating the time and place of holding such meetings, whether regular or special, how called, the notice given and the names of those present and the proceedings thereof.
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (c) A record of its members, if any, including their names and addresses and if applicable, the class of membership held by each member and the termination date of any membership;
- (d) Copy or original of all corporate papers, bylaws and other documents directed by the Board of Directors is to be stored in a safe deposit box under the control of the treasurer.

ANNUAL REPORT

The Board shall cause an annual report to be published in the magazine no later than on one hundred twenty (120) days after the close of the corporation's fiscal year.

- (a) The assets and liabilities, including the trust funds of the corporation as of the end of the fiscal year
- (b) The principal changes in assets and liabilities, including the trust fund during the fiscal year.
- (c) The revenue of receipts of the corporation, both unrestricted and restricted to particular purposes for the fiscal year;
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;
- (e) The annual report shall be accompanied by any report thereon of independent accountants, or if there is no such report, the certificate of an authorized officer of the corporation that such statement was prepared without audit from the books and records of the corporation.

**ARTICLE VI**  
**OFFICES**

The Board of Directors shall determine the location of the principal office for the transaction of the business of this corporation. The address of this office shall be published in the Club Magazine.

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**ARTICLE VII**  
**MEMBERSHIP**

**CLASSIFICATIONS** - There shall be three classifications of membership in the Porsche Owners Club: Active, Associate and Non-Porsche Owner.

**ACTIVE MEMBERSHIP** - Shall be granted only to Owners of Porsche automobiles. For purposes of the section, a Porsche automobile is defined as consisting of both engine and chassis of Porsche manufacture. The lessee of a Porsche automobile under lease agreement, the original term of which extends for one year or more, shall be deemed its owner so long as such lease remains in force.

**ASSOCIATE MEMBERSHIP** - An associate membership in the Porsche Owners Club shall be limited to either: (1) one number of the immediate family of each active member or (2) one person designated during each membership year by each active member who is not otherwise eligible to hold any class of membership in said club. Associate members are non-voting and cannot be a member of the Board of Directors.

**NON-PORSCHE OWNER** - Is to receive the newsletter and can attend all events at member's fees. The purpose of this membership is to allow POC to issue competition licenses for club events where non-Porsches are allowed to participate, and to allow friends of POC to receive the magazine and attend social events at membership fees. Non-Porsche owner members do not have the right to vote or hold office as a director.

**DURATION OF MEMBERSHIP** - Once acquired, membership of any class in the organization shall continue until it is terminated as provided in this article, or until the member dies. Memberships and membership numbers are not transferable. The status of a membership, whether active, associate or non-Porsche owner, shall be changed at the time of annual renewal whenever conditions make such a change appropriate.

**TERMINATION** - Membership in the Porsche Owners Club may be terminated in the following ways: (1) by resignation; (2) by failure to pay dues or assessments; (3) by failure to meet the qualifications for membership specified in the article; and (4) for other reasonable cause determined by the Board in the manner provided for in this article.

A resignation shall be accompanied by a written notice of resignation mailed to the office of this corporation by the resigning member.

Upon failure of any member to pay any dues, assessments or other financial obligations owed to the corporation, the chairman of the membership committee shall mail to such member a dated written notice stating the nature and amount of the obligation, advising the member that, so long as such sums and any obligation subsequently becoming due remain unpaid, the member shall not be permitted to participate in any of the events or activities of the club and that if such payment of all such sums is not received within sixty days of the date of said notice, the failure to make such payment shall be deemed equivalent to resignation and such membership shall terminate.

Upon being informed that any member may no longer meet the qualifications for membership contained in this article, the Chairman of the Membership Committee shall mail such member a dated written notice specifying the reason for such disqualification and stating that, if no response is received within thirty (30) days of the date stated therein, the matter shall be automatically submitted to the Board for its determination as to whether the facts constitute reasonable cause for the termination of membership. If within such thirty (30) day period, grant a reasonable grace period within which the member may again become qualified, or submit the member's response and the Committee's recommendation to the Board for its determination as to whether the facts involved constitute reasonable cause for the termination of the membership.

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If the Board determines in its discretion, that probable cause exists for the termination of a membership, it shall mail to such member a dated written notice stating the reasons for the proposed termination, fixing a day, place and hour (which shall be not less than 30 days after the date stated on the notice) at which the proposed termination will be considered, and advising the member that he shall be terminated as of the date of such consideration.

Upon termination of membership, all dues paid prior thereto are forfeited.

Terminated memberships may be reinstated without prejudice.

Applications for reinstatement shall be treated in the same manner, as applications for new membership, except that if granted the reinstated member shall receive his previous membership number rather than a new one. Forfeited dues shall be reinstated.

**SUSPENSION** - Upon failure of any member to pay any dues or assessments as provided herein, then such member shall be given written notice of suspension by mail directed to his address as shown on the membership rolls of this corporation and shall, after the mailing of such notice be suspended from all rights and privileges attendant upon membership herein, including but not restricted to attendance at meetings, participation in events and receipt of notices, until assessments owed are paid and received at the office of the corporation.

**FORFEITURE** - Membership shall be forfeited by failure of member to lift any suspension within sixty (60) days after notice thereof, or by vote of the membership committee.

In the event of such vote by the Membership committee, member shall be notified of same by mail. Within ten (10) days from the date of such notice, the members may request a hearing before the Board of Directors. If member fails to request a hearing within ten (10) days or before, the Board of Directors at the conclusion of such hearing determines that the membership shall be forfeited, then such forfeiture shall be noted in the membership rolls.

Forfeiture of membership shall include forfeiture of all dues paid to the date of such forfeiture. A membership once forfeited may not be reinstated.

**MEMBERSHIP PRIVILEGES** - All members of this corporation shall be privileged to attend any and all regular meetings thereof, and to participate in any and all events sponsored by this organization. Active members shall be privileged to vote by mail ballot or other means as hereinafter provided and to serve as members of the Board of Directors.

**POWERS** – Active members are specifically empowered to:

1. Elect and recall directors in the manner hereinafter provided.
2. Ratify or vote amendments to the bylaws in the manner hereinafter provided.

**LIABILITIES OF MEMBERSHIP** – No member of this Club shall be personally liable for any of its debts, obligations or acts.

**ARTICLE VIII**  
**CHARTERS**

**GRANTING CHARTERS** – The Board of Directors of the Club, by an affirmative vote of not less than five (5) directors, may grant regional charters for specific areas to clubs which:

1. Request the Board of Directors for such regional charter.

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2. Present evidence of incorporation of the petitioning club as a non-profit corporation under the laws of the state in which the club has its principal office.
3. Present a set of bylaws for the petitioning club that contains the following provisions:
  - A. Only Owners of Porsche automobiles and their immediate families may hold membership in the club.
  - B. All voting members of the petitioning club holds some class of membership in the Porsche Owners Club.

REVOKING CHARTERS – The Board of Directors may, by an affirmative vote of not less than (5) Directors, revoke the charter of any region.

**ARTICLE IX**  
**CLUB BULLETIN**

The club shall publish an official bulletin, or Club Magazine. This publication shall be distributed to each member, except associates, in good standing and to such other persons or organization as the Board of Directors may dictate.

**ARTICLE X**  
**BUSINESS MEETING OF THE MEMBERSHIP**

ANNUAL MEETING – An annual meeting of the members shall be held as required at such place as the Board of Directors may determine and direct for the purpose of considering reports of the affairs of the Club and the transaction of such other business as may be properly brought before the meeting. Notice of all such annual meetings shall be made via mail or the internet, and directed to the appropriate address shown for each active member on the membership roll, which notice shall be sent not less than fourteen (14) days prior to the date of the annual meetings.

REGULAR MEETINGS – Regular meeting shall be held at such a place and time as the Board of Directors may determine and direct. During a General Session Board Meeting, the Board shall have the right to expel one of its members for the balance of that meeting. A super-majority of five positive votes is required to expel.

SPECIAL MEETINGS – Special meetings of this corporation for any purpose whatsoever may be called at any time by the President of the Board of Directors, or by any twenty-five active members in good standing. Notice of special meetings shall be given in the manner hereinbefore prescribed for annual meetings, except that the notice of special meeting must be sent not less than five (5) days prior to the date set for the special meeting and shall include the purpose for which the meeting is called.

QUORUM – A quorum of any meeting of the members shall consist of a minimum of 10% of the active membership in good standing. Every act of a meeting duly held at which a quorum is present shall be regarded as an act of the entire membership.

VOTING – At all meetings of the members, each active member in good standing shall be entitled to one proxy vote on any matter which may properly be brought before the membership. Such vote may be via voice or by written ballot. There shall be no cumulative voting.

CONDUCT OF MEETINGS – The President of the Board of Directors or such other member of the Board of Directors as the President may appoint shall preside at all meetings. Unless otherwise provided in these bylaws, Roberts “Rules of Order” shall prevail.

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MINUTES – Minutes of all meetings shall be recorded by the Secretary of this Club, or by such person as may be appointed by the Secretary. At each general meeting, the minutes of the previous meeting shall be read unless waived by the members present.

GUESTS – Guests may be permitted at the annual and all regular meetings. Special and Executive meetings are closed to guests.

**ARTICLE XI**  
**ELECTIONS**

NOMINATION – By the first day of September, the Board of Directors shall elect (1) of its members as Chairman of the Nominating Committee. The Chairman of the committee shall select four (4) active members in good standing who are not members of the Board of Directors, and these five (5) shall constitute the Nominating Committee.

By the first day of November, the chairman of said Nominating committee should provide the club Secretary a slate of active members willing to serve as Directors for each open directorship.

A candidate for a Board position shall not engage in comments deemed to be derogatory towards another Club member or the Club in general. The Board, upon being given and reviewing proof of such action, may move to have the candidate disqualified from the election. With such a motion and five positive votes to disqualify, the member will no longer be a candidate.

In the event that the candidate(s) are unopposed, the Board of Directors may forego the ballot procedure and instead, nominate and vote “viva-voce”, thus effecting the election by unanimous consent.

ELECTION – The club secretary shall distribute to each active member in good standing, via mail or the internet, a proxy ballot. Due notice shall be given therein that only proxy ballots postmarked or received via the internet before midnight of the date determined shall be counted. Proxy ballots received via the internet must be received in a certifiable manner to be valid. Each ballot shall include the names of all qualified nominees for each open directorship. At or before the December Board meeting, the secretary and at least two (2) members of the nominating committee shall count and tally all valid ballots. All proxy ballots must show membership number and where a proxy ballot is distributed by mail, it must be signed.

As soon as the count has been completed the secretary shall notify the presiding President of the Board of Directors of the results. The President of the Board of Directors shall then inform the incumbent Board and certify the results of the election at December’s regular meeting. The Board of Directors then will vote to accept the proxy vote. After such certification, the successful candidates shall be notified by the secretary of the fact of their election to the Board of Directors.

VACANCIES – A vacancy or vacancies shall be deemed to exist in case of the death, resignation, removal or disqualification of any directors. The Board of Directors may also declare vacant the seat of any Director who shall absent himself from two (2) successive meetings of the Board of Directors. Vacancies so occurring shall be filled by election of the Board of Directors at its next succeeding meeting. The Director or directors so elected shall hold office until the expiration of the term of office as provided in Article II of these Bylaws.

Meetings of the Board of Directors for any purpose may be called at any time by the President of the Board of Directors, or by a majority of the said Board of Directors. Each Director shall be notified of such a meeting.

QUORUM – Five Directors shall constitute a quorum for the transaction of business at any regular or special meeting of the Board of Directors. There shall be no proxy voting by any Director. The vote of



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four or more Directors present at a meeting duly held, at which a quorum is present shall be required for an effective action by the Board. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board individually or collectively consent in writing to such action and such written consent is filed with the minutes.

POWERS – Subject to any limitations in the Articles of Incorporation, these bylaws, the general non-profit law of the State of California, or any other law of the State of California or the United States, all corporate powers shall be exercised by and under the authority of, and the business and affairs of this corporation shall be conducted by the Board of Directors.

RECALL OF DIRECTORS – Any member of the Board of Directors may be recalled from office in the following manner:

1. Recall Petition. Recall proceedings must be initiated by submitting a recall petition to the club secretary. Said recall petition must bear the signature of not less than ten percent (10%) of the active members in good standing of this corporation.
2. Recall Voting. Upon receipt of said recall petition, the club secretary shall cause to be mailed to each active member, before the expiration of seven (7) days, a secret proxy recall ballot. Due notice shall be given therein that only ballots bearing postmarks dated within twenty-one (21) days dating from the day the recall petition was received by the secretary, the secretary and at least two (2) active members shall open, count and tally all valid ballots.
3. Certification of the recall vote. As soon as the count has been made, the secretary shall notify the presiding President of the Board of Directors of the results. The Director shall be recalled by a two-thirds (2/3) majority of the ballots cast. The results shall be read into the minutes of the next proceeding membership meeting.

ADJOURNMENT – A quorum of the Directors may adjourn any meeting of the Board of Directors.

**ARTICLE XII -- OFFICERS**

The officers of this corporation shall consist of the following:

President of the Board of Directors  
Treasurer  
Secretary

PRESIDENT OF THE BOARD OF DIRECTORS -- At the first meeting of the Board of Directors following their installation as hereinbefore provided, the Board of Directors as its first official act shall elect from among its members a President who shall continue to serve until (1) a successor is elected by the Board of Directors, or (2) he ceases to be a Director of this corporation, or (3) he resigns.

The duties of the President of the Board of Directors are as follows:

1. To prepare the agenda for, and preside at, all meeting of the Board of Directors.
2. To prepare the agenda for and preside at all meetings of the membership of this corporation.
3. To act as an ex-officio member of all standing committees and temporary committees, except the nominating committee and the membership committee.
4. To execute all documents and correspondence in the name of the corporation as authorized by the Board of Directors and/or membership.

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At the end of his term, the President shall next serve as an ex-officio member of the succeeding Board of Directors. He may attend all Board meetings as an advisor and without a voting privilege. This shall not apply to an ex-President elected to a succeeding Board of Directors.

At the first meeting of the Board of Directors, following their installation as hereinbefore provided, the Board of Directors shall select from among its members the following Officers;

TREASURER -- The duties of Treasurer are as follows:

1. To keep and preserve the records and books of the account reflecting the financial condition and operation of this corporation.
2. Sign as cosigner all drafts on the accounts of the corporation, and any corporate documents that obligate the corporation financially.
3. On request of the Board of Directors, furnish to the auditor designated by them all financial records and/or books and statements as provided by the bylaws.
4. Received all monies paid to the corporation and deposit the same to its credit with the bank designated by the Board of Directors.

SECRETARY -- The duties of the Secretary are as follows:

1. To cause to be recorded and preserved the minutes of the meetings of the Board of Directors and to present and read such minutes at the request of the President of the Board of Directors or his representative.
2. To cause to be recorded and preserved the minutes of the membership meetings both regular and special, and to present and read such minutes upon demand.
3. To receive all ballots, count them, cause the results thereof to be published and keep them for inspection for a period of thirty days after the results are announced.

The remaining Board of Directors may be Vice Presidents of areas of responsibility as directed by the entire Board. These areas could be membership, publications, Motor Sports, or other areas that may evolve as the club evolves.

**ARTICLE XIII**  
**AMENDMENT TO THE BYLAWS**

The bylaws of this corporation may be amended at any time in the following manner:

Upon recommendation by not less than five (5) Directors, or by a written petition signed by at least seventy-five (75) members in good standing, the Board of Directors shall prepare the suggested amendment in such a manner that it may be legally incorporated in these bylaws. The properly prepared amendment shall be distributed as hereinbefore prescribed for elections, to each active member in good standing in the form of a ballot. Upon the prescribed closing date for receipt of ballots, the Secretary shall count the valid returned ballots and if a majority of said ballots are in favor, the amendment shall be deemed adopted. There upon the Secretary shall cause the revised Bylaw language to be included in the next succeeding magazine. In any case, the Secretary shall announce the results of the ballot by reading it into the minutes of the membership meeting next succeeding the counting of the ballots.

Approved by the Board of Directors  
PORSCHE OWNERS CLUB, Inc.