



**Porsche Club of America
Winter 2019 National Staff Assembly
Saturday, February 9, 2019**

**Winter 2019 Board of Directors Teleconference Vote
Monday, February 25, 2019**

Draft

Tom Gorsuch, PCA National President, called the meeting to order at 1:30 PM PT.

Gorsuch welcomed Ayesah Coker from Porsche Cars North America (PCNA) and Mark Harston from Porsche Cars North America (PCNA):

Ayesha has been with Porsche for 8 years and has been recently promoted to new position of Director of Experiential Marketing which included oversight of PECALT and PECLA. What makes Porsche ownership so special is not only because of the cars but because of the people.

Mark is celebrating 2 years with Porsche. 2019 will be a product driven year with the release of the 992, which will be on display at Tech Tactics East and the 12 Hours of Sebring. Also being released in 2019 are the Taycan, GT4 and Spyder.

National Treasurer (Craig Kugler):

The following report is from our club's 2018 preliminary financials ended Dec 31. There will be a detailed review by the Executive Council later this month. All comparisons are relative to fiscal year end 2017

Beginning with the Statement of Financial Position. Total assets for 2018 were \$10,073,749, an increase of \$566,517 or (6%). Total liabilities were \$5,703,587, an increase of \$111,610 or (2%). Total equity was \$4,370,162; an increase of \$454,907 or (12%).

Now for the Statement of Activities. Revenue was \$10,454,040; an increase of \$113,166 or (1%) from YTD4Q2017. Expenses were \$9,999,134 a decrease of \$312,968. Net income was \$454,906; an increase of \$199,802 or (78%). We closed 2018 with 83,438 primary members, an increase of nearly 4,000 members.

Membership dues continue to be the main source of revenue for PCA. We continue to have strong raffle participation and sponsorship support across all National events.

Pending final financials, a possible Surplus Regional Refund may be made to the Regions in accordance with the guidelines in the MNPP.

The 2019 budget requests submitted by all committee chairs and staff have been reviewed and approved by the Executive Council with the exception of the Membership Marketing Budget which includes an increase of \$85,000 over prior year. This amount exceeds the 2% of Net Dues Revenue threshold indicated in the By Laws. It is expected that this will be approved prior to the upcoming Board of Directors teleconference. An e-mail was recently sent to the Zone Reps notifying them of this proposed increase. Other Budget requests should be as submitted unless you have been notified otherwise. You may request a copy of your approved budget from Denise.

The 2019 budget includes the following notable additions:

This year we have 2 Reserves:

\$40K for Parade Boca Raton to keep Parade event costs consistent year over year

\$35K for program set up to support development of Digital Membership cards. Long term this will result in reduced printing and mailing costs.

The budgeted expected net income for 2019 is \$238,000

Keeping with previous years, this is a conservative budget with respect to both income and expenses.

The finance team and I will continue to work with the Audit Committee, reviewing our financial results on a quarterly basis. The 2019 budget will be provided to the Audit Committee for their review following this meeting.

The EC and national staff have shown consistent financial discipline which has made 2018 another successful year for PCA. I would like to thank everyone for being conscientious with their spending and continuing to be good stewards of the club's monies.

National President (Tom Gorsuch)

Gorsuch: Discussed updated PCA's 5 year plan. PCA hired a marketing firm who worked with stakeholders and created a Brand Value Summary based on the input we provided. This updated 5 year plan replaces the current Vision 2020. This new plan contains a Strategic Plan Overview, Self Assessment and Strategic Initiatives. A SWOT (strength, weakness, opportunity and threat) Analysis.

PCA does have internal challenges consisting of communicating with a large National Staff, Relationship between our members, volunteers and paid employees as well as the diversity of events we host.

PCA's Stakeholders consist of our members, future members and owners, Porsche (PCNA/PAG/PMNA), sponsors and advertisers, Regional organizations and National event attendees.

PCA Image Management requires us to have brand awareness and unification. In recent years there has been changing attitudes toward the automobile. PR for accumulation of good will with the various

public services such as Street Survival and activities that our Regions are involved in. With the ever increasing use of Social Media we must monitor and managing social media and have a crisis management protocol in place.

With regards to Membership Marketing, PCA must expanded their digital reach and relevancy. Increasing awareness among four door Porsche owners and offer youth programs and starter-Porsche member initiatives.

The plans for the Next Gen PCA.org include an enthusiast facing extranet that includes public information to draw interest in PCA. Behind a member login would be Panorama in depth original content, unique and reliable technical content and the Mart 2.0. Lastly there would be an administrative intranet for National Staff and Region Management.

Performance Driving Initiatives that will make PCA the leader in Porsche Performance Driving. Hosting a PMNA affiliate Clubsport series. Expanding the distribution of CRN to a wider member audience. Raising the bar on CR events. The introduction of PCA Sim Racing championship. Driver Education track specific presentations and track maps. Newly approved Autocross Minimum Standards.

Region Engagement & Impact information. FACT: 40% of new members are referred by a current PCA member. The need to promoting consistent and high quality member experiences. Engaging diverse-interest Porsche enthusiasts. Work to recruit new members & PCA Juniors. Building relations with dealerships & sponsors. Challenging Regions to meet the various event minimum standards. Developing tools for succession planning. Continue to improve the content presented at Presidents meetings and diverse Regionfocus webinar training.

Tom is excited to take on the roll of National President and passionate about PCA. He is looking forward to working with everyone. He then called up Caren Cooper, thanked her for years of dedicated service and presented her with her lifetime membership card.

Audit Committee Interim Chair (Richard Strahota)

Richard recognized the members of the Audit committee and thanked them. Richard reported his report stands as submitted. There was an investigation launched due to a whistleblower complaint filed by a member and past employee. The committee completed their investigation and no evidence of unethical actions were found on the part of any PCA volunteer. A summary report of the committee findings will be presented at or before Parade.

Autocross Chair (Kathy Sharp)

Sharp stated her report stands as submitted.. Kathy will be working on safety inspection guidelines and driver meeting notes.

Awards Chair (Michael Soriano)

Soriano stated his report stands as submitted. Michael has requested quotes for National Awards trophies for Parade. The National Award Guidelines were updated in the MNPP. Comprehensive list of submission. Every Region that submitted a Charity Subsidy Request in 2018 was contacted and ask to submit for the Public Service Awards. He also contacted all Regions that submitted for an award last year requesting they submit. Ads for National award were placed in Pano to encourage participation.

Club Race Chair (Weston Dillard)

Dillard's report stands as submitted.

Drivers Education Chair (John Krecek)

Krecek stated his report stands as submitted. Welcomed the Committee who is meeting this weekend. The committee had a very productive meeting Gerat meeting. The committee discussed EV's, working to produce a video to market the DE program to a new segment of participants. In 2018 Regions hosed 240 DE events.

Driving Tour Chair (Greg Halverson)

Halverson stated his report stands as submitted. The Driving Tour Minimum Standards were finalized and posted on PCA.org. Work on guidance for additional guidance went final and on .org. The Driving Tour Chair job description was updated in the RPM. The Driving Tour committee is working on Off Road Tours Minimum Standards. This year's Parade tours are not about the route but the destination. First time PCA will be hosting and offroad tour at Parade.

Historian/Archivist (RJ Wilmoth)

Wilmoth stated his report stands as submitted. RJ made very few acquisitions of club memorabilia for the archives and requests for club history from the Regions.

Insurance and General Council (Ken Laborde)

Laboard's report stands as submitted.

Membership Marketing Coordinator (Jim Hemig)

As of February 1 PCA has 83,932 Primary Members. 46,064 Co-members equalling 129,996 total members. 450 over the end of december. We are losing an average of 800 members per year and the challenge will be to retain those members. The focus in 2019 is to grow club membership and member retention. PCNA shared marking data with PCA and and our members make up 25% market share of all Porsche owners. Jim has compiled data on those who have interest in Porsche through social media and surveys and will share this finding with region membership chairs.

Newsletter Chair (Barb Coplen)

Coplen's report stands as submitted.

Nominating Committee Chair (Ken Hold)

Hold stated his report stands as submitted. Ken thanked his committee for their diligent work.

Parade Chair (Ron Gordon)

Gordon stated his report stands as submitted. Ron provided updates on 2019 parade registiaon, which opened Monday. As of today 640 primary registrations have been received which is in line with their projections. The Parade registration website has been brought in house from a third party vendor. Event schedules are being adjusted due to the heat and there are no banquets scheduled to take place outside. The Parde Autocross and Michelin Drive and Compare to take place at the Palm Beach International Raceway. This years gimmick Rally has a Spring break them.

Policy Chair (Bob Gutjahr)

Gutjahr stated his report stands as submitted. As PCA continues to grow and becomes more complex, it makes additional work for policy committee. A pressing issue is to refine the wording of the Audit

Committee section of the MNPP. They committee continues to work to refine the Conflict of Interest policy and Procedures.

Porscheplatz Coordinator (Lynn Friedman)

Friedman stated her report stands as submitted. Lynn thanks Mark Harson and Porsche for all of their support. She also thanked the ZR's for their help with managing the volunteers working the events. In January of 2019 there were 1,500 people that came through the corral at Daytona 24 Hour corral, an new attendance record. Jim hemig was in attendance manning a PCA membership booth. In 2018 over 5000 individuals attended Porscheplatz and Corrals. Updated information on Social Media, Tours and National Awards.

Region Finance Chair (Craig Kugler)

Kugler stated his report stands as submitted. The EC is continuing to looking for qualified candidates to fill the position. In the interim if Regions have finance related questions they should be addressed to Craig.

Region Procedures Chair (Ron Carr)

Carr stated his report stands as submitted. The 2019 version RPM is available. We are working with new printer this year and the hard copy version will ship out next week. The digital version available on pca.org for download.

Region Social Media Chair (Maggie Garnett)

Garnett stated her report stands as submitted. Maggie is continuing to work with Regions assisting with their social media questions, and issues.

Region Website Chair (Don Roof)

Roof stated his report stands as submitted. Registration is open for the annual website contest. Dos is looking for volunteers to help with judging for the website contest. Please respond to Don by April 2019.

RegionFocus Coordinator (Todd Benz)

Benz stated his report stands as submitted. There has been one webinar presented in 2019 by maggie on Social Media, "To Post Or Not To Post". There were 85 people in attendance. Todd has submitted an updated job description to the policy committee. An email went out to the Region's asking for suggested topics for future webinars. He is also looking for presenters for future webinars.

Registry Coordinator (John D'Angelo)

D'Angelo stated his report stands as submitted. In the last half of 2018 the registries have been reduced from 29 registries to 20 through consolidation and eliminating those that are inactive. MNPP updated job description for roll and advocats. Social media webinar for advocats. Microsites for all the registries

Rennsport Reunion (Manny Alban)

Alban's report stands as submitted.

Safety Chair (Dan Dazzo)

Dazzo stated his report stands as submitted. He reminded that all moving car events need insurance and a Observers Report and Post Event Report are very important and Regions need to do a better job making sure they are completed and submitted.

Technical Chair (Steve Hoffman)

Hoffman's report stands as submitted.

Treffen North America Chair (Harry Seasons)

Season stated his report stands as submitted. Treffen Banff in Alberta, CA this past fall was very successful despite the snow. The 2019 Spring Treffen in Santa Barbara sold out in less than 2 hours. We have been cutting back on the number of rooms in the block and we add rooms as need. Attendees will be released from the waitlist as rooms become available. The 2019 Fall Treffen will be held at the Woodstock Inn in Woodstock, Vt. PCA has booked the entire hotel for the event. The 2020 Spring Treffen will be held at The Broadmoor resort in Colorado Springs, CO. The 2010 Fall Treffen will be visiting the The Greenbrier resort in White Sulphur Springs, WV.

Werks Reunion Chair (Tom Provasi)

Provasi stated his report stands as submitted. The 964 featured mark. Amelia island judged cars are sold out 356 entries as of today. Werks Monterey over 5000 attendees in one day.

Zone 1 Representative (Mike Bryan)

Bryan stated his report stands as submitted. Identify and share good ideas and best practices among the Regions, for example successful new member events. Doing more but smaller events including cars and coffee, show and shine vs full concours.

Zone 2 Representative (Rose Ann Novotnak)

Novotnak stated his report stands as submitted. First Settlers Region raised \$110,000 for Habitat for Humanity Riesentöter's annual Fill a Frunk took place in November and they have collected over 63.5 tons of food. Central PA Region will host the largest Porsche swap meet again this year in Hershey, PA.. Potomac, which is the second largest Region in PCA supported the Wounded Warrior Foundation as their charity of choice. Chesapeake Region charity drive this year was to fill backpacks with necessities for homeless.

Zone 3 Representative (Rod Johnson)

Johnson stated his report stands as submitted. The Zone's biggest event in 2018 was the Petit LeMans at Road Atlanta. Peachstate Region was a large supporter of the Porscheplatz, which had a record number of cars and attendees. All of the 16 Regions in Zone 3 posted membership net growth with the Zone growing 6.7%, with approximately 8000 members.

Zone 4 Representative (Lori Schutz)

Schutz stated his report stands as submitted. Mid Ohio was selected as Region of Year at the 2018 Parade. Zone events DE at Indianapolis Porsches on the Mac. Successful corral at Belle Island. De programs growing in the Regions.

Zone 5 Representative (Chuck Bush)

Bush stated his report stands as submitted. There are two club races within Zone 5 for the 2019 season, NOLA and COTA.

Zone 6 Representative (Mark Prusynski)

Prusynsik stated his report stands as submitted. Zone 6 first was the first Zone to have all the Region's submit their Continuity Reports submitted. The Zone will be hosting their Grand Tour in 2019. It will be a 2000 mile tour over 9 days, visiting all Regions in the Zone US and Canada.

Zone 7 Representative (Collin Fat)

Fat stated his report stands as submitted. The 2019 West Coast Club Race Series is comprised of 8 races, of which 6 will take place in Zone 7.

Zone 8 Representative (David Witteried)

Witteried stated his report stands as submitted. In December the LA Auto show and TTW. Zone 8 hosts two Presidents Meetings. The Regions in the Zone hosted approximately 151 events in Q4 for 2018.. The Zone is working to develop more multi-region events . This year's Festival of Speed is taking place in March requiring 400 volunteers to support the event.

Zone 9 Representative (Rich Sanders)

Sanders stated his report stands as submitted. In the last quarter for 2018 he visited with Regions in the south part of Zone 9. He attended the Albuquerque Balloon Festival and two multi-event weekends, one with West Texas Region and the other with the Carrera Region.

Zone 10 Representative (Julie Bailey)

Bailey stated her report stands as submitted. The Family of the Year winner at Parade was from the Kansas City Region in Zone 10. She attended Region Holiday Parties. Preparing for the 2019 Region Presidents meeting. There are four Regions celebrations anniversaries, two will be reaching their 60th Anniversary milestone.

Zone 11 Representative (Sandy Provasi)

Provasi stated her report stands as submitted. Zone 11 has 1 new incoming President and 2 returning Presidents in the Zone

Zone 12 Representative (Lisa Lewis)

Lewis' report stands as submitted.

Zone 13 Representative (Jack Stephensen)

Stephensen stated his report stands as submitted. Zone 13 will be hosting the Road America Club Race and the Porscheplatz at Road America. The Kentucky Region surrendered 3 counties to Southern Indiana Region.

Zone 14 Representative (Peter Spencer)

McDonald's report stands as submitted.

Meeting adjourned at 3:40 PT

Board Teleconference Vote

Ambrosino advised the Board Teleconference Vote is scheduled on Monday, February 25 at 9pm ET and the National Office will again send the call-in details 1 week prior, the Friday prior, Monday morning and 15 minutes prior to the call. There are 2 items to be considered: Summer 2019 Board of Directors Minutes and the XXX.

With a focus on procedures, as discussed at the Summer Board of Directors Meeting and on the Emailer blasts, the formal process for bringing up New Business is to submit the topic to the designated person at least 2 weeks prior to the board vote:

- Region Presidents – submit it to your Zone Rep or an Executive Council member;
- National Committee Chairs – submit it to any Executive Council member.

The reasoning is the EC:

- Has the responsibility to ensure all Board Members hear the full discussion on the teleconference call;
- Allows the topic to be researched and addressed by the appropriate person;
- Helps facilitate a full discussion while still keeping teleconference meetings to a reasonable duration.

Having come to the end of the agenda, Gorsuch adjourned the Winter 2019 National Staff Assembly Meeting at 4:00 PM ET with the acknowledgement of the February 25, 2019 telephonic voting call.

Winter 2019 Board of Directors Meeting Teleconference Vote Monday, February 25, 2019

Tom Gorsuch, PCA National President, called the meeting to order at 9:00 PM ET.

Gorsuch welcomed all attendees to the PCA Board of Directors Meeting and introduced Sherri Pula, the moderator from Maestro Conference. Pula reviewed the call procedures used during the call.

Pula called for board members to register to establish the quorum. Gorsuch reviewed the PCA Bylaws that 160 members serve on the PCA Board of Directors. A quorum is $\frac{2}{3}$ of the 145 Region Presidents, or 97 Region Presidents.

114 Presidents called into the teleconference

111 Presidents registered their attendance to establish the quorum

Gorsuch confirmed a quorum was established.

Gorsuch spoke on various topics while the quorum was being confirmed and votes were being tallied. In summary, he discussed:

- What constitutes a quorum, $\frac{2}{3}$ or the 145 Region President
- Welcomed new Region Presidents
- Provided background on how we arrived at the Board of Director Teleconference
- Brief overview of PCA Strategic Plan
 - SWOT
 - Strengths
 - Volunteers

- Numerous events all across North America
 - Strong media program
- Weaknesses
 - Consistency of member experience at the region level
 - Improve digital presences
 - Technical Resources
- Opportunities
 - 4 Door Porsche owners
 - Digital and social media engagement
 - Engage younger enthusiasts
- Threats
 - Aging Demographics
 - Generation Gap with regards to expectations
 - Increased competition among performance driving events HPDE and Club Racing
 - Other online media products
- PCA Stakeholders
 - Members
 - Future Members
 - Porsche
 - Sponsors
 - Regional Organizations
 - National event attendees
- Initiatives
 - PCA Image management
 - Brand awareness
 - Band unification
 - Crisis management protocols and procedures
 - Membership Marketing
 - PCA Juniors
 - PCA.org Next Generation
 - Extranet
 - Intranet
 - Performance Driving
 - Marketing for HPDE and Club Racing
 - Autocross Minimum Standards
 - PCA Sim Racing Series
 - Region engagement and consistency

Gorsuch introduced Craig Kugler, National Treasurer, for a brief Finance Report:

Craig Kugler reported:

The following report is from our club's 2018 preliminary financials ended Dec 31. There will be a detailed review by the Executive Council later this month. All comparisons are relative to fiscal year end 2017

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Membership dues continue to be the main source of revenue for PCA. We continue to have strong raffle participation and sponsorship support across all National events.

Pending final financials, a possible Surplus Regional Refund may be made to the regions in accordance with the guidelines in the MNPP. Quarterly Region Refunds for Q4 2018 have been sent and should be received in the next few days.

The 2019 budget requests submitted by all committee chairs and staff have been reviewed and approved by the Executive Council.

The 2019 budget includes the following notable additions:

This year we have 2 Reserves:

\$40K for Parade Boca Raton to keep Parade event costs consistent year over year
\$35K for program set up to support the development of Digital Membership cards. Long term this will result in reduced printing and mailing costs.

The budgeted expected net income for 2019 is \$213,000

Keeping with our practice from previous years, this is a conservative budget with respect to both income and expenses.

The finance team and I will continue to work with the Audit Committee, reviewing our financial results on a quarterly basis. The 2019 budget will be provided to the Audit Committee for their review following this meeting.

The EC and national staff have shown consistent financial discipline which has made 2018 another successful year for PCA. I would like to thank everyone for being conscientious with their spending and continuing to be good stewards of the club's monies.

Gorsuch introduced Richard Strahoda Audit Committee Member, for a brief Whistleblower Report:

Richard Strahoda Reported :

Good evening everyone and thank you very much for joining the call. Tonight I would like to give you a brief report on behalf of the PCA Audit Committee. But first I would like to thank my colleagues who serve with me on the committee and that would be Ron Carr, Rich Sanders and Cheryl Taylor. Thank you for their continued service and commitment to PCA.

The Audit Committee's 4th Quarter Report, which is available to you on in the report section of the PCA website, describes the various activities of the Audit Committee during the quarter. It also disclosed that an investigation had been launched by the Audit Committee into and ethics or Code of Conduct concern that had been raised by a member who also happens to be a former PCA employee. Those of you who were on the Board last November will probably recall receiving an email or two about this matter around that time. The Audit Committee has completed its investigation of this matter and will be making a report to the Board as required of us by the PCA Manual of National Policy and Procedures. Since this is our first such investigation and our first such report, we are first working on establishing guidelines for the committee to use on how, when and where to file such reports in the future.

Pending finalization of these guidelines and the filing of the committee's report to the PCA Board, I do want to provide you with a headline news version of our findings. In short, the Audit Committee has found no evidence of any unethical actions by any PCA employee or official. Look for more when the Audit Committee report is filed which will be no later than the Summer Board Meeting at Parade, but hopefully much sooner than that. Thank you for listening and again thank you for all your efforts on behalf of PCA.

Item #1 - vote 2-25-2019 To approve the minutes from the Summer 2018 Board of Directors meeting.

Motion: Gunther Mensch, President BIH Region

Second: Mariana Small, President LA Region

Yes: 126

No: 0

Abstain: 6

Motion passes to approve the minutes from the Summer 2018 Board of Directors Meeting.

Item #2 - vote 2-25-2019 To approve Richard Strahota as the replacement Chair to the PCA Audit Committee.

Motion: Michael Delane, President REN Region

Second: Victoria Varon, President SDO Region

Ken Hold provided the background:

Good evening. My name is Ken Hold and I am the Nominating Committee Chair and the first thing I would like to do is to thank my two other committee members Maggie Goodman-Garnett and Ron Gordon for all of their good work this term for the Nominating Committee and especially for continuing to work as nominations come up for various vacancies.

Specifically, I would like to give a little bit of background behind this interim chair and the recommendations. Back in July 8th at the National Board Meeting, Craig Kugler stepped down from his position as the Audit Committee Chair, which left the Nominating Committee in a position where we needed to come up with an interim chair for the rest of the term, or until the next Board Meeting when a chair could be voted upon by the Board.

We did this in a two phase approach, one is we canvassed the committee as far as what their intention were staying on the committee and also recommendations for the board, becoming the interim chair. The other thing we did is we assessed the committee entirely to check it effectiveness and decide on what was needed for leadership for the Audit Committee for the rest of the term.

We had strong recommendations from the committee to consider Richard Strahota to continue on as the interim chair as the committee has been doing excellent work and getting excellent results, the nominating committee agreed and decided to recommend Richard continue not only as a member of the committee but as the interim chair until the Board vote.

So all of this was done between July 8th and October the 10th, when the Nominating Committee did make their recommendations and notified the committee members of the decision and also the Executive Council. So that brings us to where we are recommending that the Board do proceed with approval of having Richard Strahota become the Audit Committee Chair for the remainder of the 2017 - 2019 term.

Yes: 130

No: 0

Abstain:1

Motion passes to approve Richard Strahota as the replacement Chair to the PCA Audit Committee.

Item #3 - vote 2-25-2019 To approve the policy changes to Section 6.3: Audit Committee of the Finance section of the Manual of National Policy and Procedures. Committee.

Motion: Phillip Capella, President CVR Region

Second: Xavier Palmer, President RIV Region

Bob Gutjahr provided the background:

Good evening Everyone this is Bob Gutjahr, National Policy Committee Chairman, Chesapeake Region. I appreciate the opportunity to talk to you this evening about just a couple minor policy changes on how the Audit Committee does its business as outlined in section 6.3 of the MNPP financial documentation.

Specifically the first thing I would like to say is, that the MNPP is a living document. Back in 2014 we had about thirteen very astute and very experienced PCA members working for about 120 days to draw up the MNPP financial section for which the Audit Committee was a part. I don't believe even as hard as we working back in 2014 we were able to see or foresee some of the changes and some of the nuances that have gone on over the last four or five years with this committee and how the committee interacts and the continuity for the committee as it serves PCA and the Board of Directors. So this evening, based upon discussions and based upon our coordination with the Nominating Committee we have determined that there are two changes that are going to be required to the policy for a vote tonight.

The first one is of continuity, we feel that it is very important that the Audit Committee Chair stay on in his position, even though his position as a National board member or as a National member of the staff changes. The recommendation here tonight for the first change that even if an Audit Committee chair's Board status changes that individual can and will remain on the Committee for a second term subject to the Nominating Committee's recommendation and Board vote. So what this means is, if we have an Audit Committee Chairman who as he is approaching his second term and his Board Member status changes, because of continuity and because we well that experience is so important to Audit Committee operations and what the Audit Committee does to serve the Board of Directors, we feel that it is incumbent upon the Nominating Committee to make the nomination if in fact he is served well and can carry forward on his second term. So that is the first change. We ask that the Board approve a second term for an Audit Committee Chairman if in fact his Board member status changes.

The second change is also minor and instantiates what is in procedure for Section 6.3 of the Audit Committee procedures and that is the Audit Committee will exercise primary responsibility to review

the Whistle Blower Policy and process, anti fraud policies and policy and procedures related to the discovery of errors or illegal acts, whistleblower hotline and other communication methods and determine the process for special investigations. Hence it is recommended that the Board approve the policy statement that the Audit Committee will investigate allegations of fraud, illegal acts or reports for whistleblowers and report a summary of its findings to the Board of Directors.

These are the two changes to the policy going forward to the board, one of continuity and one instantiating procedures for investigations.

Yes: 128

No: 2

Abstain: 4

Motion passes to approve Richard Strahota as the replacement Chair to the PCA Audit Committee..

Having come to the end of the agenda, Gorsuch adjourned the February 2019 Board of Directors Meeting Teleconference Vote at 9:45 pm ET.

Submitted,
Aaron Ambrosino
PCA National Secretary