

The Bylaws of the Porsche Club of America, Inc. (as amended, October 2014)

ARTICLE I: NAME

The name of the Club shall be the Porsche Club of America, Inc.

ARTICLE II: GENERAL OBJECTIVES

The general objectives of the Club, to which its members are joined together and mutually pledged, shall be the furtherance and promotion of the following:

- A. The highest standards of courtesy and safety on the roads.**
- B. 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.**
- C. The maintenance of the highest standards of operation and performance of the marque by sharing and exchanging technical and mechanical information.**
- D. The establishment and maintenance of mutually beneficial relationships with the Porsche Works, Porsche Dealers, and other service sources to the end that the marque shall prosper and continue to enjoy its unique leadership and position in sports car annals.**
- E. The interchange of ideas and suggestions with other Porsche Clubs throughout the world and in such cooperation as may be desirable.**
- F. The establishment of such mutually cooperative relationships with other car clubs as may be desirable.**
- G. The preservation of the independence of the Porsche Club of America, free of control or undue influence by any outside individual, organization, company, or other entity, no matter how closely aligned to the Club in interest or purpose. In furtherance of this goal, the Porsche Club of America is and shall remain a totally member-driven and primarily member-financed independent entity allowing neither inappropriate or undue influence, financial or material, from outside its domain, owing allegiance only to its members.**

ARTICLE III: POWERS, CORPORATE SEAL, AND BADGE

Section 1 – Powers

The Club shall be empowered to do all things and conduct all business, not for profit, necessary to carry out the general objectives of the Club as set forth in the Certificate of Incorporation, issued under the statutes of the District of Columbia, and in these Bylaws.

Section 2 – Corporate Seal

The corporate seal of the Club shall be circular in form, being inscribed with the name of the Club and the year and place of its incorporation.

Section 3 – Badge

The badge of the Club shall be circular in form, being inscribed with the name of the Club and the initials “PCA”. The colors of the badge shall be red, white, blue, and black and shall be of a design symbolic of the United States of America. The logo/badge for the Porsche Club of America Inc. shall be as shown on exhibit A to these Bylaws. No substantial alteration to the logo/badge may be adopted by the Club unless approved by a 75% majority vote of its active and family active members.

ARTICLE IV: MEMBERSHIPS, DUES, AND FEES

Section 1 – Membership

Membership in the Club 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 Club and its objectives as provided in Section 2 (B), (C), and (D) 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 KG 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.

Section 2 – Classes of Membership

A. ACTIVE – Any owner, lessee or co-owner of a Porsche acceptable to a Regional Club, who is 18 years of age or older, having paid Club dues and fees as required.

B. FAMILY-ACTIVE - An individual requested by an active member as his or her family- active member, restricted to persons 18 years of age or older, whether otherwise qualified for active membership by ownership of a Porsche or not.

C. 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 Club and its objectives having paid Club dues and fees as required. A person of the associate member’s family who has been a family-active member as in (B) above, may continue as a family-associate member similarly.

D. 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 Club. Such membership shall be limited to one year, but may, upon the affirmative vote of the Executive Council be renewed.

E. LIFE – Any person who, on the affirmative vote of the Board of Directors, is deemed to have performed such extraordinary service to the Club as to warrant this singular honor. Each National 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 (A) above, and the Regional Club

refund under Section 6 shall be made by the Club in the amount refunded for an active member.

F. 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.

Section 3 – National and Regional Club Membership

No active, family-active, associate, family-associate, or affiliate member may hold membership in the National Club without at the same time being a member in good standing of a Regional Club. Regional Clubs are each a separate legal entity. Similarly, no active, family-active, associate, family-associate member or affiliate member may hold membership in a Regional Club without being a member in good standing of the National Club.

Section 4 – Membership Application

Applications for membership may be made either through the National Office or an individual Regional Club, either of which may reject it.

Section 5 – Dues

Annual dues for the various classes of membership shall be determined from time to time by the Board of Directors. National dues shall be collected by the National Club, which shall refund to the member's Regional Club such part thereof as shall have been set by the Board of Directors. Net Dues are that part of the collected dues retained by the National Club after Regional Club refunds. 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.

Section 6 – Membership Year

The Executive Director of the National Office shall send each 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 Regional Clubs so notified. Subscriptions to PANORAMA shall begin with the issue of the next month after receipt of application for membership.

Section 7 – Privileges

Members, including family members, in good standing shall be entitled to all the privileges of the Club, except that honorary members, associate members and affiliate members shall be entitled neither to vote nor hold elective National office, and except further that family-active members, affiliate members, and family associate members shall not be entitled to receive Porsche PANORAMA or any duplication of any mailing to the active member. Ballots will be mailed (or, if electronic means shall have been approved in accordance with these Bylaws, then by mail, by electronic means or any combination thereof), 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 National office. A member may cast only one vote in any election or referendum.

Section 8 – Suspension

Any member may be suspended by a two thirds vote of the PCA Board of Directors or by a Regional Club in accordance with its Bylaws for infractions of National or Regional Club rules or regulations or for actions inimical to the general objectives or best interests of PCA or the Regional Club. 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 Board of Directors or a committee appointed by the Executive Council for the purpose, concerning the alleged misconduct. In order to be considered valid, such appeal must be made in writing within 45 days of the written suspension notification. If the suspension was not for a stated length of time and no written appeal is tendered, the member is automatically expelled from PCA at the end of the 45 day appeal window. In the event of an appeal, the Board of Directors may thereafter continue the suspension for a definite time, lift 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.

Section 9 – Resignations

Any member may resign by addressing a letter of resignation to the Secretary of the Regional Club or to the Executive Director of the National Office. The recipient shall inform the other of the resignation. The member’s resignation shall become effective upon receipt and all Club privileges shall terminate as of that date. Resignation of an active member likewise terminates membership of his/her family or affiliate member. An active member may terminate the membership of an affiliate member named by written notification to the Executive Director of the National Office.

ARTICLE V: ELECTED OFFICERS AND SPECIAL APPOINTMENTS

Section 1 – Elected Officers

The elected officers of the Club 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 United States or Canada.

Section 2 – Special Appointments

The Executive Council shall appoint for an indefinite term an Executive Director for the National Office and an Editor of the Club’s official magazine at such salary and expense arrangements as it shall determine. It may appoint an Executive Vice President and such other persons as it may deem advisable to insure the proper operation of the Club. These appointments may be terminated by the Council or by the Board of Directors.

ARTICLE VI: EXECUTIVE COUNCIL AND BOARD OF DIRECTORS

Section 1 – Executive Council

The President, the Vice President, the last Past President continuing to be an active member of the Club, the Secretary, the Treasurer, the Executive Vice President, if any has been named, shall constitute the Executive Council in which the government of the Club shall be vested. The Executive Director of the National Office, unless otherwise requested by the Executive Council, shall attend its meetings. It shall be responsible for the proper conduct of the administrative affairs of the Club, 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.

Section 2 – Board of Directors

The elected officers, chairs of the standing committees, last Past President continuing to be an active member of the Club, Executive Vice President, if one has been appointed, and the Presidents of Regional Clubs in good standing shall constitute the Board of Directors of the Club. It shall be the responsibility of the Board of Directors to determine all matters of Club policy. The Board of Directors shall insure the proper conduct of the administrative affairs of the Club by the Executive Council, the fulfillment of duties by the officers, and compliance with these Bylaws. 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. 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, representation of two thirds of the Chartered Regional Clubs 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. Any Regional Club President who gives a proxy to a member of the Regional Club, or to the Zone Representative, 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.

ARTICLE VII: DUTIES OF OFFICERS

Section 1 – Duties of President

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. The President shall call at least 2 meetings of the Board of Directors per calendar year, one of which shall be during the Parade if one be held. 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 3 members of the Council. The President shall cause to be published in the Club's official magazine a semi-annual report on the status of the Club, its plans and programs, policy decisions reached by the Board of Directors and other pertinent matters dealing with the affairs of the Club. In the absence of the President, the Vice President shall preside, and act as President. In case of the President's death, resignation or disqualification, the Vice President shall become President.

Section 2 – Duties of Vice President

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

Section 3 – Duties of Secretary

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. The Secretary shall cause to be published in the Club’s official magazine notices of proposed and adopted amendments of these Bylaws and other matters relating to the proper conduct of the Club. The Secretary shall have custody of or cause to be kept by the Executive Director of the National Office the corporate seal at all times as well as the Club’s records. The Secretary shall issue charters to Regional Clubs which are duly authorized under the provisions of the Bylaws. The Secretary shall perform all duties incident to the Secretary’s office required by law.

Section 4 – Duties of Treasurer

The Treasurer shall have responsibility for all monies, debts, obligations and assets belonging to the Club. The Treasurer shall cause all monies of the Club to be deposited to the Club accounts in a bank or banks insured by the Federal Deposit Insurance Corporation. The Treasurer shall have direct control over, and supervision of, all Club assets and of all payments of Club debts and obligations. The Treasurer shall insure strict compliance with these Bylaws in all matters pertaining to the financial affairs of the Club. The Treasurer shall cause to be published in the Club’s official magazine a full and correct report semiannually on the financial status of the Club. The Treasurer shall also give a full and correct report on the financial status of the Club at any meeting of the Board of Directors. 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 Club. All checks or other orders for the payment of monies in the name of the Club shall be signed by the Treasurer or by such other person(s) as designated by the Executive Council, and who is (are) overseen by the Treasurer. The Treasurer shall submit the Treasurer’s books of account and records to a certified public accountant, at Club expense, at the close of the fiscal year.

Section 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. In the event of the death, resignation, disability or disqualification of a candidate for the office of Vice President, Secretary, or Treasurer, running unopposed, or elected but not yet seated, the Executive Council shall make an interim appointment to that office for not more than one year, during which time a special election will be held to fill the office for the remainder of the term.

Section 6- Financial Accounts

The Executive Council will specify a minimum of one additional Elected Officer's name other than the Treasurer as signature authority on the Club's accounts.

ARTICLE VIII: COMMITTEES

There shall be eleven standing committees of the Club, as follows:

- A. Procedures**
- B. Nomination**
- C. Technical**
- D. Membership**
- E. Parade**
- F. Policy**
- G. Insurance**
- H. Safety**
- I. Historian**
- J. Driver Education**
- K. Club Racing**

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 IX: ELECTION OF OFFICERS

Section 1 – Nominating Committee

The Nominating Committee, which shall consist of three members, each representing a different Regional Club, shall submit to the Secretary at least seven (7) months before the end of the calendar year in which any elected office is about to be vacated, a slate of one or more nominees for those offices about to be vacated. Within ten (10) days after receipt, the Secretary shall cause a copy of the Nominating Committee's report to be sent to the Board of Directors and Zone Representatives. The report shall subsequently be published in the Club's official magazine.

Section 2 – Nominations by the Members

Active members and/or family-active members in good standing constituting at least 3% of the then active membership, of which not more than one-third shall be members of any one

Regional Club, 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 printed name of Regional Club, and must be received by the Secretary at least one hundred forty (140) days prior to the end of that election year.

Section 3 – Notice of Elections

In the official magazine for the Club 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. During the first fifteen days of October of any election year, the Secretary shall cause to be mailed (or, if electronic means shall have been approved in accordance with these Bylaws, then by mail, by electronic means or any combination thereof), to all active members a notice of election and a ballot containing the names of all nominees for office. The notice of election shall set a return date for the ballot which shall be at least 30 days before the end of the year.

Section 4 – Ballots

A. All balloting may be by mail, with name and Regional Club printed. Mailed votes shall be cast on standard size postcards, indicating the member's choice of candidates and the offices for which they stand, and must be signed by the member. The ballot shall provide a space for the vote of the family-active member. Any member shall be entitled to write in the name of any member in good standing as their choice for any office. All mailed ballots shall be mailed to an independent certified public accounting firm or other independent firm which is in the business of handling stockholder and member votes, named by the Secretary, and must be received no later than the date set forth in the notice of election.

B. In addition, the Executive Council may investigate procedures for electronic elections and voting, giving due consideration to methods of voting which are reasonably secure, non- duplicative, and convenient, and which provide the essence of the ability to write in additional candidates and to have the votes sent to and recorded by the same certified public accounting firm or a separate electronic voting company, either of which shall be independent of any affiliation with the Club, named by the Secretary. If the Executive Council is satisfied that it has arrived at procedures that are efficacious and suitable for balloting, it may, with approval of the Board, adopt electronic voting procedures that may supplement mailed balloting procedures, and that may supersede mailed voting procedures for members preferring to vote by email or other electronic means.

C. Votes submitted in accordance with procedures adopted under Article IX, Section 4, A or B above shall be valid, and all other votes shall be invalid.

Section 5 – Tellers

The accounting firm shall tabulate the votes cast within fifteen days of the return date and shall make a written report to the Secretary. In the event that electronic votes are sent to a separate electronic voting company, such company shall report the results within seven (7) days to the selected independent certified public accounting firm or other firm in the business of handling stockholder and member votes, which shall include in its tabulation all

electronic votes properly and timely cast. The member who receives the greatest number of votes cast for the office for which the member is a candidate shall be declared elected.

Section 6 – Notice of Election Results

The Secretary shall cause to be published the results of the election in the Club's official magazine.

Section 7 –Duties of Newly Elected Officials

Upon tabulation of the votes the Secretary shall immediately notify the persons elected of their election. 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 and Zone Representatives whose terms are to start at the first of the next year, as well as other appointments which may be required. Where Zone Representatives are to be appointed this procedure shall constitute compliance with the provisions of Article X, Section 2A. At the discretion of the President-Elect, the meeting described above may be by telephone or mail, or electronic means.

ARTICLE X: ZONES AND ZONE REPRESENTATIVES

Section 1 – Zones Established

The Board of Directors may, from time to time, establish Zones by geographic divisions and may redefine the boundaries of existing Zones as needed. The Board of Directors may also disestablish or combine existing Zones as needed.

Section 2 – Zone Representatives

Before each calendar year new Zone Representatives shall be appointed by the Executive Council as follows to serve for two years:

A. Prior to the commencement of an odd-numbered year the President shall seek the advice of the Regional Club Presidents and the sitting Zone Representatives within the odd-numbered Zones and shall accept nominations therefrom as to candidates for their new Zone Representatives. Prior to the commencement of an even numbered year the President shall do the same thing as to the even-numbered Zones.

B. By a date to be set by the President, the Executive Council shall appoint a Zone Representative for each Zone. Such appointment shall be of an active member residing within the Zone, except for the corresponding Zone 11 Representative who may reside within the borders of the contiguous United States or Canada and whose residence shall be considered part of the Zone.

Section 3 – Duties of Zone Representatives

The Zone Representatives shall be responsible for the welfare and progress of Regional Clubs within their Zones. They shall attend all meetings of the Board of Directors and, prior thereto, shall solicit and be entitled to vote the proxies of Directors not attending. Such proxies shall be in writing.

Section 4 – Disabilities

In case of disability of any Zone Representative, the Executive Council shall appoint a replacement to serve the unexpired term. Removal of residence beyond the Zone shall constitute such disability. Such appointment shall be in accordance with Section 2(A) and (B) above

ARTICLE XI: FISCAL YEAR

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

ARTICLE XII: OBLIGATIONS AND INDEBTEDNESS

Section 1 – Authority to Incur Obligations or Indebtedness

A. Only the elected Officers or persons authorized by the Executive Council to act on behalf of the Club shall incur any obligation or indebtedness in the name of the Club. Authority to incur obligation or indebtedness beyond the elected officers of the club will be in writing, limited to specified persons, for a set time frame, and for a specified maximum amount of funds to be obligated. Contracting Authorities cannot obligate the Club, until contracts are approved by a majority vote of the Executive Council, and payment is authorized or made by the National Treasurer. 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 Club by reason of any such corporate obligations or liability.

B. No elected Officer or any other person authorized by the Executive Council to act on behalf of the Club shall incur any obligation or indebtedness in the name of the Club that would exceed a sum that is one percent (1%) of net dues revenues in the preceding fiscal year, without approval of a majority of the Executive Council, except for expenses related to the Club's official publications, the normal operation of the National Office, national insurance policies and other appropriate purposes determined by a majority of the Executive Council to be for the benefit of the Club.

C. Notwithstanding the foregoing, if any elected Officer proposes incurring an expenditure or obligation of the Club for other purposes that would exceed a sum that is two (2%) net dues revenues of the Club in the preceding fiscal year, the Executive Council must notify the Zone Representatives in writing or by fax, email or other electronic transmission at least fourteen (14) calendar days before incurring such expenditure or obligation. Either a majority of the Executive Council or a majority of the Zone Representatives, after consultation with their respective Regional Clubs, may within such fourteen (14) day period, require in writing to the President and the Secretary that such proposed expenditure or obligation 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 in writing by a majority of the Executive Council or a majority of the Zone

Representatives to the President and the Secretary within such fourteen (14) day calendar period (or such longer period, if any, stated in the notice to the Zone Representatives), the proposed expenditure or obligation is deemed approved.

D. Any expenditure or obligation of the Club that would exceed a sum that exceeds five (5%) percent net dues revenues of the revenues from dues of the Club in the preceding fiscal year, other than those involved in the ordinary operation of the Club's official publications or of the National Office, or insurance premiums, must be approved by a majority of the Board of Directors.

Recurring annual expenses involved in the ordinary operation of the Club's official publications, of the National Office, or of insurance coverage premiums do not need approval of a majority of the Board of Directors.

Section 2 – Unauthorized Obligations

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

Section 3 – Personal Liability for Unauthorized Obligation

The incurring of any obligation or indebtedness in the name of the Club 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 Club in an amount equal to the obligations or indebtedness which the Club may be required to pay.

Section 4 - Contracting for Goods and Services

A. Prospective contracts for goods, services, or other purchases shall be solicited by competitive bidding to the maximum extent practical. The Executive Council shall determine by majority vote which contracts with an annual value exceeding 1% of the net dues revenues of the previous year shall not be competitively bid.

B. The Treasurer , and, if required, other person(s) as designated by the Executive Council, and who are overseen by the Treasurer, are the Contracting Authorities for the Club, as outlined in Section 1.

Section 5- Financial Oversight

A. The Executive Director, all Committee Chairs, Special Appointees, the Zone Representatives, and individual members of the Executive Council shall prepare and submit annual budgets to the Treasurer for collective review and approval by the Executive Council.

- B. The Treasurer shall submit and the Executive Council shall internally review and audit quarterly reports on the Club's finances.**
- C. The Treasurer shall give a full and correct report on the financial status of the Club at any meeting of the Board of Directors.**
- D. The Treasurer shall cause to be published in the Club's official magazine a full and correct report semi-annually on the financial status of the Club.**
- E. The Treasurer shall submit the Club's financial records to an independent certified public accountant, at the Club's expense and at the close of the fiscal year, for audit. The results of this annual audit shall be reported by the Treasurer to the Board of Directors and the report itself shall be published in the Club's Magazine.**
- F. If the Club's annual expenses exceed revenue by more than 5% of annual net dues, the Executive Council shall report the reasons for the difference to the Board of Directors and take corrective action as appropriate.**
- G. The Club shall protect itself with either insurance or bonding to cover malfeasance by the elected officers, employees, and any individual empowered to sign checks in the name of PCA.**

ARTICLE XIII: REGIONAL CLUBS

Section 1 – Charters

Under normal circumstances the Executive Council may, in its discretion, grant a charter to any group of twenty-five (25) or more eligible Porsche owners, lessees or co-owners desirous of establishing a Regional Club, and who subscribe to the general objectives of the Club and agree to adopt no rules, regulations or bylaws inconsistent with these Bylaws. Under unusual circumstances a charter may be granted to a group of less than twenty-five (25). The geographic boundaries of a Regional Club shall be determined jointly by the proposed Regional Club and the Executive Council. In the event of a jurisdictional dispute between two or more Regional Clubs, the majority vote of the Executive Council shall resolve the dispute. The Regional Clubs, however, may appeal to the Board of Directors and the decision of the Board shall be final.

Section 2 – Regional Club Dues

Regional Clubs may provide in their own Bylaws for Regional Club dues greater than those set by the Board of Directors. The National Club will not assume responsibility for the collection and refunding of Regional Club dues in excess of those set by the Board of Directors.

Section 3 – Suspension

Any Regional Club may be suspended or have certain specified privileges revoked by a two-thirds vote of the Executive Council or the Board of Directors of the National Club for infractions of National rules, regulations, recommendations or for action inimical to the general or best interest of the National Club. Upon written notice of such suspension or revocation of privileges, the Officers of the affected Regional Club shall be afforded reasonable opportunity to be heard, in person or through a representative, by the Executive Council, the Board of Directors, or a committee appointed by the Council or the Board for this purpose, concerning the alleged misconduct. No suspension or revocation action by the Executive Council shall continue beyond the next regularly scheduled Board of Directors meeting where it shall be reported. The Board of Directors may then continue the suspension and/or revocation for a definite time, terminate the suspension and/or revocation or recall the Regional Club Charter, and its decision shall be final. Recall of a Regional Club charter shall result in the members of that Regional Club having their membership transferred into an adjoining Regional Club as well as the geographic territory of the terminated Regional Club being assigned to adjoining Regional Clubs by the Executive Council. Any residual assets of a terminated Regional Club are to be transferred proportionately to adjoining Regional Clubs accepting their members.

ARTICLE XIV: DISPOSITION OF SURPLUS FUNDS

At the close of each fiscal year all surplus funds of the Club as may exist, other than for such amount deemed desirable and necessary as a minimum working balance by the Executive Council shall be distributed among the chartered Regional Clubs and members in the following manner:

A. The pro rata share of any surplus shall be based on the number of Club members in good standing at the close of the fiscal year.

B. Regional Clubs shall receive from the Club's surplus an amount equal to the pro rata share of the Regional Club's memberships at the close of the fiscal year.

ARTICLE XV: AMENDMENT OF BYLAWS

Section 1 – Amendment of Bylaws

These Bylaws may be amended by a majority of the votes cast in a referendum of the membership.

Section 2 – Proposed Amendments

The Executive Council, Board of Directors, or active and/or family active members in good standing constituting at least 3% of the then membership, of which not more than one-third shall be members of any one Regional Club, 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.

Section 3 – Notice of Proposed Amendments and Referendum

The Secretary shall cause to be published in the Club’s official magazine 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 the Club’s official magazine, 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. Within fifteen days (15) following the mailing of said third succeeding issue, the Secretary shall cause to be sent by mail (or, if electronic means shall have been approved in accordance with these Bylaws, then by mail, by electronic means or any combination thereof), to all active members a ballot and a copy or facsimile of the initial publication of the proposed amendments and their explanations. The ballot shall specify a final return date of not less than 30 days nor more than 45 days from the date of the initial mailing. In addition, the Executive Council may investigate procedures for electronic voting on such referenda, giving due consideration to methods of voting which are reasonably secure, non-duplicative, and convenient, and which provide the essence of the ability to have the votes sent to and recorded by the Secretary. If the Executive Council is satisfied that it has arrived at procedures that are efficacious and suitable for balloting, it may adopt with the consent of the Board, electronic voting procedures that may supplement mailed balloting procedures, and that may supersede mailed voting procedures for members not objecting to voting by email or other electronic means.

Section 4 – Ballots

Mailed votes for or against a proposed amendment to these Bylaws shall be cast on a standard size postcard and must be signed by the members, with name and Regional Club printed. Each mailed ballot shall provide a space for the vote of the family-active member. All mailed ballots shall be mailed to the Secretary and must be received no later than the date set forth in the notice of referendum. Ballots cast electronically must be in accordance with procedures adopted by the Executive Council under this Article XV. Ballots cast in accordance with procedures adopted under this Article XV shall be valid, and all other ballots shall be invalid.

Section 5 – Tellers

The Secretary and any two members or Officers designated by the President shall serve as tellers and shall tabulate the votes cast in the referendum within 15 days of the return date.

Section 6 – 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 the Club’s official magazine.

