

Minutes of Trustees and Officers Meeting of Porsche 356 Registry, Inc

January 21, 2012 Phoenix AZ

1 Minutes of Trustees and Officers Meeting 356 Registry, Inc. January 21, 2012 Phoenix, AZ 1. Welcome and Call to Order The meeting was called to order at 9:00 a.m. by Chuck House, President, presiding. Also in attendance were George Dunn (Vice President), Vic Skirmants (Trustee), Joe Johnson (Trustee), Bob Garretson (Trustee), and Bob Campbell (Trustee), George Bryan (Trustee), Jim Liberty (Trustee), Gordon Maltby (Editor of 356 Registry Magazine), Fred Nielsen (Treasurer) and Karen Campbell (Secretary). 2. Approval of Prior Minutes UPON MOTION duly made by George D., seconded by Vic, and unanimously carried, IT WAS RESOLVED that the minutes of the October 30, 2011 meeting be approved in the final form circulated among the Trustees. 3. Ratification of Actions of the Trustees Taken Since October 30, 2011 Meeting a. Approved reimbursement for Fred Nielsen's one night room charge at the WCH hotel due to airline last-minute cancellation of his flight to attend the trustee meeting. b. Rejected Steve Szabo's submission to run for trustee based on the fact that he is not currently a member in good standing since he is currently banned from the website forum for behavior issues. c. Approved the logo submitted by the ECH committee for the 2012 East Coast Holiday. 4. Ratification of Trustee Election Results The newly elected Trustees, George Bryan and Jim Liberty, were welcomed and congratulated on their recent election. The counting of the ballots was done by the 356 Registry's CPA firm in Colorado, Lotspeich & Collins, P.C., under the direction of Susan Ketchum, CPA. 2 UPON MOTION duly made by Bob C., seconded by Joe, and unanimously carried, IT WAS RESOLVED that the results of the Trustee Election of 2011 be ratified and approved. There was a discussion on the progress of the ability to vote on-line through the website. Chuck discussed his efforts and the difficulties of ensuring that folks vote only once, verifying that they're valid members, etc. 5. Officer Elections a. Upon motion made by Joe, seconded by Bob C. and unanimously carried, George Dunn was elected to the office of President. b. Upon motion made by George D., seconded by Vic, and unanimously carried, Bob Garretson, was elected to the office of Vice President. c. Upon motion made by Vic, seconded by Joe and unanimously carried, Karen Campbell was elected to the office of Secretary. d. Upon motion made by Joe, seconded by Vic and unanimously carried, Mary Skamser was elected to the office of Membership Chairman. e. Upon motion made by Bob C., seconded by George D. and unanimously carried, Gordon was elected to the office of Magazine Editor. f. Upon motion made by George B., seconded by Bob G., and unanimously carried, Fred was elected to the office of Treasurer. 6. Treasurer's Report Fred distributed spreadsheets. The first sheet showed funds on deposit, \$335,836, in reserves, and Fred indicated that this amount in reserve feels is about right. He advised that the reserves should reflect the liabilities of the club if we were required to close down, and having too much in reserve might put us in jeopardy of losing our non-profit status. We have lost income lately due to a reduction in membership as well as low CD rates. Fred reiterated his belief that when we sponsor holidays, we need to be able to pin down a specific expense to take credit for. George B. indicated that he did not feel it a big imposition to be able to answer to the Registry when a club receives money. 3 Fred discussed the expenses of the trustees that are covered in relation to a trustees meeting. There was a discussion of whether or not to cover rental car insurance expenses incurred for trustees' meetings. Bob C. made a motion that each trustee use their own personal insurance with regard to rental cars. A discussion ensued. Chuck suggested that we make a policy that trustees do not take out the extra insurance and strive to utilize a credit card that will afford the additional coverage. Another discussion ensued. UPON MOTION made by Chuck, seconded by Vic, and unanimously carried, IT WAS RESOLVED that rental car insurance will be reimbursed if taken out by

a trustee in relation to a trustee meeting if the individual trustee does not feel comfortable that his personal insurance is sufficient. Trustees are encouraged to utilize a credit card that affords rental car insurance. When a trustee submits an expense report to Fred for reimbursement, it should include receipts. Fred monitors the expense reports; Fred's expenses are monitored by the President. With regard to the Palm Springs Holiday, there was a refund to the Registry of \$6,900.00. Fred recommends we have a tight year this year, and suggests we have our next meeting by a conference call. He indicated that money is tight, and he is trying to be able to pay the publishing costs without taking penalties for pulling money from the CDs prematurely. He recommends we not raise dues at this point because of the economy and our loss of members, suggests that we think twice before we authorize big expenses this year. Fred was commended for doing a great job.

7. Membership Report Gordon circulated a membership report that included a bar graph. It shows the decline of the membership since 2008. There were more late renewals this time than his last report. One hundred late renewals that are not reflected on the chart have been added since the chart was generated. Canada was just given its own category two issues ago, so the international numbers are approximately the same. Gordon explained that, when a person is receiving their last issue, notification of the expiration is printed onto the mailing package. There has been a lot of hand-holding with regard to the website, and Mary spends a lot of time assisting with renewals, etc. New members receive a "Troubleshooting Guide," along with a letter with a membership card that peels off. A discussion ensued about how the Trustees did not get new membership cards since they do not pay for their subscriptions. Gordon indicated that he will send all of the Trustees new membership cards.

4 The back of the membership card has instructions for the website that answers the most-asked questions on the web. International members get a different letter and membership card. Generally, things are running smoothly. Mary is very good at dealing with those who call. Club Presence/Recruiting at Events – The Literature Meet is upcoming in March, and there was a discussion with regard to whether or not to have a dedicated club table at the event. There is the potential to sign up new members, and existing members can renew at these events. It was agreed that it's nice to fly the flag and have a presence. The Goodie Store will be there, but Diane doesn't have time to deal with membership applications. It was generally agreed that the Registry should have a table there. Bob G. and Gordon will be in charge of the booth. Gordon will contact Wayne Calloway to arrange for the table to be next to the Goodie Store. Feedback from Race Car Classic – It was basically Bob C. and Gordon who manned the booth. They gave away many magazines. The Registry did not have a representation at Rennsport, which was unfortunate. Gordon talked about the booth at Laguna Seca a few years back where he manned the booth all day, which was burdensome. We will keep this in mind when Rennsport comes around again.

8. Editor's Report Drive your 356 day: Gordon asked for input and indicated that he cannot be objective about whether or not this should be covered in the magazine. The consensus was that the members love it. Vic suggested that it not be the sole or major article of the magazine. Bob C. thinks that the pictures inspire other people. Bob G. wondered about adding extra pages, but Gordon explained why that is not easy. Chuck suggested that Gordon establish a set number of pages. Gordon doesn't get a lot of feedback about the magazine. Joe indicated that he has heard great things about the last 4 issues of the magazine. Club calendar: An irate member wants it known that Jerry Keyser's calendar that the Registry accepts advertisements for is not Registry-related. Gordon brings up the question of whether the Registry should have a club calendar. Gordon had previously done two calendars, but then received a letter from Porsche forbidding him from continuing. Now that we have the authorization from Porsche, we have the legal license to produce a calendar if we like. George B. suggested that it could be extra income for the club. Gordon could have it done in China for about

\$1.50, but prefers to have things done locally. Chuck feels that anything with the Registry logo be sold through the Goodie Store. It was 5 suggested that Gordon get more details and report back to us on this subject. Fred likes the paper that is used in Jerry Keyser's calendar. George B. asked if we could develop an App that would download to the iPhone. Chuck indicated that it is a whole different challenge that we're not equipped to take on. Membership Survey – Paul Gregor's superiors want to know what our members are willing to do with regard to purchasing newer cars. Gordon feels their questionnaire is too long. It lists each car individually from the past which we believe they did so that the survey can be interpreted digitally. When finalized, it will be on their website, and there will be a link pointing there from our website. Jim spoke about how Paul Gregor is pressured by his superiors to deliver results and substantiate why Porsche should continue to support clubs. At this time, the survey is not yet ready. Once it is ready, we will advertise it and promote cooperation from our members as much as possible. Gordon stated that, if we know anybody who owns a 356 and has bought a new Porsche, we should let them know. Advertising the Registry in outside magazines – We've gone to color ads in recent years. We've gone to a 1/3rd page in Excellence because it's a better value. His newest ad depicts the front of a 991 and a 356 and says, "How do you know where you're going if you don't know where you've been?" This dovetails with the efforts by Porsche. Gordon also strives to promote authentic 356s rather than replicas. Our ads are in Classic Porsche, 911 World and Excellence. Gordon asked for suggestions for new ads and a discussion ensued. It was agreed that Gordon's ads are clever and attractive. Fred asked if there is a way to see what type of return we get from our ads, and it was determined that it is almost impossible now that the website has such a major impact. It was discussed that the ads be placed on the website, since many of the people who go to the website are non-members. Gordon indicated that there is value in "flying the flag" and keeping the Registry in the peoples' consciousness. Gordon has printed two posters – Wag their tail and Grils just want to have fun. He found that people weren't all that interested in them. He has a few thousand sitting around. He asked that if we can think of a way to use them, please let him know. Bob G. asked Gordon to contact the European clubs and see if they will run our ads. Gordon is skeptical and feels they may ask for a return free ad in our magazine. It was agreed that he will ask, that it doesn't hurt to ask. It was discussed that the Club information in the magazine is sometimes out of date. 6 Gordon has been trying to throw a bone to Porsche, and did a piece about the electric car and the new Cayman black edition. He's trying to have current Porsche news in the magazine by dovetailing it with a story in the magazine. He hasn't had any complaints yet. Gordon feels that Paul Christensen's articles are great, very thorough. He's on time and takes great photos. Gordon is paying Phil Carney for his articles now. Gordon was paying \$300 for articles that had already been published elsewhere. Phil is now receiving \$1,000 per issue. He could get more from other magazines for the same material. From the feedback Gordon gets, the members love it. Now and then we pay an additional contributor. We don't pay Paul and we don't pay Edwin Schweitzer. Edwin is now sending higher resolution photos. Gordon hasn't had much feedback about Edwin's articles. Fred indicated he had heard from people who like it, and the trustees generally like his articles. Gordon has been using the same printer for five years now and he's looking around for a possible new one. Masthead – We need to bring it up-to-date. We need to drop Bret Johnson as factory liaison. The masthead was reviewed and discussed. Jim Johnston's article – It's not technical, it's just reflections. It's called Daily Driver. George D. thinks Gordon should make it every other issue, and Gordon agrees. Jim suggested that someone who knows what they're doing submit articles about daily maintenance. Chuck thinks there's some merit if it's like "back to basics" and it could refer back to older articles. Jim feels that since the cars are changing hands, the new owners could use some direction. Gordon points out

that the new owners are computer-savvy and get information off the internet. Vic points out that the basic stuff is in the Owner's Manual. He feels that "Maintenance 101" articles would cause the members' eyes to glaze over. 4 Cams – Joris Konig. He would like to see the 4-cam forum revived in the magazine. Gordon feels he has good ideas and is a good writer. Jim L. feels it's a waste of space. Fred points out that few people have 4-cam cars. Gordon would love to see the 4-Cam Forum revitalized in the magazine. George D. agrees with Jim L. that it's not interesting to a non-4-cam owner. Nonetheless, if Joris makes it interesting, it should be considered. Joris is a young guy, pretty interesting, but needs guidelines from Gordon, and his articles should be reviewed after a couple of times to determine whether or not to continue. Fred feels it should not go in every magazine.

7 9. Insurance Report We recently received an application from the Florida Owner's Group. We need to update the insurance instruction form on the website to tell them to sign on Page 2 and to make their checks payable to K&K. Karen will send the revised instruction form to George D. and Joe.

10. Electronic Media Report Joe presented a report that was prepared by Barry Briscoe. There were 187,000 unique visitors in 2011. There were 950,851 visits to our website and 8 million web pages reviewed by these people. On average, they viewed 8.43 pages and spent 7 minutes on the site. 356 talk had 3 million plus. Classified had 2 million plus page views and nobody to manage it. The most popular in classified were cars, parts, other Porsche parts and lit/mobilia. Other links were less popular. The hits came from 183 countries. The question of whether or not it is time to consider selling advertising time and banners on the website was next discussed. George B. talked about banners on other web sites. According to his contacts, it's not a difficult thing to do. The advisability of this was discussed. Someone would need to manage it, accept payment, etc. Gordon is already set up to accept money. Gordon thinks we should tie this in with the links, but it was felt that the links were beneficial to the general membership. Joe pointed out that we spend a lot of money on web fees, and that this may be a way to earn something against those costs. George B. recommends we make them similar to the banners at the bottom of the Samba website.

a. Current website report/stats

1. New Classifieds Moderator – George B. has been released and replaced by Curt Dansby. Curt has been on the job about 30 days now and has done a good job. George B. talked about some of the specific problems that the moderators encounter.

2. Trustee-only web page – This Trustee tool is still there, still active, and nobody uses it. It's an archive of important documents. The contract with Porsche is there, along with all of the Minutes for the recent trustees meetings, the by-laws, etc.

3. Remaining website changes – There are a few clean-up things to be done. On the matter of swapping the logos, Chuck has to change the template. He's going to send out an e-mail to Barry, Brian and Mary, asking their opinion of what things need to be changed, and reviewing their feed-back. He will then tidy up some of the items. Thereafter, Chuck will be available for 8 questions, etc., but doesn't intend to continue to maintain the website. So we need to find someone to go to for this support.

b. Website maintenance

1. Single Hop – Working well. We have them on the bank card, which expires in February, so Fred needs to update the information to keep it going. They provide our primary website hosting, as well as a back-up service for us, so if anything happens, it can be restored.

2. Tellurian – We still need this host, and it costs us \$600 per year. It has a database that we need to retain that is written to a program that is too difficult to convert over. The conversion is easy, but the problem is making everything come out correctly and accurately.

c. 356 Forum

1. Digest Requests – Bob C. feels that the digests are becoming a problem. It seems to be working now, but occasionally there are problems. There are less than 200 people on the digest, but they are devoted, adamant digest members. Chuck feels we should let everybody know that this is a special service that is provided for the members, and that it causes some problems that may or may not be maintained in the future. There's really nothing

we should do at this time. 2. Communicating with problem members – In the past, if an issue gets beyond the moderators’ authority, Chuck has been consulted. Since he won’t be doing this anymore, we need to assign someone as the point person as far as policy and dealing with problem members. We do not want multiple trustees responding because then it becomes disjointed. The philosophy is that the moderators police the forums, and that the Trustee doesn’t step in until it gets beyond the authority of the moderators. George B. offered to act in this role, citing his experience. George D. supports having George B. function in this role. This is something that there is not a need for every Trustee to become involved in. All of the Trustees would need to be involved only if a situation involved a policy change. UPON MOTION made by Bob G., seconded by Bob C. and unanimously carried, IT WAS RESOLVED that George B. act as trustee liaison to the web moderators. 3. Four-cam issue – Michael Doyle, Steve Heinrichs, & Jacques Lefriant decided there should be a separate 4-cam forum on the website. Barry Brisco tried to work with them, and they got nasty. Recently, Barry has been abused and criticized publicly. Barry felt that he was not being supported by the trustees. The administrators do not want to create new forums for separate interests because it becomes an administrative nightmare. George D. reported that our moderators feel we have too many forums already, many of them underused. A discussion ensued. George D. sent a private message to all three of these individuals. Doyle replied that George’s response was not acceptable; Heinrichs said all the trustees need to be aware of this or he will post George’s response on the public forum; and there has been no response from Lefriant. George Dunn will stay with this issue until it is resolved. We will support Barry’s decision as to whether or not to lock the threads, or whatever decision is made. 11. Old Business a. Summary of Club President’s Meeting in So. Africa George D., Chuck and Bob G. went. It was awesome; the plane ride was not. The meeting was different – it was geared toward the dealers, and the President’s meeting was tacked on at the end. It was really upscale – a networking opportunity. There were about 65 clubs represented from many different countries. The Registry is the third largest Porsche Club in the world. We’re the #1 Classic Porsche Club in the world. Porsche has mailed out a timeline of Porsche clubs. The founding of the 356 Registry is set out at 1974. Porsche has this type of meeting every five years. It was agreed that, given our standing, it is essential that we attend. If Chuck had not gone to the previous meetings, he would never have made the connections that have helped the Registry achieve the success we have achieved, to wit: our contract with Porsche AG. Porsche spent millions on this event and it was phenomenal. Chuck’s recommendation is that we always send a representative to these meetings. Fred stated his belief that this is one of the reasons why Porsche AG gives us \$15,000 towards our holidays. 12. New Business a. Trustee email security – Previously, Al Zim shared personal emails between the trustees with Bill Sampson. It made a bad situation worse. Gordon suggested that we put a confidentiality notice at the end of our signatures. It would not stop anyone from passing an email along, but it may be helpful legally. Gordon has already circulated the proposed notice by email amongst the trustees. b. Letter from 356 Club of Japan – Chuck read a letter thanking us for the money we donated for Diane to send a selection of Goodie Store items for a raffle or auction for the tsunami relief. 10 c. Porsche AG Club Historical Calendar – Examples of Porsche’s recognition of the Registry. d. Autocross/Hill climb policy – From our previous trustee actions, there are no more hill climbs, but autocross is still allowed. An autocross must first be approved by the trustees, and the promoter must obtain insurance from our policy with K&K, which would necessarily contain a diagram of the proposed course. George D. feels the course needs to pass the “common sense” test. George D. will discuss this matter with the organizers of the ECH, as they are claiming to be having one. e. 356 Car sponsorship request for 2012 for 2012 North-MeetsSouth – This event is being organized by the North this year, and they have asked for \$850. Fred

feels the money should be designated to specific uses. This event involves multiple regional clubs and will take place on April 26, 2012. The 356 Registry has supported this event in the past. UPON MOTION made by Bob G., seconded by George Bryan and unanimously carried, IT WAS RESOLVED that we donate the \$850 to the North Meets South Event for 2011. f. 2013 International Meet – George Bryan was selected; Jim Liberty is the alternate. g. Update of 2012 ECH in Boston – George Dunn is working with Tom Tate on this. The badge has been approved. George tried to encourage them to incorporate the 356 Registry into the badge, but was unsuccessful. The shape of the badge is an oil filter. George encouraged him to apply for the insurance early, but he has not yet applied. George is also awaiting the plans for the proposed autocross. It has been frustrating. Joe pointed out that everything in the event is expensive. They are charging \$50 for the autocross, and it seems that there is a hefty charge for every activity. Chuck will check to see if we have committed to award the ECH a specific sum of money. Bob G. suggests that George ask them whether or not they are planning on any subsidy from the 356 Registry (since it appears they are charging enough to cover all expenses). The Porsche representatives are in contact with the organizers, and it is important that they refrain from discussing the disbursement of the money we receive from them. For example, the organizers of a holiday would expect to receive half of the Porsche gift, which may or may not happen. h. Zia 356 Club (New Mexico) and Fritz Hollings WCH 2012 proposal – At the last meeting, it was decided that their proposal be denied (due 11 to their infighting). Fritz Hollings wrote back, and he was somewhat angry. Joe Almers was in agreement with our decision. i. 2012 WCH prospects – John Jenkins is considering putting on the WCH, but there is a conflict with the So. California club's planned Fall Festival. This discouraged John Jenkins, and he has backed down. j. How to reduce the cost of attending a Holiday – The cost of attending a holiday keeps rising. The new organizers ask to see what the costs were for the last holiday, then add more margin in, and it ends up costing more. George Bryan talked about his recent, informal event, and how people commented that they preferred his holiday to the big holidays; that they enjoyed just kicking back and drinking a beer. He suggests we have one big holiday per year that alternates between the East and West Coast. We could then encourage the local regions to put on "arrive and drive"-type, low-cost events. A discussion ensued. George has been approached by at least six guys since his event, inquiring on how to put it together, etc. His event was not a lot of trouble, was not expensive, and was very casual. George confided that when he went to the website and reviewed the contract for the holidays, he was intimidated by all of the requirements. It was suggested that perhaps in Gordon's or in George's column we could put out the word that we are looking for a means to present a low-cost, low-key event and ask for suggestions and volunteers. Jim Liberty suggested we put together a little cookbook that tells the steps an organizer could refer to and see what would be involved. George felt that the regional cooperation was appreciated (four clubs went together for his event). It was proposed that the Registry could support these regional events by providing advertising in the magazine and on the website, and possibly commit some money designated for some specific purpose. Chuck suggests George say in his column something to this effect: "We don't have a WCH yet; if anyone is interested, we'd like to hear from you. Also, we're considering supporting a smaller, regional event...." k. Additional item by George D.: George D. feels we should create a new officer position for Chuck, "356 Registry Liaison with Porsche." In this capacity, Chuck would not attend trustee and officer meetings, but we could call on him when it would be of benefit. Chuck has indicated his willingness to serve in this capacity. Chuck receives several e-mails per month from Porsche, and he knows quite a bit about the provisions of the contract that we have with them. When Porsche changes their personnel, he often has to educate them as to our rights. 12 UPON MOTION made by Bob C., seconded by Joe, and unanimously carried, IT WAS

RESOLVED that a new officer position be created, entitled "356 Registry Liaison with Porsche," and that Chuck House be named to this position. I. Registry position on replicas – Gordon went to a dealer and saw that they had two replicas that had 356 Registry stickers on them. He was told that these were the only two replicas that have been accepted by the 356 Registry. Gordon wants us to write a letter to this dealership, Park Place Limited in Washington State. They also had custom floor mats with the Porsche logo. Gordon may report this to Porsche. George D. suggested Gordon report this to Paul Gregor and ask them to send a letter on behalf of both of our entities. The next Officers and Trustees meeting will be held on September 22, 2012 at a hotel near the LAX airport. The meeting was adjourned at 5:00 p.m.