



# **PROCEDURES MANUAL**

## **MBCA BYLAWS and STANDARD OPERATING PROCEDURES**

**November 2022 Edition**

## **Foreword**

This manual is posted on the MBCA Website along with all the forms listed in the Appendix for all other MBCA leaders and members. The CTRL F (find) feature may be used online to quickly find subjects of interest. The manual provides valuable information, guidelines and standard operating procedures for local and national administration of the duties and responsibilities of MBCA leaders.

Our Bylaws provide mandatory provisions which must be followed unless in conflict with Colorado law. This edition reflects changes to the MBCA Bylaws that have been approved by the members since the last edition was published.

The MBCA National Board has adopted the Standard Operating Procedures as guidelines for the operation of the National Administration, Regions and Sections. Their enforcement is within the prerogative of the National Board as is their applicability to any particular set of situations. The National Board may choose not to enforce or suspend their operation so long as to do so is not inconsistent with the MBCA Bylaws. The Standard Operating Procedures may be changed or modified by a majority vote of the National Board at any time.

In the text the use of “may” indicates permissive provisions. The use of “shall” indicates mandatory provisions.

In the text the National Business Office (NBO), Regional Directors (RD) and Directors at Large (DAL) are referred to by their acronym.

The manual is an evolving document intended to assist all those in positions of responsibility within the MBCA family. Any comments, suggestions, criticisms or errors should be reported to:

Mercedes-Benz Club of America, Inc.  
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Colorado Springs, CO 80909-2872

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# **SECTION ONE: NATIONAL BYLAWS OF THE MERCEDES-BENZ CLUB OF AMERICA, INC.**

## **NATIONAL BYLAWS**

### **ARTICLE I: DEFINITIONS**

#### **Section 1. Club.**

The Mercedes-Benz Club of America, Inc.

#### **Section 2. National.**

The Club as a whole, or when applied to its governing body, the National Board of Directors.

#### **Section 3. Region.**

An administrative geographical area containing Sections as determined by the National Board of Directors.

#### **Section 4. Section.**

One of the local groups of members of the National Club, organized as a corporation subordinate to the National Club.

#### **Section 5. *The Star*.**

The official National publication of the Club.

#### **Section 6. Standard Operating Procedures.**

The manual of procedures for the Club.

#### **Section 7. Acronyms Used.**

The National Business Office is known as the NBO.

Mercedes-Benz USA is known as MBUSA.

Daimler AG is known as DAG.

### **ARTICLE II: MEMBERSHIP**

#### **Section 1. Classification of Members.**

- a. Active Members: Up to two individuals from one household at least 18 years of age paying one membership fee, listed with the NBO.
- b. Honorary Members: Honorary membership may be conferred on a person by the National Board for such period as it chooses.
- b. Lifetime Honorary Members: Upon completion of their terms of office, National Presidents become Lifetime Honorary Members. They pay no dues but enjoy all rights and privileges of Active Members. Lifetime Honorary Membership will be transferred to the spouse of a National President upon the past National President's death, but only if the spouse was married to the National President during the tenure of office.

## **Section 2. Application – Membership.**

- a. Applications for membership shall be submitted to the NBO, accompanied by the dues in effect on the date they are submitted.
- b. Membership renewal notices shall be sent to Active Members. Membership will lapse if dues are not paid when due.

## **Section 3. Reprimand, Censure or Expulsion from Membership.**

The National Board, upon its own initiative or upon the resolution of the current legal governing body of any Section, may bring expulsion charges against any member for conduct detrimental to the welfare of the Club, including, but not limited to, violation of the Club's Bylaws, Standard Operating Procedures or Standards of Business and Professional Conduct and Code of Ethics. The affected member shall be notified in writing with a full statement of the reasons by first class mail sent to their last known address. Within 30 days of mailing the charges, the member may request a hearing before the National Board by mailing such request to the NBO. If a request for hearing is not received within 30 days, the National Board may decide what level of action is appropriate. If a hearing is requested, it shall be held at a place to be determined by the National President. The hearing shall be informal and the rules of evidence shall not apply.

Following a hearing, the National Board shall decide whether to terminate the membership. The National Board may, with or without a hearing, take action less than expulsion, including reject the charges, reassign the member, reprimand the member or such other action as may be appropriate. The decision of the National Board is final and cannot be appealed.

If membership is terminated, all membership privileges, including prepaid dues, shall be forfeited. Any member expelled, or who resigns after expulsion charges have been brought, is barred from any class of membership for life.

## **Section 4. Section Affiliation.**

Members may request assignment to any Section. Without specific request, a member will be assigned to a Section within the geographical area of residence. Members who do not reside in any Section's geographical area will be assigned to the appropriate Regions as Members at Large. NOTE: When a change of address occurs, the Section will not be changed without notification from the member.

## **Section 5. Membership Privileges.**

- a. Membership is a privilege, not a right. Membership applications may be accepted or rejected. Active Memberships may be terminated and members expelled per Section 3 of this Article.
- b. Only one Active Member per household may vote in National elections and/or hold National office if only one membership fee has been paid. If more than one membership fee is paid per household, then each paid membership fee conveys the right to one Active Member ballot in National elections. All Active Members may vote in Sectional matters.
- c. All members may attend and participate in Club activities.
- d. All members may attend open meetings of the National Board as observers. Observers may voice opinions and enter into discussion at such meetings if invited to do so by the National

Board. An observer may not make or second a motion, nor vote on any action taken by the National Board.

- e. Members may write to their Regional Director at least 45 days prior to a National Board Meeting, stating matters they wish brought before the National Board.

#### **Section 6. Dues.**

The dues for Active Memberships shall be fixed by a two-thirds vote of the National Board. Dues for a given period include a subscription to the official club publication, *The Star*.

#### **Section 7. Rebates.**

The National Board of Directors, by a two-thirds vote, may determine the amount of and conditions under which a portion of a member's dues may be paid to that member's Section as a rebate.

### **ARTICLE III: ORGANIZATION**

#### **Section 1. The Club.**

The Club is an organization whose purposes are to:

- a. Serve the interests of Active Members through official contacts with DAG and MBUSA.
- b. Assemble members and guests in social settings.
- c. Provide opportunities to enhance members' enjoyment of their Mercedes-Benz vehicles.
- d. Facilitate procurement of technical and engineering information about Mercedes-Benz vehicles.
- e. Participate in events with Mercedes-Benz vehicles (except as provided for in the Standard Operating Procedures) at the Section, Regional and National levels.
- f. Represent the marque in contemporary motoring circles.

#### **Section 2. Regions.**

The Club is divided into geographical areas called Regions. The number and composition of the Regions in the Club may be changed from time to time as the National Board directs, in order to promote proper organization and administration of the membership. Notification of such impending changes shall be made in writing by the National President to all involved Regional Directors, Directors at Large and involved Section Presidents 60 days prior to final action by the National Board.

#### **Section 3. National Chartering of Sections.**

Groups of members of the Club may be chartered by name under the National Charter as Sections within a Region and shall be subject to the jurisdiction of the National Board. A Section may not change its name without prior approval of the National Board.

#### **Section 4. National Business Office.**

The Club shall maintain a NBO for the administration of its affairs. The office shall be staffed by an Executive Director and such additional personnel as required to maintain efficient operation.

## **ARTICLE IV: GOVERNING BODY**

### **Section 1. National Board.**

The governing body of the Club shall be a National Board, referred to throughout these Bylaws as the National Board. The National Board shall have the authority to establish from time to time the composition of the National Board and the number of Directors as determined by the National Board to promote proper governance and organization of the Club. Any action of the National Board to change the composition and/or the number of Directors shall constitute an amendment of all applicable Sections of these Bylaws effecting such change, and any revisions to applicable Sections of these Bylaws resulting therefrom shall be made by the National Board under the provisions of Article X, Section 1 of these Bylaws. A past National President shall serve as an ex-officio, non-voting member of the National Board during the presidency of his or her immediate successor's term and shall not be eligible to serve as a Director At Large at any subsequent time, except that the immediate past National President shall retain his or her position as a Director at Large until completion of a term to which he or she had already been elected.

### **Section 2. Quorum.**

A majority of the members of the National Board, either in person or by proxy, shall constitute a quorum for the transaction of business at any meeting.

### **Section 3. Proxies.**

For purposes of determining a quorum with respect to a particular proposal, and for purposes of casting a vote for or against a particular proposal, a Director may be deemed to be present at a meeting and to vote if the Director has granted a signed, written proxy to another Director who is present at the meeting, authorizing the other Director to cast the vote that is directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy. Except as provided in this Section and as permitted by applicable law, Directors may not vote or otherwise act by proxy. (*See Proxy form, Appendix E.*)

### **Section 4. Voting.**

Except as otherwise stated in these Bylaws, a majority of the votes cast shall be sufficient for the determination of any matter at any meeting. "Motions" and "seconds" may be made only by National Board members.

### **Section 5. Meetings of the National Board.**

The Club fiscal year shall be from January 1 through the succeeding December 31. The annual meeting of the National Board of Directors shall be held in the month of November in conjunction with the annual meeting of the membership. The National Board shall hold regular meetings twice during the calendar year. With the advice and consent of the National Board, the National President will determine the date and manner of holding other meetings. All requests to host a National Board Meeting shall be made through the Regional Director from the Region of the proposed host Section. The 'How to Host a Board Meeting' document is on the MBCA Website under Club References.

### **Section 6. Special Meetings.**

Special meetings of the National Board may be called by the National President, and in the National President's absence or disability, by the National Vice President. In addition, a special

meeting of the National Board may be called at any time by written notice to the National Secretary, signed by a majority of the members of the National Board.

### **Section 7. Notice.**

Notice of all meetings of the National Board shall be delivered to members of the National Board at least 20 days prior to the date of the meeting. Such notices shall contain the date, time and place of the meeting, plus an agenda of items to be discussed. The agenda shall be in such detail as to provide members of the National Board a reasonable knowledge of the items to be considered. All notices of special meetings shall state the purpose as well as the time, place, and date of such meetings.

### **Section 8. Action Without a Meeting.**

Unless otherwise provided by law, any formal action required or permitted to be taken at a National Board Meeting or at a meeting of a Committee of the National Board, may be taken without a meeting if:

- a. Each National Board member or Committee member is given ten days advance notice, in writing, before a requested vote;
- b. The notice required by Section 8.a. states (i) the action to be taken; (ii) the time by which a National Board member or Committee member must respond; (iii) that failure to respond by the time stated in the notice will have the same effect as: (I) abstaining in writing by the time stated in the notice and (II) failing to demand in writing by the time stated in the notice that action not be taken without a meeting; and (iv) any other matters the Club determines to include;
- c. Any National Board member or Committee member may comment on the requested vote;
- d. By the time stated in the notice given pursuant to Section 8.a., every member of the National Board in writing either: (i) votes for such action; or (ii) votes against such action, abstains from voting, or fails to respond or vote, and fails to or waives the right to demand that action not be taken without a meeting;
- e. Action is taken only if, at the end of the time stated in the notice transmitted pursuant to Section 8.a., the affirmative votes in writing for such action equals or exceeds the minimum number of votes that would be necessary to take such action at a meeting at which all Directors then in office were present and voted; and
- f. Any written communication required by this Section 8 may be received by postal mail, electronic mail, facsimile or other wire or wireless communication providing the Club with a complete copy of the document including a copy of the signature, and is not effective until received.

## **ARTICLE V: NATIONAL BOARD**

### **Section 1. National Officers.**

The National Officers of the Club shall be the President, Vice President, Secretary and Treasurer who must be Directors at Large.

### **Section 2. National President.**

The National President shall be the Chief Executive Officer. The National President shall have the powers and responsibilities of management usually pertaining to the office of president of a corporation and other duties as may be assigned by the National Board.

### **Section 3. National Vice President.**

The National Vice President, in the absence of the National President, shall perform all the duties of the National President, and, when so acting, shall have all the powers and be subject to all the responsibilities of the National President. The National Vice President shall have such other powers and duties as may be assigned by the National President or the National Board.

### **Section 4. National Secretary.**

The National Secretary shall be responsible for recording the minutes of the National Board Meetings and shall deposit them with the NBO. The minutes shall include the time and place where such meetings were held, the names of those present, a summary of the proceedings, and actions taken by the National Board.

### **Section 5. National Treasurer.**

The National Treasurer shall keep, or cause to be kept, adequate and correct books of accounts or transactions involving the receipt or payment of Club funds as well as the records of ownership of Club property. The National Treasurer shall make available to any member, upon request, the financial reports of the Club. The National Treasurer, or the Executive Director as agent, shall deposit all funds and other valuables in the name of and to the credit of the Club with depositories approved by the National Board. The National Treasurer, or the Executive Director as agent, shall disburse Club funds as properly required and shall render an account of these transactions and of the financial condition of the Club at each National Board Meeting. The National Treasurer and the Executive Director shall be bonded in an adequate manner at Club expense.

### **Section 6. National Secretary-Treasurer.**

If the office of National Secretary and National Treasurer are held by one person, that person shall be given the title National Secretary-Treasurer.

### **Section 7. Directors at Large.**

There shall be elected from among the Active Members such number of Directors at Large as and to the extent established from time to time under the provisions of Article IV, Section 1 of these Bylaws. The Directors at Large shall be members of the National Board. Each Director at Large shall have the duties and obligations to the Club as set forth from time to time by the National President and the National Board. No Director at Large shall be a Section Officer but may be a Section Director.

### **Section 8. Regional Director.**

The members of each Region shall elect a Regional Director to represent them on the National Board. Each Regional Director shall be a member of the National Board. Regional Directors shall promote membership growth and the formation of new Sections within their Regions and shall promote and coordinate combined Regional Events whenever possible. The Regional Directors shall have the power to appoint Committees within their Regions to assist in the performance of their duties. The Regional Director and the Presidents of all the Sections within a Region shall constitute the Executive Committee of the Region. No Regional Director shall be a Section Officer but may be a Section Director.

### **Section 9. Election.**

The National President, National Vice President, National Secretary and National Treasurer shall be elected by the National Board by a secret ballot majority vote of the incoming National

Board at an executive session following the close of the Unfinished Business at the Annual Meeting. These Officers must be elected from among the Directors at Large, all of whom have at least one year of their terms to run, and must hold their office as Directors at Large during their tenure of office as National President, National Vice President, National Secretary and National Treasurer. These Officers shall be elected for a one-year period, and their terms of office shall commence immediately upon their election and assumption of their duties.

#### **Section 10. Resignation.**

Any National Board member may resign by giving written notice to the Club. Such resignation shall take effect on the date notice is received by the Club unless a later effective date is specified in the notice. If a resignation is made effective at a later date, the National Board may permit the National Board member to remain in office until the effective date or the National Board may remove the National Board member at any time before the effective date and may fill the resulting vacancy before the effective date with the provision that the successor does not take office until the effective date. Resignation shall not affect the National Board member's responsibility to turn over to a designated successor all Club records and property.

#### **Section 11. Removal.**

- a. Any National Board member may be removed, with or without cause, as follows: (i) a Director at Large may be removed only by vote of the Active Members eligible to vote in the election of Directors at Large; (ii) a Regional Director may be removed only by a vote of the Active Members eligible to vote in the election of that particular Regional Director; (iii) a proposal to remove a Director shall be adopted if approved by the majority of the votes cast; (iv) a Director may be removed at a meeting called for the purpose of removing that Director, and the meeting notice shall state that the purpose, or one of the purposes, of the meeting is removal of the Director; provided, however, that the vote to remove the Director may be accomplished by ballot of the Active Members entitled to vote on the proposal in a method that is fair and reasonable; (v) before such action at a meeting or by ballot, the National Board member in question shall be notified by certified mail of the pending action and the National Board member in question will be given 30 days to respond to the National President (in the event the National President is the National Board member proposed to be removed, the response shall be sent to the National Vice President); (vi) prior to the vote on the proposal, a copy of the response will be provided to the Active Members who will vote on the proposal (in the case of a vote by ballot, the response will be included in the materials provided with the ballot); and (vii) a Director elected by the National Board to fill the vacancy of a Director elected by the Active Members may only be removed by a vote of the Active Members under subsections (i) or (ii), as the case may be, and not by the National Board of Directors.
- b. Any National Officer may be removed, with or without cause, at any regular or special meeting of the National Board by a vote of two-thirds of the full National Board membership. Proxies may be used. Before such action, the National Officer in question shall be notified by certified mail of the pending action. The National Officer will be given 30 days to respond to the National President, who will provide all National Board members with copies of the response. In the event the National President is being removed, the notice shall be sent to the National Vice President who will then provide all National Board members with a copy. Prior to any such action by the National Board, the affected National Officer may request a hearing before the National Board. If such request for a hearing is



not received within the specified 30-day period, it will be assumed that no hearing is desired, and the National Board will be free to act.

- c. Removal action by the members or the National Board, as the case may be, is final. Removal shall not affect the National Board member's or Officer's responsibility to turn over to a designated successor all Club records and property.

### **Section 12. Vacancies.**

A vacancy on the National Board or of any National office may be filled for the unexpired term by election of an Active Member by majority vote of the National Board. The Governance Committee will provide to the National Board recommendations of qualified candidates to fill any vacancy.

### **Section 13. Performance of Duties.**

A Director shall discharge his or her duties, including the Director's duties as a member of a Committee of the National Board, and each National Officer with discretionary authority shall discharge his or her duties under that authority:

- a. In good faith,
- b. With the care an ordinarily prudent person in a like position would exercise under similar circumstances, and
- c. In a manner the Director or Officer reasonably believes to be in the best interests of the Club.

In discharging his or her duties, a Director or Officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- a. One or more Officers or employees of the Club whom the Director or Officer reasonably believes to be reliable and competent in the matters presented;
- b. Legal Counsel, a public accountant or another person as to matters the Director or Officer reasonably believes are within such person's professional or expert competence;
- c. In the case of a Director, a Committee of the National Board of which the Director is not a member if the Director reasonably believes the Committee merits confidence.

## **ARTICLE VI: MEETING OF THE MEMBERS**

### **Section 1. Annual Meeting of the Membership.**

The annual meeting of the National Board in November shall be considered the general membership meeting of the year. All members are invited to submit items for consideration by the National Board through their elected representative, their Regional Director. All members are invited to attend this, or any regular National Board Meeting, as desired. The date, time and location for such meeting shall be published in *The Star* well in advance.

### **Section 2. Quorum – Business.**

A quorum for the annual meeting and general membership meeting of the year shall consist of those members present. Such business may be transacted as is properly brought before the meeting.

## **ARTICLE VII: NOMINATIONS AND ELECTIONS**

### **Section 1. The Term “Member”.**

The term “member” means an Active Member of the Club.

### **Section 2. Nominations and Elections.**

Nominations and elections for Directors at Large and Regional Directors shall be annually.

### **Section 3. Nomination Procedure.**

Any Active Member may choose to run as a candidate for Director at Large. In addition, the Governance Committee may solicit Active Members to run as candidates for Director at Large. Any candidate for Director at Large must timely submit a Nomination Petition signed by at least 25 Active Members. No more than one signature per membership number is valid. Such Nomination Petition must be submitted to the attention of the Governance Committee and be received at the NBO by May 1.

Any Active Member who resides in the Region may choose to run as a candidate for Regional Director. In addition, the Governance Committee may solicit Active Members to run as candidates for Regional Director. Any candidate for Regional Director must timely submit a Nomination Petition signed by at least five Active Members who reside in the same Region. No more than one signature per membership number is valid. Such Nomination Petition must be submitted to the attention of the Governance Committee and be received at the NBO by May 1.

All Nomination Petitions for Directors at Large and Regional Directors must be submitted on the Nomination Petition form reflected in Appendix D to the Standard Operating Procedures, be personally signed by each nominator, and must be accompanied by an acceptance of the nomination personally signed by the nominee. When signing, a person must print his/her name below their signature and the date of their signature. Legible photocopy, facsimile and email are acceptance forms of submission for the Nomination Petition and the acceptance of the nomination.

Nomination Petitions that have been timely and properly submitted will then be processed by the Governance Committee in accordance with the Nomination Procedures reflected in Section Six of the Standard Operating Procedures in order to develop a slate of qualified candidates that will be presented to the Board of Directors and then to the Election Committee for placement on the National election ballot.

### **Section 4. Election Procedure.**

Voting by the membership in the Club’s National elections shall be conducted through online voting procedures to be established and implemented by the NBO, providing each Active Member with the opportunity to cast a ballot electronically. In the event an Active Member notifies the NBO by September 1 that such Member desires to vote in the upcoming National election using a written ballot, the NBO shall cause a written ballot to be mailed to that Member at their address last appearing on National membership records.

After receipt of the slate of qualified candidates, the NBO will prepare a ballot for use in the online voting and for mailing to Active Members who have timely requested a written ballot. The online voting procedures will provide the ability for Active Members to begin casting

ballots by online voting at least 30 days prior to October 15. Any written ballots for Members who have requested to vote by written ballot must be mailed to such Members at least 30 days prior to October 15. Online voting will close at midnight, Mountain Time, on October 15. Written ballots must be received no later than October 15.

The Election Committee shall submit the slate of qualified candidates to the voting services firm selected by the Election Committee Chairperson and the NBO. The voting services firm shall, by blind draw, determine the placement of the candidate's name on the ballot. The Election Committee will notify the NBO of the ballot position and provide soapbox statements for preparation of the ballot language.

The voting services firm selected by the Election Committee Chairperson and the NBO will count the ballots, whether cast online or by written ballot. Certification by the voting services firm of the results of the election shall be made to the Election Committee Chairperson and the NBO as soon as practicable. The NBO shall notify the National Board of the results promptly, followed by posting on the MBCA Website as soon as possible.

After certification, the record of the online voting and written ballots shall be sealed and retained by the voting services firm. If the National Board does not order inspection of such record and of the written ballots at the annual meeting of the National Board in November, such record and ballots will be destroyed following the meeting.

In the event of an uncontested election where there is only one nominee for each National Board position and there are no ballot issues to be submitted to the membership, the slate of qualified candidates may be printed in *The Star* in lieu of voting being conducted online or by separate delivery of ballots to the Active Members. Since write-in ballots are not permitted, such an election is a mere formality as only the nominated Directors can be elected. However, a ballot will be printed and distributed with *The Star*, allowing Active Members to cast their vote by mailing the ballot for receipt no later than October 15.

The candidates who have been elected will be seated at the Annual Meeting in November.

#### **Section 5. Term of Office of Directors at Large.**

The term of office of a Director at Large shall be two years, commencing at the completion of the Unfinished Business Section of the Agenda of the Annual Meeting in November immediately following the election, and continuing until a successor has been duly elected and has assumed the duties of the office. To provide for continuity of experience in the operation of the Club, half of the Directors at Large are elected each year; however, in the event there is an odd number of Directors at Large, a majority will be elected in one year and the balance in the following year. A Director at Large can only serve a maximum of three consecutive two-year terms. However, no term of service for a Director at Large who has served prior to the completion of the Unfinished Business Section of the Agenda at the 2011 Annual Meeting will count for purposes of term limits.

#### **Section 6. Vote Required for Directors at Large.**

The nominees for Directors at Large who receive the highest number of votes from among all the nominees shall be elected. In the event of a tie for last place, the Election Chairperson will conduct a runoff election between the involved nominees. This runoff election shall be

conducted by mailing to all members of the National Board within 10 days from the date the accounting firm certifies the results. A ballot with the names of the tied nominees for the Director at Large position shall be sent to the National Board. All ballots must be returned to the Election Chairperson 30 days from the date of counting of the initial balloting.

**Section 7. Term of Office of Regional Directors.**

The term of office of Regional Directors shall be two years; terms shall commence in odd-numbered years in odd-numbered Regions and in even-numbered years in “even-numbered” Regions. The term of office commences at the completion of the Unfinished Business Section of the Agenda of the Annual Meeting in November following the election and continues until a successor has been elected and assumes the duties of office. A Regional Director can only serve a maximum of three consecutive two-year terms. However, no term of service for a Regional Director who has served prior to the completion of the Unfinished Business Section of the Agenda at the 2011 Annual Meeting will count for purposes of term limits.

**Section 8. Vote Required for Regional Directors.**

A Regional Director for the applicable Region will be elected from among the nominees from that Region. The nominee receiving the highest number of votes shall be elected to the office of Regional Director for the Region. In the event of a tie vote for Regional Director, that tie shall be resolved in the same manner as a tie for Directors at Large.

**Section 9. Election Committee.**

The National President shall appoint three members of a five-member Election Committee: one past National President, one Director at Large and one non-National Board Active Member. The Regional Directors shall select two Regional Directors to serve on the Election Committee at the annual meeting in November. No two Election Committee members shall be from the same Region.

The Election Committee shall have responsibility for the general oversight of the Club’s National elections, including balloting, interpretation and implementation of election procedures, counting of ballots, and certification of results.

The Election Committee Chairperson and the NBO shall have the responsibility to select a voting services firm to provide services in connection with the online voting, counting of ballots, and certification of results.

**ARTICLE VIII: SECTIONS**

**Section 1. Application for Charter.**

Any fifteen or more Active Members of the Club may apply for authorization to form a Section. The requirements and procedures for forming a Section are stated in the Standard Operating Procedures.

**Section 2. Responsibility.**

Applicants for Section status must comply with the following requirements before they can be affiliated with the Club as a Section, or use the name of the Club:

- a. Submit to the NBO a set of documents for the purpose of incorporating the proposed Section. The documents will be processed as stated in the Standard Operating Procedures.

- When the request to form a Section has been approved by the Regional Director, the National Vice President and the Executive Director, a Charter shall be issued to the Section.
- b. Conduct its activities in compliance with all laws and regulations of the governmental entity in which it is incorporated.
  - c. Assure that its Bylaws, which must be approved by the Regional Director, the National Vice President and the Executive Director, state that the Section agrees to abide by the National Bylaws. It is understood that each Section shall alone be responsible for any event or activity it sponsors or conducts.

### **Section 3. Rights and Obligations.**

Upon receiving a Charter, the Section shall have the right to use as part of its name the words "Mercedes-Benz Club of America, Inc." provided the name includes such further designation or description to identify it as a separate corporation distinct from the Club itself. The Section must conduct activities consistent with the National Bylaws and Standard Operating Procedures but, only in its name and at its responsibility.

### **Section 4. Internal Organization of Sections.**

Each Section shall have a President, Vice President, Secretary and Treasurer, or a combination Secretary-Treasurer, elected from among members, and may have such other Officers to be elected in such manner as it determines. The Presidents of all Sections in a Region shall comprise the Regional Executive Committee, of which the Regional Director for the Region shall be the Chairperson. Each Section may appoint committees as required to support the activities of the Section or as may be required by the Regional Director, the National Vice President or the National Board.

### **Section 5. Suspension or Revocation of Charter.**

The National Board may suspend or revoke the Charter of any Section. The National Board shall give a 30-day written notice to each member of the Section, setting forth that it is the intention of the National Board to suspend or revoke the Charter of such Section. The notice must be mailed to each member of the Section at the address currently shown on the National membership records. In the event that any member of the Section desires to be heard on the anticipated action, a request for hearing shall be submitted in writing and be received by the National President within the time set forth above. In the absence of such request, the National Board may vote upon the suspension or revocation without formal hearing. If the National Board determines that the provisions of the Bylaws of the Club have been violated, or acts detrimental to the welfare of the Club have been committed by the Section, the National Board may by majority vote suspend or revoke the Charter of the Section. If the Section's Charter is revoked, such Section is disaffiliated from the Club permanently. If the National Board suspends the Charter of a Section, a definite time during which such suspension is effective must be determined and declared by the National Board.

### **Section 6. Voluntary Surrender of Charter—Dissolution of Section.**

A Section may request voluntary surrender of its Charter when it determines, by a vote of its membership, that it cannot sustain itself as a viable entity and should be dissolved. To do so, the Section's President shall request that the Regional Director bring the request to the next National Board Meeting. The National Board will then consider the request and can either (a) recommend that the Section continue operating with administrative assistance (but no financial or legal obligation) from the Club (through the National Board, Regional Directors,

and/or the NBO, as determined by the National Board to be reasonable, necessary and appropriate) or (b) accept the request for voluntary surrender of the Section's Charter and its dissolution, effective on the date requested by the Section. Procedures for implementing the foregoing shall be set forth in the Club's Standard Operating Procedures.

## **ARTICLE IX: MISCELLANEOUS PROVISIONS**

### **Section 1. Committees.**

The National President shall appoint all Committees and designate their Chairpersons. The National President shall notify the National Board of such appointments which will stand unless two-thirds of the members of the National Board reject any appointments by advising the National President or the National Secretary, in writing, within 15 days of the notification.

### **Section 2. Appointees.**

The National Board may create any appointive office or position, and at its sole discretion may acquire such professional advice and assistance as determined to be desirable. The National Board may change or abolish the foregoing, may prescribe the duties and powers thereof, fix the compensation to be paid and may determine the expenses to be allowed. The National President shall designate Appointees, subject to approval by the National Board, except for Committee appointments in Section 1, which shall be governed by the procedures contained therein.

### **Section 3. Reports.**

National Board members, Committee Chairpersons and Appointees shall render reports as may be required by the National President. Written reports must be submitted to the NBO in time to be reproduced and distributed to National Board members before scheduled National Board Meetings.

The National Treasurer's annual report of the Club's financial condition shall be presented at the annual meeting in November. In addition, the Club's accounts, including financial reports from the Sections, must be audited annually in February or March by a Certified Public Accountant. Such audit shall become a part of the Club's records and shall be retained on file at the NBO. Any discrepancies between the audit and the National Treasurer's report will be explained to the National Board at the next National Board Meeting.

## **ARTICLE X: AMENDMENTS**

### **Section 1. Administrative or Procedural Changes.**

The National Board of Directors may make administrative or procedural changes to the Bylaws as deemed necessary.

### **Section 2. Amendment Proposals.**

In addition to Section 1, above, any member of the National Board may propose to the National Board an amendment to the Bylaws. Twenty-five Active Members of the Club may propose to the National Board an amendment by submitting it in writing to the National Secretary signed by all the proposing members.

In the event that a petition to present a Bylaws change is presented to the membership, the National President shall determine the writers of the National Board's position (pro or con) and shall also determine the representative of the opposition view who will write the presenter's view (pro or con). Statements on both sides of an issue presented to the membership will be limited to 300 words.

**Section 3. Approval by National Board.**

If approved by the National Board, a proposed amendment shall then be submitted to Active Members for approval.

**Section 4. Disapproval by National Board.**

If a proposed amendment is disapproved by the National Board, it shall, nevertheless, be submitted to Active Members for approval if a petition signed by 250 Active Members is presented to the National Secretary, with a copy to the National President, both within 60 days following publishing of the National Board disapproval in *The Star*.

**Section 5. Review by Legal Counsel.**

Before any proposed amendment to the Bylaws may be acted upon by the National Board, it must be submitted to the Club's Legal Counsel for review to assure that it will not conflict with any other provision of the Bylaws or be in violation of any provision of applicable law.

**Section 6. Voting on Proposed Amendments.**

Voting on proposed amendments to the Bylaws shall be conducted coincident with and as a part of the Club's National elections through online voting procedures to be established and implemented by the NBO, providing each Active Member with the opportunity to cast a ballot electronically. In the event an Active Member notifies the NBO that such Member desires to vote using a written ballot, the NBO shall mail a written ballot to that Member at their address last appearing on National membership records.

Ballots must state the proposed amendment in full, provide boxes labeled "approved" and "disapproved" and specify a date by which online voting will be completed, or in the case of written ballots the date by which written ballots must be received, in order to be legally counted.

For purposes of the provisions of this Section 6, the same timeframes and deadlines referred to in Article VII, Section 6 for the Club's National elections will apply to voting on proposed Bylaw amendments.

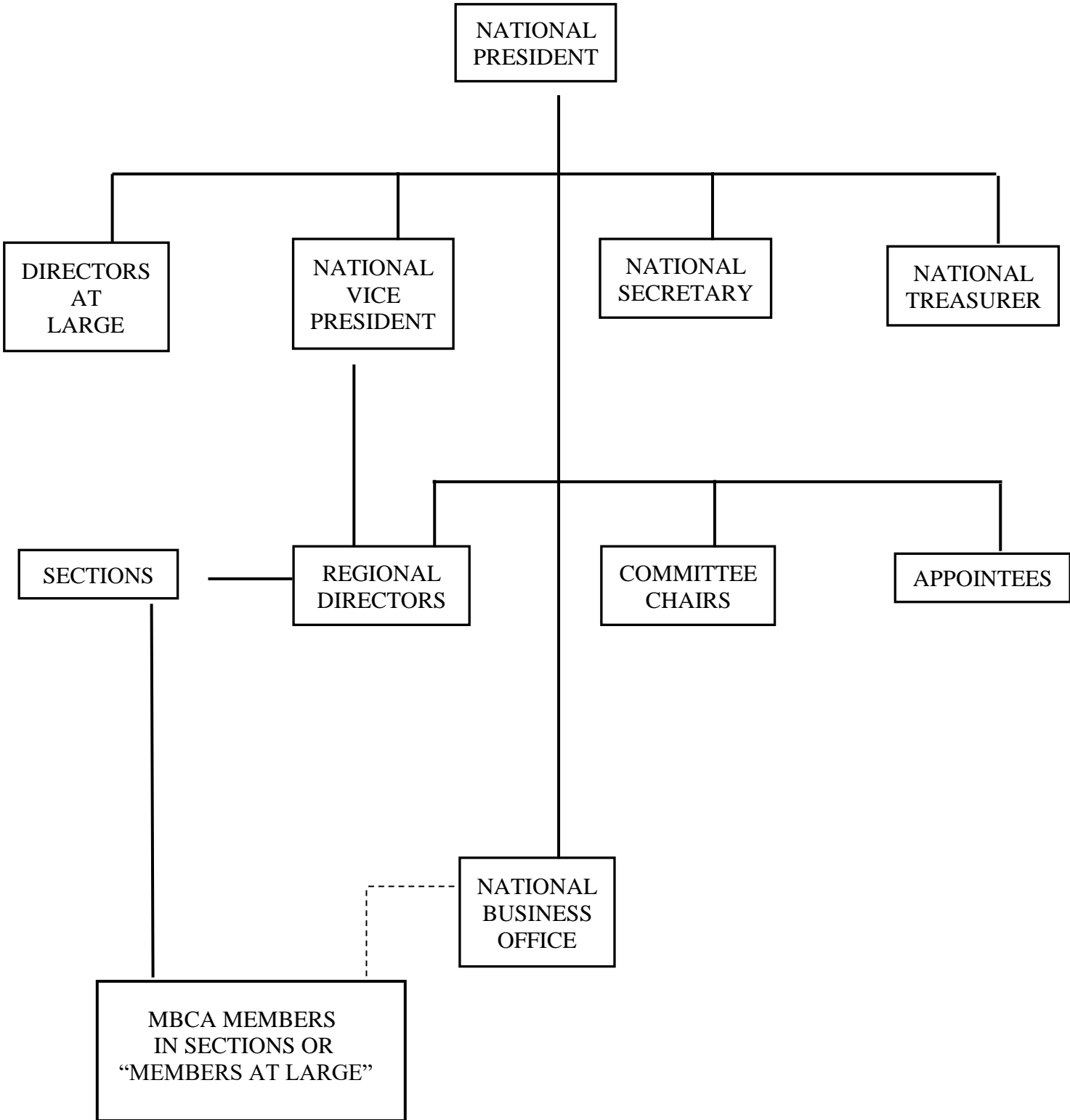
**Section 7. Ballot Counting and Certification.**

Ballots cast as required in Section 6 of this Article X shall be counted by the voting services firm designated for this purpose to count ballots in the National election as referred to in Article VII, Section 6. Results shall be certified by the voting services firm and shall be provided to the Election Committee Chairperson and the NBO.

**Section 8. Approval and Adoption of Proposed Amendment.**

A proposed amendment shall be adopted if approved by the majority of the votes cast by Active Members.

**ORGANIZATIONAL CHART, MBCA**



For complete descriptions of National Board positions, please refer to page 35  
SECTION FIVE: NATIONAL BOARD



## STANDARD OPERATING PROCEDURES

### SECTION TWO: MEMBERSHIP

#### SUPPLEMENT OF PROCEDURES TO BYLAWS ARTICLE II: MEMBERSHIP

##### 1. **Application for Membership.**

There are no restrictions on membership by virtue of race, creed, color, gender or age. However, membership is a privilege, not a right. Members may be censured, reprimanded or expelled by action of the National Board, as described in ARTICLE II: MEMBERSHIP, Section 3 of the National Bylaws, and the MBCA Standards of Business and Professional Conduct and Code of Ethics.

##### A. **Application for Membership.**

Application for membership may be made in the following ways:

###### (1) **Application Form.**

A completed application form, together with check or VISA, MasterCard, Discover Card or American Express charge authorization, mailed to MBCA, 1907 Lelaray Street, Colorado Springs, CO 80909.

###### (2) **Toll Free 800-Line.**

Application to join the Club or to renew membership may be made via the toll free 800-line, using VISA, MasterCard, Discover Card or American Express.

###### (3) ***The Star Magazine Mailing Sheet.***

Application and renewal information is included on *The Star* mailing sheet with each issue. Only the mailing label contains member's expiration month/year. The mailing sheet may be used as an "instant" renewal form if the usual renewal notice sent by the NBO has been mislaid. The member will need to transfer the data from the label that is on the polybag mailer.

###### (4) **Website.**

An application to join the Club or renew a membership is contained on a Web page with a secured link to the NBO permitting the use of authorized credit cards to purchase memberships.

##### B. **Membership, etc.**

Renewal Notices are sent to all Active Members by the NBO inviting them to renew without delay.

The 1<sup>st</sup> Notice is the normal way to renew membership before expiration. Two subsequent reminders are sent, as necessary, giving the status of the expiring membership, renewal options, etc., to renew or reinstate Club benefits.

The Notices can be used as an application form if a member decides to rejoin the Club at some future date.

## 2. **Expired Memberships – Star Subscriptions.**

### A. **Star Subscribers.**

- (1) Star Subscriptions are available to expired members who have not renewed their membership within four months after their Active Membership has lapsed. These individuals are offered the option of becoming a subscriber to *The Star Magazine*.
- (2) Star Subscribers are not affiliated with any Section, have no privileges of membership in the Club, are not entitled to any membership benefits. They cannot participate in Section events unless invited by the Section to attend as a guest or pay an increased registration fee for an event (as determined by the Section). Star Subscribers do not receive Section newsletters or email notices from the NBO.
- (3) Before being offered a Star Subscription, Sections should exhaust all efforts to get the expired Member to renew their Active Membership. Existing members cannot cancel their membership and convert it to a Star Subscriber. Memberships must be inactive for a minimum of four months to be eligible for a Star Subscription.
- (4) The cost of a Star Subscription shall be determined by the Board of Directors.

### B. **Star Subscriber Benefits:**

- (1) *The Star Magazine* subscription
- (2) Free ads in the Trading Post
- (3) Can upgrade to an Active Member within six months by paying the difference in the Star Subscription fee and regular Active Membership fee. After six months the upgrade fee to an Active Membership is the regular membership fee currently in effect.

## 3. **Dues.**

The dues rate schedule is listed on the current application form and on the MBCA Website.

## 4. **Rebates.**

All Sections currently receive a rebate from the membership dues paid, and for each yearly renewal thereafter, in an amount set by the Board, for each membership and each Second Section membership assigned to the Section, provided certain conditions are met.

### **SECTION THREE: ORGANIZATION**

#### **SUPPLEMENT OF PROCEDURES TO BYLAWS ARTICLE III: ORGANIZATION**

The Club is an organization whose membership, interest and influence extend throughout the world. The Club is divided into geographic areas called Regions. Under current policy of the Club, Sections are located within the United States, its territories and Canada. The number and composition of the Regions in the Club, and the policy regarding the location of chartered Sections, may be changed from time to time as the National Board directs, in order to promote proper organization and administration of the membership.

##### **1. Region/Section Assignment of Members.**

Members are assigned by the NBO on the following basis:

Section preference as indicated by applicant on application form.

If no Section preference is indicated by the applicant, then the Zip Code designation controls Section assignment. That is, assignment is made to the Section whose Zip Codes include the applicant's Zip Code as provided on the application form.

If the applicant's address is overseas and no Section preference is indicated, assignment will be made with an International-at-Large designation.

Members who change their address are not transferred by the NBO to the other Section (by Zip Code) automatically unless they have advised the NBO in writing that they have chosen a new Section preference. If a rebate is due from the member's dues, it will be paid to the Section of assignment at the time the rebates are paid.

No reassignment of a member will occur unless it is requested by the member in writing, or in the case of new Section formation. Reference Section Seven – (Section Boundaries, and Verification of Petition). NOTE: Sponsorship, now optional, has no relationship to Section assignment, and the above applies to all members, sponsored or not.

Members may request that their names appear in more than one Section's roster for the payment of a fee for each additional Section. The National Board shall determine the amount of the fee with the intention that it will cover the cost for each additional Section to provide its newsletter and a nominal overhead fee to handle the expenses of maintaining multiple memberships in the MBCA database. An Active Member may have only one primary membership affiliation per member number with the right to vote in National elections and to receive *The Star*. The additional listings are provided to enable members to receive the newsletters from additional Sections. Members may join up to four additional Sections.

## 2. **Establishment of Sections/Regions.**

Sections are established by Zip Code, which will be maintained by the Executive Director and the NBO staff with the advice of the RD. Changes are made only when a new Section is being formed or Zip Codes are being added or deleted from an existing Section by mutual consent of the Sections involved, the appropriate RD(s), the National Vice President and the Executive Director.

Regional boundaries are revised when necessary on the advice of the RD(s), with mutual consent of the Sections involved and with Board approval.

## 3. **Region/Section Number Assignment System.**

Each Region and Section is assigned a number to facilitate the computer programs. The Regions are numbered by two digits and so are the Sections. As a Section is added to the Club, it must be loaded to the Region/Section file or the members cannot be entered or transferred into the Section.

Assignment of the Region/Section members is done by the Executive Director and the NBO staff. It is used for all members who do not reside within the defined Regions. There are no Sections in Region 00-00, so all the members who are included in 00-00 are Members-at-Large. The NBO will furnish a copy of the Region/Section Number Assignment Listing to National Board members, Section Presidents and *The Star* Editor to keep them aware of the system used and advise them of new Sections added or Sections deleted.

## 4. **Monthly Reports, Listings and Forms.**

The NBO produces monthly membership database reports for National Board members, Section Presidents and membership chairs and persons authorized by Section management.

NOTICE: Section Officers and members are NOT to use the membership listings for commercial purposes or any use other than Club purposes.

**The Consolidated Report:** Monthly reports membership totals for each Section, summarized at Regional and National levels. Section leaders may have access to these reports so they may gauge how their membership retention and renewal efforts are trending.

### **The columns are:**

- Member totals for last month, six months ago, one year ago and the current month;
- New Members – included in current month member total;
- Renewals (information only – included in current month member total);
- Expired – last month (not included in current month member total);
- Expiring – next three months (included in current month member total);
- Transfers In (information only – included in current month member total);
- Transfers Out (information only – not included in current month member total);
- Second Section (information only – member is counted in home Section only);
- Net % change from last month; and
- Net % change from last year.

The Consolidated Report supplements and does NOT replace the Section reports for member specific information for current, renewed, expired, expiring members to be used for member retention and welcome/thanks letters.

These member specific reports are available for download in a .csv (Excel compatible) format to all Sections.

Each Section has made or can make arrangements with the NBO to access the information at the reports.mbca.org server (Password Protected).

**5. Pecuniary Matters.**

**A. Two and Three-Year Member Dues.**

The NBO accounts for two and three-year member dues in its accounting system. Revenue is deferred to the proper year(s) for accounting purposes. The system accounts for rebates and *The Star* subscriptions payable in future years in accordance with generally-accepted accounting principles. Aggregate amounts are reported on the monthly financial statements.

**B. Selection of Vendors.**

In selecting vendors of goods and services, to the extent practical, the National Club shall select the most reasonable, qualified suppliers. For contracts or other equipment and service purchases in excess of \$5,000, it is highly recommended, whenever possible, that a minimum of 3 competitive bids from 3 different potential vendors be obtained.

**6. Quarterly/Tri-Annual/Schedule.**

**A. MB 350 - Membership Roster.**

This is a complete quarterly list of all of members in each particular Section as of the last day of the month shown. The "Print Date" is the date the roster was printed and is an administrative control function that has nothing to do with the effective date of the roster. The listing shows member's number, member's and associate's names, address, phone number(s) and date joined and expired. All membership applications received through month-end are processed prior to running this printout.

**B. Section Rebates.**

Member rebates to the Sections shall be paid at whatever annual rate is authorized by a vote of two-thirds (2/3) of the National Board. These funds are to be paid quarterly, and based on the number of Active Members in the Section as of the end of quarter membership report, multiplied by twenty-five percent (25%) of the annual rebate. Non-renewing members in any quarter or part thereof shall not be counted for the entire last quarter. New members joining in a quarter shall be counted as having been members for the entire quarter, and the payment for that quarter shall reflect their membership for that entire quarter.

The rebate check and the Rebate Summary Report are sent to the Section President unless the NBO is notified in writing that the check is to be sent to the Section Treasurer.

(1) **MB 340 - Rebate Report.**

This report is produced four times a year at the end of each three-month period (3/31, 6/30, 9/30 and 12/31).

It reflects members who have joined or renewed their memberships during that period, or during that period one or two years ago for two or three-year memberships, respectively.

The rebate paid for the second year of two-year members, and for the third year of three-year members, is not paid until the end of the time period in which the member either joined or renewed, one year from the date originally processed for two-year members, and two years from the date originally processed for three-year members. The second-year dues of two-year members and second and third-year dues of three-year members are deposited in an account as outlined earlier.

**C. Requirements for Rebate.**

The NBO and the RD will monitor and notify each Section, as well as the National President and National Vice President, of any failure to comply with any of the following conditions. After such notification, the rebate check may be withheld until the required condition is met or the rebate check may be forfeited and action taken as described in ARTICLE VIII: SECTIONS, Section 5 of the National Bylaws.

(1) **Section Events.**

Each Section must hold at least one meeting/event of the general membership each quarter to qualify for the rebate.

(2) **Section Newsletters.**

At least one issue of the Section newsletter must be delivered to the membership each quarter by electronic means or by mail. Failure to deliver a newsletter to each member by electronic means or by mail may result in a forfeiture of rebate for that period. If the Section chooses to deliver its newsletter electronically only, the Section must make every attempt possible to obtain email addresses from members who do not have an email address on file to ensure all members have an opportunity to receive the Section newsletter. A postcard or an invitation does not meet the requirements of a newsletter.

The RD, the National President, the National Vice President and the NBO must be included on each Section's mailing list so that Section events may be monitored for event requirements.

Frequently, the Section will hold an event and not send the newsletter to the NBO. That is why it is important that the RD be consulted. If the RD authorizes payment of the rebate, even though the Section has not sent the newsletter to the NBO, the rebate will be paid.

(3) **Annual Calendar of Events.**

Each Section must submit its annual calendar of events to the RD as soon as possible at the beginning of the new calendar year. This is necessary to avoid conflicts with Regional and National events. Failure to comply could result in the RD advising the NBO to withhold the rebate until compliance.

(4) **Annual Financial Statement.**

The Section must submit an annual financial statement for the period January 1 through December 31 in a format and timely manner specified by the National Treasurer and signed by the two authorized signers of the Section's checking account, no later than March 30 of the succeeding year. Failure to comply will result in withholding the rebate(s) until the National Treasurer accepts the statement. If the Section's failure to submit an acceptable statement causes the quality of the audit of the National Club to be determined less than "unqualified" by its auditor, action may be taken as described in ARTICLE VIII: SECTIONS, Section 5 of the National Bylaws.

7. **Annual Schedule.**

Some of the items which require annual attention are actions required by the NBO. Some are only reminders to the National President or other members of the National Board, (and/or Section Presidents).

A. **Section Requirements- Annual.**

(1) **Required Documentation.**

Each Section is required to have a copy of the following documents on file at the NBO:

(a) **Petition to Form a Section.** (Some Sections may not have this document available because this was not a requirement until after they were formed.)

(b) **Section Bylaws, Section Constitution, State Incorporation.** The RD should also maintain a copy of these documents. Further, any revisions to the Section Bylaws adopted at its annual meeting should be sent to the RD and the NBO within 30 days of such a change.

(2) **Certification of Incorporation Status.**

In October of each year, the NBO Update Form requests verification from each Section that their corporate status is current. All Sections shall be incorporated in their state/province of residence. In mid-October of each year, the NBO shall advise the RDs which Sections have not yet responded to this request. Failure to comply in a timely fashion may delay issuance of the rebate check.

(3) **Update of Change of Section Leaders.**

In October of each year or as soon as the Section elections are concluded, Sections must provide an annual update of Change of Officers which is submitted using the online form on the MBCA Website. RDs must monitor that each Section provides this update promptly after the Section's election each year and whenever a change in leadership occurs throughout the year.

(4) **Supplemental Rebate.**

Annually, a supplemental rebate from income other than dues may be voted by a majority of the National Board. The MBCA Raffle Rebate is an example of this.

**B. Preparation for National Board Meetings.**

National Board Meetings are held twice each year. The Bylaws require the annual meeting be held in November, which may be an electronic meeting conducted online and/or via conference call. The Spring National Board Meeting which may be an electronic meeting conducted online and/or via conference call is usually held in May. A Budget Committee meeting may be held to prepare the proposed budget for the next fiscal year, which is distributed to all National Board members for vote at the annual meeting in November. It may also meet before the Spring National Board Meeting to review the budget and financial conditions.

Each National Board member, Committee Chairperson and Appointee shall prepare a Report to the National Board prior to each National Board Meeting. At least 60 days prior to each National Board Meeting, a letter shall be prepared by the National Secretary for distribution by the NBO to each of the above, announcing the date and location of the National Board Meeting, and requesting Reports to the National Board be sent to the NBO 45 days prior to the date of the National Board Meeting. These Reports shall be distributed by the NBO to all National Board members, Committee Chairpersons and Appointees.

The National Secretary is responsible for the agenda for each National Board Meeting. The letter sent announcing the meeting shall also request all agenda items be sent to the National Secretary at least 45 days prior to the National Board Meeting, accompanied by a position report or paper for each item to be placed on the agenda. If an agenda item is likely to be controversial, the position paper should include a history of the item and its pros and cons.

Subsequently, the National Secretary shall provide the NBO with the original of the agenda, with a proxy form (*see* Appendix E). The NBO will then send each National Board member a copy of the agenda and proxy form. The proxy shall be sent to the hotel where the National Board Meeting is to be held, addressed to the National Secretary and marked, to be held for arrival. The National Secretary shall not open these letters unless the National Board member is not able to attend the meeting. All unopened proxy letters shall be returned to each sender upon arrival, or at the meeting, as appropriate. One copy of this letter is sent to each Committee Chairperson, non-National Board Committee member and appointed official for information and/or use if attending the National Board Meeting.

The National Secretary shall prepare and forward to the NBO no later than 30 days after the National Board Meeting, the minutes for distribution to National Board members, National Committee Chairpersons, Appointees, Section Presidents, *The Star* Editor and all past National Presidents, unless declined.

(1) **Subsidy for Host Section of National Board Meeting.**

It is the desire of the National Board to move the National Board meetings around to different Sections and Regions. It is an honor for a Section to become a host Section for the National Board Meeting. A Section can attain credibility with the National



leadership, can expose its Section leadership to the National Board, and its leadership can observe how the MBCA is governed. It is recommended that the host Section and host RD invite other Section members within the Region.

**C. Fiscal Year Budget Process.**

The National Treasurer is the Chairperson of the Budget Committee. The fiscal year runs from January 1 – December 31, and an annual budget meeting may be scheduled to prepare the proposed budget for the next fiscal year.

The National Board members in attendance will be the National President, National Vice President, National Treasurer, and two RDs selected by the RDs at the Spring National Board Meeting. The Executive Director also attends the meeting.

Other National Board members may attend, but cannot vote nor have their expenses paid unless previously approved by the National President. Subjects other than financial may be discussed, but not voted on.

Working with the National President, the Executive Director shall prepare the PROPOSED budget. The first draft of the proposed budget shall be distributed to the Budget Committee prior to the budget meeting. An estimate of the number of members and the percentage of renewals and either increased or decreased operational expenses for special projects already approved by the National Board should be considered.

Since the new fiscal year budget is finalized at the budget meeting, the National Treasurer must have all budget items not later than August 31 of each year and, therefore, will request that each member of the National Board and Committee Chairpersons submit their budget requests for the upcoming fiscal year by August 31 for consideration at the budget meeting.

Final approval of any budgetary actions is vested with the National Board. Following the budget meeting, the Executive Director will prepare the budget in final form and distribute it to the National Board members. The National Treasurer will recommend final approval at the annual meeting in November.

**8. National Programs.**

The following provides procedures regarding National Programs

**A. Regional Event Program – National Subsidy.**

This MBCA program was established to encourage up to three events per Region per year. The National subsidy is up to \$1,500 per Region and is to be allocated at the RD's discretion.

**(1) Criteria to Qualify.**

The event may include some type of competition with awards presented to the winners.

The event must be well advertised in surrounding Sections well in advance of the event, via newsletters, meetings, mailings, *The Star*, etc. To meet publication deadlines, the host Section should provide publicity by at least three months prior to

the event, with a copy going to their RD. It is highly recommended that the host Section employ the assistance of the NBO to disseminate publicity announcing the event in all marketing channels.

If the event includes a high-speed driving event, the National Events rules apply. (A copy of the National Events Rule Book may be obtained from the NBO.) In non-high-speed driving events, such as a rally and defensive driving, a non-Mercedes-Benz vehicle may be used and be eligible for awards.

The Section must apply to the RD prior to the event and the RD shall insure that an event budget is prepared and that other required conditions are met.

(2) **Disbursement of National Subsidy.**

The RD may release the subsidy prior to the event if the Section is in need of funds to make deposits and secure a venue. The RD must submit an Expense Voucher Form to the National Treasurer for payment of the subsidy to the host Section. This may occur before or after the event, at the RD's discretion.

**B. National Events Programs.**

The National Board may from time-to-time establish regular MBCA National Events and approve National Special Events.

The National Events Committee steers all National Events for the Club. This Committee will vet and determine future locations, venues, and partnerships for hosting MBCA National Events. The duration, activities, and venues for a National Event will be determined by the event's location, partnerships, outsourcing requirements, and goals.

The National Events Committee will submit a written event proposal to be approved and accepted by the National Board. The proposal will require a budget, a list of potential activities, and the venues necessary to host the event.

If the National Event offers high-speed competitive activities, only Mercedes-Benz vehicles will participate in these activities. Marques other than Mercedes-Benz may be used in rallies, defensive driving, and other events. Working closely with the High-Performance Driving Committee, the National Events Committee will decide what car marques qualify for awards in any or all activities.

Club member volunteers that assist in planning and executing a National Event may be rewarded through de minimis benefits in connection with event activities and/or banquets.

All National Event financial activities and financial statements will be managed by the NBO and the Club's accounting firm. All invoices, receipts and accounts payable need to be approved by the National Events Committee Chair or National Events Committee Treasurer. A final financial statement for the National Event will be prepared and provided to the National Board.

In the case of a National Special Event approved by the National Board, the maximum subsidy for these events is up to \$5,000, is requested from the National Treasurer, and is

approved by the Budget Committee during the budget approval process at the Fall National Board Meeting in the preceding year.

### **C. National Awards Program.**

#### **(1) Member-of-the-Year and Officer-of-the-Year Awards.**

These programs were established to help recognize some of the outstanding talent in the Regions and Sections of the Club. Some members devote many hours to the operation of a Section and their efforts should be officially recognized. In the case where a husband and wife team or a member and partner team worked closely together, a joint award may be given.

These two awards are prepared by the NBO each year upon receipt of the name of the Member-of-the-Year submitted to each RD by Sections within the Region, and the name of the Officer-of-the-Year, if any, selected by the RD. Each year in early July, the NBO sends a letter to each Section President and RD outlining the program.

It is recommended that no Officer-of-the-Year or Member-of-the-Year receive more than one award in a five-year period. The Member-of-the-Year request form must be signed by at least two Officers on the Section Board other than the nominee. Any Section Leader may submit an Officer-of-the-Year Nomination Form to the RD.

#### **Section:**

It is highly recommended that each Section select a Member-of-the-Year and nominate an Officer-of-the-Year. The Section President or Section Secretary (or other designated member) must submit the Section's nominees in writing to the RD no later than October 1. The letter should also include where the award for Member-of-the-Year is to be sent (*see* Appendices K and L).

#### **RD:**

Each RD submits to the NBO, in writing, the name of each Section's selection for Member-of-the-Year and where the award is to be sent. The RD also includes his or her selection for Officer-of-the-Year for the Region, indicating where the award is to be sent. The deadline for receipt by the NBO of this information from the RD is October 15.

#### **Member-of-the-Year Selection Process:**

The recipient of this award may be chosen by the Section from among the Section Officers, Directors or general membership. The member selected must be a current member of the Club. The member shall be the one who most deserves recognition for outstanding services rendered to the Section during the course of the year. The member selected by the Section as Member-of-the-Year may not be considered by the RD for Officer-of-the-Year in the same year. The Section Board shall select a Member-of-the-Year each year. However, the award is at the discretion of the Section Board.

#### **Officer-of-the-Year Selection Process:**

The nominee for this award may be chosen by the Section from among its Officers,

(i.e., President, Vice President, Secretary or Treasurer), and must be a current member of the Club; one who, by his/her personality, enthusiasm and outstanding efforts has been instrumental in maintaining or increasing participation by the members of the Section.

The RD may decide on one such Officer for recognition as Officer-of-the-Year, giving special attention to (but not limited to) background information dating back to when that Officer joined the Club, and (1) offices held, (2) activities chaired or arranged, (3) events attended, and (4) types of related activities, such as car collections and mechanical expertise on the marque.

The RD is encouraged to select an Officer-of-the-Year each year. However, this Regional award is made at the discretion of the RD.

**RD Monitors/Expedites:**

During early July, the RD shall monitor and expedite receipt of Member-of-the-Year and Officer-of-the-Year information from the Sections in the Region, and remind them that the RD's need to have the MOY / OOOY forms back to them by October 1 in order to get them to the NBO by the final deadline.

The RD shall forward to the NBO all information received from the Sections on Member-of-the-Year selections, and the name of the Officer-of-the-Year, if any, chosen by the RD.

**Design and Delivery of Award Plaques:**

Upon receipt of the names of the recipients of these awards from the Awards Committee Chairperson, the NBO shall confirm the current membership of those selected, and shall design and have a plaque made for each award.

(2) **Section-of-the-Year Award.**

This annual award is to be presented at StarFest, StarTech or a National Board Meeting. Selection is based on growth, general improvement or maintenance of high standards of activities, meetings, Section management and newsletters, plus overall adherence to or furtherance of the objectives and ideals of MBCA. A cover letter and selection form shall go out to each Section with the NBO's December mailing. A Section must submit its entry by the given deadline. Only one Section each year receives this award and all judging will be based on the written entries. The Awards Committee, appointed by the National President, shall select and notify the NBO of the winner. No Section may be awarded the annual Section-of-the-Year contest more than once in five years (*see* Appendix M).

(3) **DAG Silver Star Award.**

Every member of a licensed Mercedes-Benz Club is entitled once a year to nominate another club member who, in his or her view, deserves the award. Nominations should, therefore, be based on criteria such as personal commitment, overcoming exceptional difficulties when founding a club or developing the club in terms of quality. Other reasons could be long years of active membership, outstanding service to the company or the brand, out-of-the-ordinary fairness in mutual dealings and excellence in fostering and upholding the history of Mercedes-Benz.

This threefold award is a tangible token of the exceptional esteem and gratitude of DAG.

(4) **Public Service Award.**

This award is designed to encourage Sections to hold at least one charity event a year and to promote members' community involvement. Information is sent to Section Presidents each year. The deadline for entries is March 1 and a Section must submit its entry by the given deadline. There is a grand prize plus second- and third-place winners. The Awards Committee develops the rules.

**D. Club Store Program.**

(1) **Club Store.**

Merchandise previously sold by Club store is now handled by an outsourced vendor.

In connection with our Trademark User Agreement with DAG, the Club is not permitted to sell or distribute Club merchandise to anyone other than Club members.

**E. Driver Skills Program.**

(1) **MBCA Driver Skills Curriculum.**

The Club maintains the MBCA Driver Skills Curriculum as a benefit of membership in the Club. The Curriculum is supported by a written syllabus that delineates the learning objectives of the course, specifies both the classroom content and the driving exercises and includes an assessment instrument. At completion of the course, students will receive a certificate of completion.

(2) **Organization.**

The Driver Skills Committee provides oversight of the Curriculum, establishes the requirements for Chief Instructor certification and sets continuing education requirements.

Each Region shall have a designated Chief Instructor. The Chief Instructor may train and designate instructor/coaches who assist with delivery of the MBCA Driver Skills Curriculum in each Region.

(3) **Annual Requirement.**

Each Region must provide at least one MBCA Driver Skills Curriculum event during each calendar year. The event may be hosted by any Section in the Region.

## 9. Other Programs.

### A. Insurance Coverage.

The coverage afforded under the various policies of insurance held by the MBCA is for its benefit as well as for the Sections.

The entity that is insured includes any non-profit subsidiaries, Sections, Officers and volunteers. This policy covers Officers, Directors and members while conducting the business or activities of the Club.

MBCA presently carries the following insurance coverages:

**Comprehensive General Liability**  
**Special Property Coverage**  
**Commercial Umbrella**  
**Worker's Compensation Insurance**  
**Publishers Liability**  
**Directors & Officers Liability**

### B. Insurance Certificates.

Insurance Certificates can be obtained insuring additional entities, such as the owner of a property, by notifying the NBO and providing it with the Certificate of Insurance Request Form at least 60 days in advance of the event (*see* Appendix B).

**Unless a Certificate of Insurance is requested by a host facility, it is unnecessary.** No Certificate of Insurance is required to provide coverage for the Club and its members acting in an official capacity. If it is requested, it can be provided at no cost. However, the insurance company requires notification 60 days prior to the event to process the request.

### C. MBCA Investment Policy.

#### (1) Plan Description.

MBCA is a Colorado nonprofit corporation established as a nonprofit, tax-exempt organization under Section 501(c)(7) of the Internal Revenue Code.

#### (2) Objectives of the Investment Policy.

The objectives of the MBCA investment policy are to assure the **safety, liquidity and yield** of the investments. The policy and ensuing investments are to:  
Ensure that investments are made in accordance with investment policy directives;  
Minimize risk (review credit of the institution, interest rates, market and liquidity risk) commensurate with other objectives;  
Ensure that investments mature when the cash is required to finance operations; and  
Ensure a competitive rate of return.

#### (3) Investment Strategy.

An annual investment strategy is developed by the Executive Director and the National Treasurer and presented with the Budget Committee's annual report and recommendations to the National Board. This investment strategy pertains to the upcoming fiscal year and will address:

- (a) expected cash needs for liquidity and capital purchases;
- (b) maturities and/or duration;
- (c) recommended asset allocation; and
- (d) budgeted interest income.

Investments shall be made with judgment and care, not for speculation, but for investment, considering the probable safety of their capital, as well as probably income to be derived.

(4) **Types of Investments.**

To invest funds not needed for operating capital, the Executive Director, with approval of the National Treasurer, is hereby authorized to invest all funds in:

CERTIFICATES OF DEPOSIT, SAVINGS ACCOUNTS, DEPOSIT ACCOUNTS, OR DEPOSITORY RECEIPTS of a Bank which is a member of the Federal Deposit Insurance Corporation or a Savings and Loan Association which is a member of the Federal Savings and Loan Insurance Corporation. Such investments shall not exceed the amount federally insured in any single account or depository. BONDS, SECURITIES AND OTHER OBLIGATIONS of the United States or an agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the United States.

Money Market, Sweep or \*Treasury Index Accounts.

*\*Investment Sweep account funds (aka repurchase funds) that are backed by the U.S. Government or Federal Agency Securities and fully secured by Agencies of the U.S. Government.*

(5) **Investment Guidelines.**

All investments pursuant to this investment policy shall comply with the following conditions:

Payment shall be made by MBCA when purchased securities are delivered or credited to MBCA's safekeeping agent. All transactions shall be confirmed in writing. The objective in selecting a safekeeping agent is to select one that provides the most efficient and effective services at the lowest possible cost. Arrangements for safekeeping will be made on a contractual basis for a specified period of time and with specified fees for each service rendered. These selections will be periodically disclosed and reviewed by the Budget Committee.

No investment may have a maturity of more than 5 years or an average life of more than 5 years.

(6) **Reporting and Evaluation.**

The Budget Committee shall monitor compliance with the written investment policy, including receipt and review of reports from the Executive Director summarizing investment transactions and periodic review and revision of the investment policy as necessary. Annually, the financial statements of the FDIC banks and savings and loan associations shall be reviewed by the Budget Committee. Annually, the Executive

Director shall evaluate not only the investment performance, but will review these objectives and guidelines. This review will take into account:

- (a) planned withdrawal for projects;
- (b) alternative investment instruments and strategies; and
- (c) revenue anticipation.

An independent audit of the investments shall be conducted as part of the annual audit each year by external auditors.

**(7) General Operating Procedures.**

The Executive Director shall develop procedures to include:

- (a) the establishment and maintenance of a system of controls for the investment of funds;
- (b) a database or record incorporating descriptions and amounts of investments, transaction dates, interest rates, maturities, bond ratings, market prices and related information necessary to manage the portfolio;
- (c) internal controls which provide for periodic reporting and a satisfactory level of accountability;
- (d) a method of cash flow analysis of all funds to insure cash availability; and
- (e) other procedures or reports needed to manage the investment fund.

The Executive Director (with the written approval of the National President) or the National President, are authorized to execute transactions.

**(8) Bonding and Insurance.**

Appropriate bonding of individuals along with insurance coverage is to be secured to protect the investment of funds.

**(9) Reporting Requirements.**

The Executive Director is responsible for submitting quarterly fund reports to the National Treasurer and Budget Committee which are deemed pertinent.

- (a) Meeting with the Budget Committee to review the performance of the investments, including a comparison of the returns of the fund against the predetermined objectives and policies.
- (b) Preparing and submitting to the National Board an annual investment report, recommendations for changes in these investments guidelines and the results of the independent audit.

**(10) Conflicts of Interest.**

No current member of MBCA, or any member of their family, may financially participate in, profit from, or otherwise benefit from, directly or indirectly, be involved as an agent to the transaction, or in any way be a party to the execution of any transaction or planned transaction, involving the investment of Club funds, sale, or purchase of financial instruments for the Club, sale of Club assets, or any real estate transaction involving the Club.



## 10. Use Restrictions-DAG Trade Name/Trademarks.

Mercedes-Benz USA (MBUSA) and Daimler AG (DAG) are rightfully concerned regarding protecting their trademarks. Section newsletters use variations of the three-pointed star, “Benz,” “Mercedes-Benz” and “Mercedes,” all of which are protected property of DAG.

The blue block lettering used by MBUSA is a trademark as are various derivations of the three-pointed star.

On November 12, 1992, our Club entered into a Trademark User Agreement with Daimler-Benz AG (now Daimler AG) to use its registered trademark and a new MBCA logo was prepared by the art department of DAG in Stuttgart. The new logo incorporates elements of the past and present. The Agreement is available upon request from the NBO.

Trademarks are important business property belonging to their owner. There is significant risk that trademarks may become generic terms falling into the public domain and thus no longer protected. If misused, the mark can be lost as the exclusive property of its owner. Examples of lost marks are “aspirin,” “cellophane,” “scotch-tape” and “cola.”

It is because of this that corporate legal departments are so aggressive in the protection of their marks. MBUSA licenses dealers. If any corner repair shop could use the three-pointed star and the Mercedes-Benz trade name, the exclusivity of licensed dealers would be lost and the public would be misled into believing that a non-authorized facility had an association with MBUSA.

The Trademark User Agreement runs to our Club only. It does not entitle members to use protected marks in advertising or promotion of their businesses or products.

It is important that each Section President, Newsletter Editor and webmaster discourages the improper use of the Mercedes-Benz marks by unauthorized entities.

The marks owned by DAG are its property. Those marks have been earned by the company's reputation in the marketplace, its performance and millions of dollars of promotion.

If violations of the Trademark User Agreement occur involving our members, we should police the situation internally through MBCA Legal Counsel or the National President.

The word “of” does not appear in our logo. Our corporate name has not changed but DAG wanted the outer bezel we use to be consistent with the outer bezel of MB Club logos used worldwide.

### **The highlights of the Trademark User Agreement follow:**

We have the right to use the word “Mercedes-Benz.” We have the right to use our new logo. All prior logos must be abandoned. All amalgamation of the three-pointed star in individual Section logos must cease.

We may use the approved mark on our stationery, in *The Star* and other publications and in all items of general advertising.

We may also use the approved marks on specialty items, car badges, decals, merchandise and trophies. Items bearing the new logo shall not be sold to anyone who is not a member of the Club. The Trademark User Agreement specifically provides, “the CLUB shall not use any other trademark of the PROPRIETOR in any other form or manner than the APPROVED MARKS.”

A deviation from the approved marks requires that we first obtain the written approval of DAG.

We are given exclusive right to use “Mercedes-Benz Club of America, Inc.” or “Mercedes-Benz Club of America.”

DAG will defend and has registered our logo.

In the event of the misuse of the approved marks, we will cooperate with DAG in the defense of such rights but the cost will be entirely DAGs. The enforcement of all violations of the Trademark User Agreement will be the responsibility of the legal department of DAG.

**What you may and may not do:**

- You may use the Club logo or the Mercedes-Benz logo in the masthead of your newsletter. Neither logo should be combined with any other feature or design element.
- As a Section, you may use the words “Mercedes-Benz” in your corporate name, but the distinction between DAG and the Club must be obvious.
- MBCA is not connected with nor a part of MBUSA or DAG and no representation, use of logos, marks or names should suggest otherwise.
- Newsletter advertisers, other than franchised dealers who are also licensees to use MB trademarks, may not use “Mercedes-Benz” or the three-pointed star in advertising nor adopt the Mercedes-Benz block letters in referring to the automobiles that are serviced or sold.
- There is nothing wrong with an advertiser saying that it services Mercedes-Benz automobiles. The use of the words “automobile, motorcar or vehicle” is permitted as long as the block letters are not adopted, nor it appears that the advertiser is a franchised dealer.
- Advertisers who are Club members may indicate that in the advertisement.
- It is not necessary to block out three-pointed stars from the center of the Club logo or pictures of automobiles carrying the three-pointed star.

**All problems associated with the use of our Club logo, as well as objections received from MBUSA, should be referred to the MBCA National President or its Legal Counsel. Do not attempt to deal with MBUSA on these subjects directly.**

**11. Use Restrictions-MBCA Name/Stationery/Club Merchandise.**

No Officer, or person holding an official capacity with a Section or the National Club, is entitled to use their title or their position within the Club for private gain. MBCA stationery can only be used for official Club communications. It must not be used for any personal purposes. No person within the Club is entitled to use stationery suggesting the Section or the National organization has approved any business operation, solicitation or enterprise.

No solicitations should be made to MBCA members by another member in any official capacity except on behalf of the Section or the National Club. Members may make solicitations for goods or services but only through Section periodicals, newsletters or *The Star*. The person advertising may represent that they belong to MBCA, but there can be no implication that the goods or services are endorsed by MBCA. Section Presidents must be vigilant against the misuse of Club stationery or Club position. Any questions regarding the above should be addressed to the National President for clarification.

**12. Logos Available through the NBO.**

Approved logos for the Section and newsletter use are available, upon request as electronic art, from the NBO.

## **SECTION FOUR: GOVERNING BODY**

### **SUPPLEMENT OF PROCEDURES TO BYLAWS ARTICLE IV: GOVERNING BODY**

#### **1. Proxies.**

The proxy form prepared by the National Secretary is included with the notice of the meeting and is sent by the NBO to all National Board members at least 30 days prior to each National Board Meeting. *See* National Bylaws, ARTICLE IV: GOVERNING BODY, Section 3, for specific requirements (*see Proxy*, Appendix E).

#### **2. Action Without a Meeting.**

*See* National Bylaws, ARTICLE IV: GOVERNING BODY, Section 8, for specific requirements.

Any action required or permitted to be taken at any National Board Meeting may be taken without a meeting but only if:

- Each National Board member or Committee member is given 10 days advance notice before a requested vote;
- Any National Board member or Committee member may comment on the requested vote; and
- No matter shall pass, or action taken, unless the affirmative vote equals or exceeds that required at a National Board Meeting or Committee meeting.

Nothing in this Section shall prohibit the National President other official from polling the National Board on matters not requiring a formal vote.

If the National Board is polled, the result shall be promptly reported to the National Board indicating the opinion of each named member.

Any electronic communication from the National President or other official shall be sent in hard copy form to all National Board members to whom electronic communication cannot be made.

## **SECTION FIVE: NATIONAL BOARD**

### **SUPPLEMENT OF PROCEDURES TO BYLAWS ARTICLE V: NATIONAL BOARD**

#### **1. Executive Sessions.**

Executive Sessions of the National Board may be held prior to regular meetings of the National Board, special meetings of the National Board or specifically called Executive Sessions to which notice as required by special meetings is given. The National Board may also go into Executive Session upon a motion properly made during a meeting of the National Board.

Only members of the National Board are entitled to attend Executive Sessions, but the National President or the National Board may invite others to attend Executive Sessions, as deemed appropriate.

No formal action shall be taken in Executive Sessions. No minutes shall be kept of Executive Session meetings. Executive Sessions may be used for clarifying issues to be discussed or acted upon in open meeting, future planning and discussion of sensitive issues involving employment, policy, legal matters or contracts.

A proposed agenda for Executive Sessions shall be prepared by the National President and provided to the National Board at least 20 days in advance of the meeting, unless this is impossible. Issues and matters not on the agenda may be discussed in Executive Session.

This provision shall not apply to the election or appointment of National Officers or National Board members.

#### **2. National President.**

The National President owes a fiduciary duty to MBCA and serves the corporation without compensation in accordance with the Bylaws and Procedures Manual. The National President owes an obligation to the National Board to keep it informed on matters of National policy and administration as well as other matters of importance.

Neither the National President, nor family, shall profit financially at the expense of MBCA, nor shall they enter into any contract or business arrangement with MBCA, from which any financial benefit could be derived, without full disclosure and National Board approval.

The National President will not buy or sell any real property, nor commit MBCA to the purchase or sale of any real property, without having obtained, in advance, a resolution voted for by a majority of the National Board approving the proposed transaction. No deed, purchase agreement or option shall be valid unless so approved.

All purchase agreements, options to purchase, deeds and contracts touching on the purchase or sale of real property, must bear the signature of the National President and the National Secretary. Any such deed or document not bearing both signatures shall be invalid.

The National President shall not commit MBCA to any written contract having a value of more than \$5,000 or that has a term longer than the remaining portion of the National President's term without first having given adequate advance notice and receiving the approval of a majority of the National Board.

The National President shall not appoint any Committee Chairperson without first receiving agreement of the appointee to serve in such capacity.

The National President shall share all information and plans affecting the Club and its future with the National Vice President. The intent of this provision is to prepare the National Vice President to assume the duties of the office of National President pursuant to ARTICLE V: NATIONAL BOARD, Section 3 of the National Bylaws.

The National President shall provide the Executive Director with locations and times of availability when traveling so that in the event of an emergency, the NBO will be able to make contact.

Unless the National Board goes into Executive Session upon proper motion during a regular or special meeting of the National Board, the National President shall prepare an agenda for Executive Sessions of the National Board and solicit the input of the National Board concerning placement of issues before it during Executive Session. The prepared agenda for Executive Session of the National Board shall be sent to all National Board members at least 20 days prior to its meeting, pursuant to ARTICLE IV: GOVERNING BODY, Section 7 of the National Bylaws.

**3. National Vice President.**

The National Vice President shall perform the duties of the National President as described by the Bylaws "in the absence of the National President." These terms shall be interpreted to mean upon the death of the National President, until the National Board elects a successor pursuant to ARTICLE V: NATIONAL BOARD, Section 12 of the National Bylaws, during a period of extended disability longer than 14 days during which the National President is unable to make decisions and/or discharge the duties of the office, upon the request of the National President for any reason, or upon the unavailability of the National President to be communicated with by the NBO for a period of longer than 14 days. Upon the removal of any disability that requires the National Vice President to assume the duties and responsibilities of the National President, the National President shall be restored to all of the prerogatives and duties of office.

**4. National Secretary.**

At least 60 days prior to each National Board Meeting, a letter shall be prepared by the National Secretary addressed to each National Board member, Committee Chairperson and Appointees, announcing the date and location of the meeting, and requesting submission of their Reports to the NBO at least 45 days prior to the date of the meeting, for distribution by the NBO.

The National Secretary is responsible for the agenda for each National Board Meeting. The letter announcing the meeting shall also request submission of all agenda items to the National Secretary at least 45 days prior to the meeting, accompanied by a position report or paper for

each item to be placed on the agenda. If an agenda item is likely to be controversial, the position paper should include a history of the item and its pros and cons. This letter is sent to the NBO by the National Secretary for distribution at least 30 days prior to each National Board Meeting.

Based on input received, the National Secretary will prepare the agenda, with proxy forms, and provide the originals to the NBO for distribution as follows:

Each National Board member shall be furnished two copies of a proxy form, one to be used at the meeting and the other to be sent to the hotel where the meeting is to be held, addressed to the National Secretary and marked to be held for the National Secretary's arrival. The National Secretary shall not open these letters unless the National Board member is not able to attend the meeting. All unopened proxy letters shall be returned to the senders by the National Secretary upon their arrival or during the meeting, as appropriate.

Each National Board member, non-National Board Committee member, Committee Chairperson and appointed official shall receive a copy of the agenda and meeting schedule of events at least 20 days before the meeting.

Within 30 days following the meeting, the National Secretary shall prepare and forward to the NBO the minutes for distribution to National Board members, National Committee Chairpersons, Appointees, Section Presidents, *The Star* Editor and past National Presidents, unless declined. A condensed version is also prepared by the National Secretary and sent to *The Star* Editor for publication in the next issue.

When the National Board chooses to hire a "Court/Convention Reporter" to capture the detail of a National Board Meeting, the transcribed minutes may be made available to any Club member who requests them and pays the fee required by the Reporter. These minutes are typically available within 30 days after a National Board Meeting.

#### **5. National Treasurer.**

The National Treasurer shall be responsible for documenting and reporting the Club's financial condition. The National Treasurer shall keep the National Board advised regarding current developments and provide periodic reports concerning the state of receipts, expenditures and the annual budget. The National Treasurer shall also report at the end of each calendar quarter, any payment, reimbursement or benefit given to or paid for any National Board member, appointed official, Committee Chairperson or Committee member. These reports shall be made available, upon request, to any Club member. (*See Demand for Inspection/Copying of Books and Records* form, Appendix F, for conditions.)

The accountant produces a Summary Statement of Activities with Budget Comparison, Statement of Financial Position, and a Letter of Observations quarterly. The Executive Director and the National Treasurer shall review these reports for accuracy. After review of the reports, they will be emailed to the National Board. The target date for distribution to the National Board shall be by the close of business on the third Friday of the month following the end of the applicable calendar quarter.

The National Treasurer shall act as the Chairperson of the Budget Committee and shall report the state of the Club's financial condition at each National Board Meeting.

## 6. **Regional Director Procedures.**

### A. **Concept.**

#### (1) **The Region.**

Each Region is represented on the National Board by a RD elected by the members of the Sections within that Region. (The International Region has no Sections and is administered by the NBO.)

#### (2) **The Office of RD.**

The position of the RD is critical to Section and Regional growth and health and, therefore, to the health of the Club as a whole. The RD acts as liaison between Sections and National and represents the members within the Region on the National Board, shares in all decision-making of the National Board and brings the National Board to the Region and its Sections.

Leadership is the primary duty of the RD -- motivating the Sections to meet Club aims and goals. It is done continually by the RD using Regional visits, letters, phone calls, meetings and reports to the Section Presidents of the Region and in Executive Committee meetings with them. Leadership training is a RD responsibility -- imparting specific information to Section Officers and boards to accomplish specific tasks. It shall be done at Regional Leadership Training Seminars, etc.

The National Vice President is advisor to the RDs, supervises their activities and assists them in the coordination of their duties nationally. The RDs provide the National Vice President with copies of all correspondence and reports to or from the Sections within their Regions, advising of any problems or difficulties associated with Section relations.

In case of a RD vacancy, the sitting RD will make a good faith effort to present a candidate to the Governance Committee for review if his or her term of office cannot be completed. Regardless of whether the RD presents a candidate, the Governance Committee will conduct a search for qualified candidates in a timely manner, gaining "Candidate's Statements" and presenting them to the National Board for a vote. If a sitting RD does not plan to run for re-election, or cannot complete their term, the Governance Committee will deliver an email notice to the Region's Active Members about the open RD position with instruction for how an Active Member can petition to serve for the remaining term of the open RD position.

### B. **RD Tools of the Office.**

#### (1) **NBO Assistance/NBO Reports, Listings, etc.**

The NBO provides the necessary cooperation, clerical assistance and tools to carry out RD duties and responsibilities, including NBO reports, listings and forms and National Programs administered by the NBO.



**C. Conduit Principle – A Two-Way Flow of Information.**

**(1) Representing the Section on the National Board.**

The RD asks Sections in the Region for suggestions or items for the National Board agenda for submission 60 days prior to the National Board Meeting.

**(2) Representing the National Board to the Section.**

The RD transmits National Board directives and recommendations to Section Presidents after each National Board Meeting. The RD acts as National's adviser to the Sections in dealing with specific problems that may arise and lets the Sections know he/she is available when needed. The RD also promotes interest in successor candidates and prepares them to assume RD duties.

**D. Duties & Functions – Regional.**

**(1) Communication**

- a. Represent National Board to sections, and sections to National Board by attending and participating in all Board and assigned committee meetings.
- b. Participate in Section and Regional Events.
- c. Maintain regular communication with Sections through electronic or direct means.
- d. Promote Regional membership meetings and host Leadership Team meetings using video conferencing application you are familiar with (ZOOM, MSTeams, WebEx, Go To Meeting, FreeConference Etc.).

**(2) Promote Membership Growth and Retention**

- a. Require that all Sections establish a Membership Chairperson and/or a Membership Committee.
- b. Promote and publicize Section/Region membership activities.
- c. Create and grow a Regional Membership committee.
- d. Share monthly membership growth reports for sections and region.
- e. Publicize and promote events of interest to members and non-members.
- f. Emphasize events and activities that are fun for participants.

**(3) Monitor compliance with reporting and activity requirements**

- a. Collect annual Section reports:
  - Section finances
  - Documentation of State registration
  - Current officers and board member census.
- b. Monitor Section Newsletter requirements:
  - Publication and Distribution Frequency
  - Promotion of National, Regional and Section Events.
- c. Leverage the MBCA awards program to recognize and reward both active involvement and growth of Section leadership
- d. Encourage every Section to submit a designated Member of the Year and a nomination for Officer of the Year and Membership Chair of the Year.
- e. Encourage qualification and submissions for Section of the Year.
- f. Encourage and monitor Driving Skills classes and requirements as appropriate to Section interests and available facilities.

- (4) **Support Member Benefits and activities.**
  - a. Promote National and Regional Events
  - b. Promote National activities such as Raffles, German Trips, and Freude etc.
  
- (5) **Develop Region and Section Leadership Teams**
  - a. Strengthen leadership through development and training meetings.
  - b. Promote Section financial stability and independence:
    - Encourage Section events, newsletter and website sponsorships
    - Encourage events in which participants pay the cost of the event.
  - c. Actively involve Section leaders and members in leadership capacities.
  - d. Promote a “deep bench” of potential Section Leaders, Regional Director, and Director at Large candidates.
  - e. Encourage sections to develop a succession plan.
  
- (6) **Driver Skills Curriculum**
  - a. The Regional Director shall identify and appoint a Regional Performance Driving Chairperson for implementation of the MBCA Driver Skills Curriculum in the Region to the Performance Driving Committee Chairperson and the National Vice President.
  - b. The Regional Director shall encourage that a minimum of one MBCA Driver Skills Curriculum event is delivered in the Region each calendar year by coordinating with the National Performance Driving Committee.

**E. Duties & Functions – National.**

NOTE: The number listed in brackets [ ] after an item heading refers to the item number in the *Chronological Checklist/RD Duties*.

**(1) Formation of New Sections. [19]**  
RD/NBO Activity

The formation of viable new Sections is essential to the growth of the Club. The RD and the NBO shall cooperate to pursue all leads. The NBO and the National Vice President shall assist the RD in the new Section formation.

The RD reviews Regional membership for potential; initiates where feasible, pursues any member interest expressed, puts member in touch with the NBO for procedural details.

When the NBO is contacted directly, the RD must be notified before the NBO proceeds. After the initial contact has been made and the official request, in the form of the Petition to Form a Section, is received and the petition verified, the NBO handles all correspondence. The RD is copied on all NBO correspondence and is notified of all meetings, attending if feasible. The clerical responsibility (as well as secondary responsibility for initiating new Section formation) has been given to the NBO for the following reasons:

All member data are maintained and updated daily at the NBO. The NBO is staffed with clerical personnel, current member records and copying and mailing equipment, that are essential for quick response during the formation process; also, there is a second point of contact that is always available for members who are unable to contact their RDs.

Approval of any new Section by the RD, the National President, the National Vice President and the Executive Director is required. Such approval shall be in writing, with copies retained by the NBO.

Whenever possible, the RD should be available to present the Charter to the newly formed Section. The Charter is prepared by the NBO and sent to the RD, who coordinates the presentation of the Charter with the Section President.

(2) **Attendance at National Board Meetings.**

(a) **National Board Meetings. [20]**

All RDs attend meetings of the National Board. RD meetings are held prior to each National Board Meeting and all RDs attend. The “host” RD chairs the meeting.

(b) **National Budget Meeting. [21]**

During the Spring National Board Meeting, RDs select two representatives and an alternate on a rotating basis to serve on the National Budget Committee, enabling each RD, in turn, to become familiar with and give input to the budget process.

(3) **Reports to National Board. [23]**

All RDs must submit a written report to the NBO 45 days prior to each regular National Board Meeting for distribution to all National Board members.

Reports should cover past six months' work and future six months' plans and goals, including events attended within Region and beyond; correspondence and phone contacts; status of Section activity, membership growth, newsletters, etc.; intended visits; plans for future Regional Events, etc.

(4) **Expenditures/ Reimbursement Forms.**

NOTE: RDs are not authorized to expend any funds except as outlined below, without prior approval from the National President.

**Expense Voucher. [24]**

The Expense Voucher Form is used for reporting and reimbursement of allowable expenditures not paid directly by the NBO in connection with attending National Board Meetings. Allowable expenditures include portal-to-portal travel to/from National Board Meetings and the budget meeting, if held, for the 2 RDs designated to attend. NOTE: There is no restriction on choice of airline, and the NBO may be billed directly. Meal reimbursement is allowed. (*See National Bylaws, ARTICLE IX: MISCELLANEOUS PROVISIONS, Section 3.A.(1)(a), Meal Reimbursement.*)

The Expense Voucher Form must be submitted to the National Treasurer within 30 days of incurring the expense.

The Expense Voucher Form is also used for reporting and disbursement of the Regional Event Subsidy, and other budgeted items, such as special requests for assistance money for National and Regional Events and for Sections hosting National Board Meetings.

This form is used for the reporting and reimbursement of RD activities within the Region. The yearly RD allowance for expenses incurred to administer the Region is limited to 400 times the number of chartered Sections within the Region. In addition, if a Regional meeting is held within the RD's Region, actual expenses of the RD incurred attending such meeting may be reimbursed in an amount not to exceed \$750.

The Quarterly Activities Report/Expense Voucher Form must be submitted to the National Treasurer within 30 days after the end of the quarter if the RD wants to be paid for the expenses incurred.

#### **F. Timetable for RD Activities.**

##### **(1) National Board Meetings**

- a. Represent your region by participating in the Annual Meeting of the Members/National Board Meeting, the Spring National Board Meeting, and special meetings as scheduled.

##### **(2) Quarterly: Conduct Region Leadership Meetings and Town Hall meetings.**

- a. Recommended Agenda Items
  - 1) Communicate latest Board and Executive committee information
  - 2) Promote National events, programs and activities
  - 3) Review membership trends and encourage membership growth
  - 4) Listen to member and section thoughts, comments, and ideas.
  - 5) Share sponsorship ideas and section financial independence initiatives
  - 6) Gather information and reports from any regional committees
  - 7) Mentor individuals for “successor” capability, build a deep bench
  - 8) Promote newsletter publication and delivery.
  - 9) Encourage Sections to share event ideas and concepts.
  - 10) Remind Section Leaders about Local, Regional and National Awards
    - Member of the Year (Section)
    - Officer of the Year (Regional)
    - Membership Chair of the Year (Regional)
    - Section of the Year (National)

##### **(3) End of year:** (supported by NBO emailing with information and forms)

- a. Obtain Section Financial Reports (due January 31) and verify that Section non-profit incorporation status is current.
- b. Section officer report/update (in addition to updates as changes occur)

(4) **Ongoing**

- a. Promote section and region month to month membership growth
- b. Promote activities and events, and attend where possible.

**SECTION SIX: NOMINATIONS AND ELECTIONS**  
**SUPPLEMENT OF PROCEDURES TO BYLAWS ARTICLE VII: NOMINATIONS AND ELECTIONS**

**1. Nomination Procedures.**

The Governance Committee annually develops and implements a National Director recruitment process for identifying persons to be considered for nomination as candidates for election to the National Board in connection with the annual election and the need to fill vacancies on the National Board when vacancies occur. This process is based in part on the list of minimum selection criteria for knowledge, experience, and critical skills needed on the National Board, as developed annually by the Governance Committee.

The Governance Committee will announce the search for qualified candidates, including notification to the Active Members of the open positions on the National Board to be voted upon in the annual elections and of the opportunity to submit Nomination Petitions. The announcement and notice will include selection criteria developed by the Governance Committee.

The Governance Committee will use all tools and mechanisms reasonably available (MBCA website, *The Star*, Section Newsletters, Click emails, special emails, etc.) to conduct a search for qualified candidates.

All Nomination Petitions, whether by persons recruited by the Governance Committee or by Active Members who otherwise desire to be candidates for election to the National Board, must be submitted to the Governance Committee in accordance with the provisions of Article VII, Section 3 of the MBCA Bylaws.

The Governance Committee will review all timely and properly submitted Nomination Petitions and vet all candidates to determine if they meet the established selection criteria for service on the National Board and for avoidance of conflicts of interest.

The Governance Committee will present a report to the National Board containing a slate of qualified candidates for all open DAL and RD positions. Depending on the number of nominations that have been received and the number of qualified candidates after vetting, the slate of qualified candidates will, if possible, include more candidates than there are open DAL and RD positions.

The National Board will hold a special meeting to receive the report of the Governance Committee containing the entire slate of candidates, and to determine a Board-endorsed slate if the Board, by a majority vote, makes such determination, for presentation of the entire slate to the Active Members on the election ballot.

These actions described above will be accomplished within the time schedule set forth in paragraph 3, below.

## 2. **Election Procedures.**

Voting by the membership in the Club's National elections shall be conducted through online voting procedures to be established and implemented by the NBO, providing each Active Member with the opportunity to cast a ballot electronically. In the event an Active Member notifies the NBO by September 1 that such Member desires to vote in the upcoming National election using a written ballot, the NBO shall cause a written ballot to be mailed to that Member at their address last appearing on National membership records.

The member voting must be an "Active" Member. Only one Active Member per membership number may cast a ballot.

The online voting procedures will provide a mechanism by which ballots that are cast online will be electronically signed or validated by the Member casting the ballot. In the case of written ballots, the Member voting must sign the ballot and print his/her name below the signature.

The vote for DAL and RD on each ballot is to be evaluated independently, as follows:

### **DALs:**

A vote for candidates to fill the number of seats available is acceptable. A vote for more candidates than the available seats invalidates the DAL vote only.

### **RDs:**

A vote for any one RD is acceptable provided the "Active" Member's Section is within the Region represented by the RD candidate voted.

A vote for more than one RD invalidates the RD vote only.

A write-in candidate on the ballot for either DAL or RD invalidates any vote for either DAL or RD. A write-in candidate for both DAL and RD invalidates any vote for both DAL and RD.

The online voting procedures will provide the ability for Active Members to begin casting ballots by online voting at least 30 days prior to October 15. Any written ballots for Members who have requested to vote by written ballot must be mailed to such Members at least 30 days prior to October 15. Online voting will close at midnight, Mountain Time, on October 15. Written ballots must be received no later than October 15. In the case of written ballots, the postmarked location, or return address either on the envelope or on the ballot, shall not be a criterion for rejection.

## 3. **Schedule.**

March 1: The Governance Committee will notify the Active Members of the open DAL and RD positions on the National Board to be voted upon in the annual elections and of the opportunity to submit Nomination Petitions.

May 1: Nomination Petitions must be received by the NBO in Colorado Springs, Colorado, with the signed Conflict of Interest Policy Form, submitted to the attention of the Governance Committee. The NBO verifies membership of all petition signers and of the candidates. (*See Conflict of Interest Policy Form, Appendix C, and Nominating Petitions for and DAL Form, Appendix D.*)

May 20: On or before this date the Governance Committee will review all timely and properly submitted Nomination Petitions and vet all candidates to determine if they meet the selection criteria for service on the National Board and for avoidance of conflicts of interest.

May 25: On or before this date the Governance Committee will present a report to the National Board containing a slate of qualified candidates for all open DAL and RD positions.

June 5: On or before this date the National Board will hold a special meeting to receive the report of the Governance Committee containing the entire slate of candidates, and to determine a Board-endorsed slate if the Board, by a majority vote, makes such determination, for presentation of the entire slate to the Active Members on the election ballot.

June 10: On or before this date the NBO, with the cooperation of the Election Committee, will provide the rules, deadlines and instructions for the election to all candidates who are on the slate to be presented on the election ballot. This may be done electronically; however, in the event a candidate so requests, the NBO will provide this information to the candidate by fax or mail.

July 10: On or before this date the candidates' statements must be received by the Election Committee for proofreading and inclusion in the election material. Statements will be sent directly to the persons assigned to proofread the statements. NOTE: No members of the Election Committee may be current candidates for DAL or RD.

July 24: On or before this date the proofed candidates' statements will be sent to the NBO for inclusion in the election material.

If any date falls on a Sunday or holiday, the due date will be the next regular business day.

The NBO will send a copy of the typeset version to the proofreaders for rereading and correction in time to have the election material prepared and available by September 1 for use and dissemination in accordance with the election procedures.



The election material will be provided to the Active Members no later than September 15, in accordance with the election procedures referred to in Article VII, Section 6 of the Club's Bylaws.

In the case of an uncontested election with no ballot issues, a slate of candidates will be printed in *The Star* for Active Members to send in if they choose, in lieu of voting being conducted online or by printing and mailing of separate ballots, as referred to in Article VII, Section 6 of the Club's Bylaws.

**4. General Rules.**

Candidate statements are limited to a maximum of 300 words. The statements will be proofed for accuracy of claims and for spelling and grammar only.

*The Star* will run an article on the election in the September/October issue reminding the Active Members to vote, reminding them that they may vote online and telling those Members who requested a written ballot by September 1 but who have not received their ballot by September 30 to contact the NBO to have a ballot mailed to them.

The NBO can provide labels, at cost, to candidates who wish to mail correspondence to the Active Members. No candidate, proponent or opponent of any issue shall use the MBCA logos for campaigning or any other political purposes. Any correspondence must indicate that it is from the candidate and must not indicate any official MBCA endorsements. Thus, no MBCA logos, official stationery, envelopes or postcards may be used. (*See Demand for Inspection/Copying of Books and Records Form, Appendix F.*)

Campaigning for a National office is not permitted on the MBCA Website, nor using MBCA lists, nor can campaign material be included in any information connected with National Board Meetings or National Events.

**5. Governance Committee.**

The Governance Committee shall have jurisdiction over the nomination process for all National elections. In addition to the nomination procedures set forth in Article VII of the MBCA Bylaws and this Section Six, the Governance Committee may create and communication rules for nominations, provided that such rules are not inconsistent with the nomination procedures contained in Article VII of the MBCA Bylaws or in this Section Six.

**6. Election Committee.**

The Election Committee shall have jurisdiction over the conduct of all National elections. In addition to the General Rules, above, the Election Committee may create and communicate rules for each election. The Rules of the Election Committee take precedence over the General Rules if there is any challenge to the rules.

**7. Conflict of Interest Policy.**

The National Board has adopted a Conflict of Interest Policy and form that is found in Appendix C. One copy with the nominee's original signature shall be included with nominee's Nomination Petition(s) by the May 1 deadline.

**SECTION SEVEN: SECTIONS**  
**SUPPLEMENTS OF PROCEDURES TO BYLAWS ARTICLE VIII: SECTIONS**

**1. Section Formation Procedures.**

These Section Formation Procedures pertain to forming a new Section as well as a Section being revitalized. They are designed to provide RDs, the NBO, Club Officers and members desiring to form a new Section or revitalize a deactivated Section, with the Procedures required by the MBCA Bylaws, in a handy, step-by-step form.

**A. Formation Process.**

Whenever possible, it is the duty of the RD to assist in organizing a new Section located within his or her Region, and to help coordinate efforts of getting the new Section underway. The RD may be able to assist in contacting the local Mercedes-Benz dealer for assistance.

**(1) Documentation.**

ARTICLE VIII: SECTIONS, Section 2.a. of the National Bylaws, states that the forming Section “Submit to the NBO a set of documents for the purpose of incorporating the proposed Section. The documents will be processed as stated in the Standard Operating Procedures. When the request to form a Section has been approved by the Regional Director, the National Vice President and the Executive Director, a Charter shall be issued to the Section.” Approval is to be in writing, with copies maintained by the NBO.

ARTICLE VIII: SECTIONS, Section 2.c. of the National Bylaws, states that the forming Section “Assure that its Bylaws, which must be approved by the Regional Director, the National Vice President and the Executive Director, state that the Section agrees to abide by the National Bylaws. It is understood that each Section shall alone be responsible for any event or activity it sponsors or conducts.” Approval is to be in writing, with copies maintained by the NBO.

The following documents are to be submitted to the NBO:

- Petition to Form a Section (Appendix G).
- Forming Grant Request (Appendix H)
- Section Bylaws (*See Example of Section Bylaws*, Appendix I)
- Incorporation Document
- Section Constitution (*See Example of Section Constitution*, Appendix J)

**(2) Schedule of Procedures.**

The following schedule should be followed in submitting these necessary documents to the NBO for approval and in arranging the necessary organizational and subsequent meetings during the formation process.

**(a) Petition to Form a Section.**

Application to form a Section is made in the form of the Petition to Form a Section, signed by 15 Active Members one per household and one per membership number. The original of the Petition must be sent to the NBO for

verification of the signatures and membership and coordination with the appropriate RD. The Petition must also indicate the four Temporary Officers (President, Vice President, Secretary and Treasurer) of the new Section and the Section name (*see* Appendix G).

In choosing a name for the Section, it is recommended that the name of the geographic area be used rather than an ambiguous name that does not denote any specific area. A name that is too all-inclusive would be confusing to members of other Sections or Sections that might be formed later. Forming Sections may not use any part of the name of an existing Section. It should be noted that once the name has been approved by the NBO, any name change must also be approved (ARTICLE III: ORGANIZATION, Section 3 of the National Bylaws).

(b) **Section Boundaries.**

Upon receipt of the Petition to Form a Section, the Executive Director and the RD shall establish the boundaries to be used for the new Section (Zip Code, geographical consideration, etc.), and notify the adjacent Section(s), the appropriate RD(s), and the National Vice President, of the intent to form a Section. A list of the members (if any) within the new boundaries, who are members of existing Section(s), shall be provided to the existing Section(s) so they can be advised of the intent to form the Section, so the loss impact of these members can be evaluated by the losing Section(s).

Any objections to the formation of the new Section must be received by the Executive Director, in writing, within 30 days after notification of the intent to form the Section. If there are objections to the formation that the Executive Director cannot resolve, the matter will be brought before the RD and National Vice President for a resolution.

If no objections are received within 30 days, the boundaries described shall be used for the new Section and the process will continue.

(c) **Verification of Petition.**

Upon verification by the NBO that the names on the Petition are shown as Active Members in good standing, a Temporary Section will be established in the computer by the Executive Director and the NBO staff, who will notify the RD, the National Vice President and the Sections involved.

Upon approval of the Petition to Form a Section, the NBO shall provide the Temporary Officers a list of names and addresses of all members residing in the same Zip Code areas assigned to the new Section who belong to other Sections. A copy of the list will also be sent to the current Sections. NOTE: The list of members furnished to the Temporary Officers for the purpose of Section formation MAY NOT be used for any other purpose. Member names MUST NOT be released to unauthorized parties.

All members who signed the Petition and any members-at-large within the boundary of the Temporary Section will be transferred automatically to the Temporary Section.

Members residing in the same Zip Code areas assigned to the new Section and who belong to other Sections will be transferred automatically to the new Section AT THE SAME TIME by the NBO. The NBO will write the members advising them of the new Section and of the transfer, informing them that they can remain in their old Section by sending written notice to the NBO.

(d) **Forming Grant.**

Upon notification by the NBO of approval of the Petition to Form a Section, the Section must submit a Section logo and newsletter masthead for approval. After the logo/masthead approval is complete, the Temporary Section may apply to the NBO for a \$500 forming grant. This money should be used for mailings to members and the cost of incorporation (*see* Appendix H).

(e) **Section Bylaws.**

As stated, upon notification from the NBO of approval of the Petition to Form a Section, the Temporary Section may submit their proposed Bylaws to the NBO for approval by the RD, the National Vice President and the Executive Director (*see* Appendix I).

When the forming Section has been advised by the Executive Director that the Section Bylaws have been approved and after the organizational meeting has confirmed the feasibility of forming the new Section, the Section may incorporate in their state or province (*see* (h), below).

The Sections should adjust their own operating dates, no matter when they are formed, to have their elections and installation of Officers by October 1 each year. It is recommended that the Section President not serve more than two consecutive years.

(f) **Organizational Meeting.**

Following establishment of the Temporary Section by the NBO, announcement of the formation of the local MBCA Section should be prepared, together with an RSVP invitation to attend the organizational meeting using the listing provided by the NBO. It is suggested that the organizational meeting be held in a convenient, attractive setting with ample parking. These announcements and invitations should be mailed at least three weeks prior to the meeting.

The local dealer and other members of MBUSA in the area should be invited. The local dealer may be able to help publicize and possibly assist in the organization effort.

Stick-on nametags should be prepared from the RSVP list so that people can become acquainted from the very start.

The Temporary Officers (listed on the Petition to Form a Section) should be introduced to state briefly the purpose of the meeting. Before adjournment of the first meeting, the date and location of the second meeting should be announced providing there is sufficient interest to proceed with the organization. This gives those present a chance to plan their schedules and to invite additional owners who may not have heard about the first meeting. The NBO-supplied application forms should be made available to all in attendance so everyone can help with the recruitment of new members. The main purpose of the organizational meeting is to determine the feasibility of establishing a Section.

(g) **Second Meeting.**

Greater participation at the second meeting might be encouraged if a flyer were prepared with names of attendees and photos of the first meeting. The flyer should be mailed using the mailing list from the first mailing. At the second meeting, a display board with additional photos from the previous meeting, along with names of attendees, would help to develop a feeling of unity and enthusiasm. The Section Officers are elected at this meeting.

(h) **Incorporation Document.**

Articles of Incorporation should be submitted to the state/province of incorporation as prescribed by law. New members may include a lawyer who could be helpful in this process.

Each Section must incorporate within the state or province in which it is located, and submit a duplicate copy of the incorporation document to the NBO, within 120 days of the date shown on the Petition to Form a Section. Failure to do so may result in the withdrawal of approval of the formation of the Section. The document must show the date of incorporation.

(i) **Section Constitution.**

If different from the Section's Articles of Incorporation or Bylaws, the Section Constitution, properly completed, must be furnished to the NBO at the same time the incorporation document is submitted. The Section Constitution must not conflict with the National Bylaws (*see* Appendix J).

(3) **Charter Presentation.**

The Charter will be sent to the RD for presentation to the new Section. The event should be arranged so that the RD can attend and present the Charter personally, if possible.

2. **Section Operating Procedures.**

A. **Position Within MBCA.**

The RD is the Section's representative on the National Board, acting as liaison between the Section and National. Wherever possible, Sections should direct their inquiries and other correspondence to their respective RDs. Section newsletters should encourage members to write to their local Section Officers, whose names and addresses should be included in each issue. The RD and the NBO stand ready to assist Section Leaders and their members whenever called upon.

## **B. Activities.**

Each Section is required to hold a minimum of one meeting/event per trimester to receive its rebate. Its Activities Committee should promote a variety of local activities that most appeal to the Section members, as well as hosting joint Section and Regional Events.

A calendar of events for the coming year should be submitted to the RD when requested or the Section rebate could be withheld. This helps avoid conflicting events within the Region and Nationally, and enables the RD to coordinate and publish a timely Regional Calendar of Events. October is a good month to hold a planning session. Invite all members, set down each month's event for the coming year, send a copy to the RD and publish it in the next Section newsletter, with a running calendar for the next 12 months in each issue.

Event publicity and a reservation form should be in the Section newsletter at least two months prior to the event. Publicize Regional Events even earlier, with information provided to *The Star* and the NBO to attract wider participation. Emphasize that it will be fun to participate and meet other Club members. After the event, a positive write-up in the Section newsletter that reflects “you missed a great event if you missed this one” should attract members to the next one.

In addition to newsletter publicity, some Sections have used the direct-mail approach, such as mailing postcards to each member as event flyers. A variety of events attracts a wider cross-section of members and might include:

### **Driving Events:**

These attract members who may not participate in social-type activities. They may include rallies, gymkhanas, Concours d'Elegance and economy runs. The Defensive Driver's Training Course, a popular learning experience for all levels of drivers, is available from the NBO upon request.

The Activities Committee should consider as part of its agenda, the education of members regarding these events in a way that encourages participation and support. It should also familiarize itself with MBCA's insurance coverage, described in SECTION THREE: ORGANIZATION, Paragraph 9, *Other Programs*, of the Standard Operating Procedures, and the *Participation Agreement* provided in the National Events Rule Book.

### **Technical (Tech) Sessions:**

These deal with mechanical or restoration subjects and attract members with special interests. Usually held indoors, these are good car-oriented events for those poor weather months.

### **Dinner Meetings:**

These are also events to fill in the poor-weather months and Sections find better response to those that include car-related videos or guest speakers on timely topics. There are many sources of interesting videos.

### **Picnics and Family Events:**

Driving to one of these events in a Mercedes “caravan” adds an additional dimension.

Adding a few questions and a prize for the highest score turns the drive into a low-pressure rally. A “caravan” has been successful on many occasions, including to and from Section or Regional Events. StarTrip is an enjoyable cross-country caravan that guides distant members to StarFest, our National Convention held every other year.

**Joint Events With Other Sections in the Region:**

Ask the leaders of other Sections in your Region if they would be interested in co-hosting an event. Also, ask your RD about hosting a Nationally-subsidized Regional or National Event. Your RD will gladly brief your Section about the benefits and responsibilities of hosting one.

**C. Hospitality/Welcome Committee.**

This Committee is often made up of a Chairperson and all National Board members. Each should make an effort to welcome first-time members, introduce them to Section Officers and one or two other members in an effort to encourage them to participate in future events. A box included on the event reservation form to indicate new/ first-time attendees can assist in identifying these members in advance of the event. A member of the Hospitality Committee should be assigned to providing these members with temporary name badges that indicate “new” members to Committee members and others attending. Assigning a “buddy” or “mentor” at an event is another effective way of providing a social contact for a first time attendee. It is also a nice gesture to introduce new members and first-time attendees at each event when other announcements are being made. Publishing pictures and names in the next newsletter is even better proof that their participation is appreciated. The Committee might follow up with a phone call inviting them to the next event or two.

**D. Newsletters.**

Section newsletters or bulletins are very important publications for sharing information with their membership and can contribute to the growth and development of the Section.

Sections are required to publish a minimum of one issue each quarter and it is mandatory that each issue be delivered to each Section member, to their respective RD and to the NBO. Failure to do so may result in the loss of the Section rebate. It is also strongly recommended that *The Star* Editor and the National Newsletter Committee Chairperson are included on the newsletter mailing list. At the option of the Section, copies may be sent to Newsletter Editors of other Sections in order to facilitate the exchange of information. Section mailing labels are available from the NBO for this purpose. NOTE: The MBCA NEWS (Newsletter Editors’ Work Shops) is occasionally provided by the National Newsletter Committee at StarFest and StarTech. Ask if one can be given at a Regional Leadership Training Seminar, too.

Section newsletters may be produced by compensated or uncompensated member volunteers, or by individuals or firms who are or are not members, on a contract basis. Such newsletters may carry paid advertising, but income from it in excess of cost may be taxable. There are no territorial restrictions on advertising by Sections.

The Section's newsletter need not be elaborate to perform its local function, however, each issue should contain some basic information essential to the membership, as follows:

- The names, addresses, phone numbers (including Area Code) and e-mail addresses of Section Officers, National Board members, Newsletter Editor, Membership Chairperson and RD. Preferably, these will appear in the masthead area, along with membership information, how to join and who to contact for advertising rates. Newsletters should encourage members to address inquiries to their Section Officers first.
- A schedule of events for the next twelve months, if possible, but at least for the next three months.
- A “selling” announcement of the next event, preferably of the next two, complete with reservation information, and a report on the previous month's event.
- Publicity on events of other Sections in the Region; publicity on Regional and National Events, etc.
- A welcome to new members, giving their names.
- Renewal reminder to those who have received renewal notices and a final reminder to those listed for expiration.

Proper use of the Mercedes-Benz trade name, trademarks and logo in Section newsletters is of vital interest to Section Editors. Newsletter Editors should know what is acceptable use. (Refer to SECTION THREE: ORGANIZATION, Paragraph 10, *Use Restrictions-DAG, Trade Name/Trademarks*, of the Standard Operating Procedures, for details.)

#### **E. National Programs.**

##### **(1) New-Member Mailing Labels.**

Each month a set of new-member mailing labels is sent to each Section by the NBO automatically, at no charge to the Section, for use in welcoming new and newly assigned members. Membership mailing data may be provided electronically for those who prefer electronic copy.

Section mailing labels are available to each Section at no charge. The program provides the Section with a mailing label for each member in the Section for use in mailing Section newsletters. Labels are available either in alphabetic order, or if the Section has over 500 members and is using the bulk mail system, in Zip Code order.

##### **(2) Credit Card System and the 800-Line.**

The Club accepts VISA, MasterCard, Discover and American Express credit cards. Over the 800-line the NBO accepts payment of dues from new or renewing members. The credit cards mentioned may also be used to order items from the Club Store. Section Officers may use the 800-line for limited use in discussing Club matters although it should be remembered that use of this line may interfere with prospective and renewing members from completing calls to the NBO.

#### **F. Requirements for Rebate.**

Compliance with the following conditions and requirements relates to issuance of the Section rebates as noted:

##### **(1) Rebate Check Not Cashed.**

The Section rebate must be processed within 90 days of the date on the check or it becomes void. A \$25 administration fee will be deducted for a new check.



(2) **Section Events.**

A Section must hold a minimum of one meeting/event each trimester to qualify for the rebate.

(3) **Section Newsletters.**

A minimum of one newsletter each quarter must be delivered to the general membership. Copies of each issue must be sent to the RD and the NBO in order to monitor for the Section Event requirement.

(4) **Annual Calendar of Events.**

If requested by the RD, the Section must submit a calendar of events for the upcoming year. Failure to comply could result in the withholding of the rebate.

(5) **Annual Financial Statement.**

The Section must submit an annual financial statement for the period January 1 through December 31 in a format and timely manner specified by the National Treasurer. Failure to comply will result in withholding the rebate(s) until the National Treasurer accepts the statement. If the Section's failure to submit an acceptable statement causes the quality of the audit of the National Club to be determined less than "unqualified" by its auditor, action may be taken as described in ARTICLE VIII: SECTIONS, Section 5 of the National Bylaws.

(6) **Annual Certification of Incorporation.**

All Sections must be incorporated in their state/province of residence, and in October of each year, an NBO Update Form requests certification by each Section of the current status of their incorporation. Failure to comply could delay issuance of the rebate check.

It is the responsibility of each Section President to make certain that the records of the corporation (Section) are passed on to his or her successor. It is further important that all filings made with the Secretary of State, Department of Commerce or Department of Corporations be filed annually or as required, and fees paid, as required. Failure to make such filings will result in a corporate charter being terminated.

Failure to properly maintain a Section's corporate status may result in personal liability on the part of the Directors, Officers and members of the Section. It also raises tax implications concerning a Section's non-profit status that could be detrimental to the best interests of the Section's membership. Once done, this information can be handed down to successive Officers and the corporate status of the Section preserved.

(7) **Annual Notice of Change of Officers.**

It is the responsibility of the Section to advise the NBO when a change of Section Officers occurs. The Update Form requests Sections to advise them of the names, addresses and phone numbers of the Officers elected in the recent Section elections and the names of the authorized signers on the Section's checking account. The NBO will notify *The Star* of the changes so the MBCA Directory page can be maintained up-to-date.

## **G. Other Requirements/Restrictions.**

### **(1) Required Documentation.**

Each Section is required to have a copy of certain documents on file at the NBO as follows:

- Petition to Form a Section. (Some Sections may not have this document available because this was not a requirement until after they were formed.)
- Section Bylaws
- Section Constitution
- Section Incorporation

### **(2) Checking Accounts, Contracts and Checkbooks.**

(a) The funds of the Section shall be deposited in a local financial institution under the Section name. Two Officers of the Section, from different households, shall be registered at and authorized by the financial institution for the purpose of authorizing the signing of checks. This will need to be updated as Officers change when the “Change of Officers” form is submitted to the NBO each year.

(b) When a Section enters into a contract, it should do so in the name of the Section. MBCA is a corporation. Each Section chartered by the National Club is also a corporation. All contracts entered into on behalf of a local Section should be done in the form of, “(Name of Section), Mercedes-Benz Club of America, Inc.,” but the Section name should appear in close association to the name of the National Club.

(c) Section checks should use the designation discussed regarding contracts. Section checks should never use the Mercedes-Benz Club of America, Inc. name alone but only in conjunction with the Section name, such as (Name of Section), Mercedes-Benz Club of America, Inc. This will avoid any mistake concerning who was contracting to do what. Checks using the wrong designation can cause confusion.

### **(3) Use Restrictions-Club Name/Stationery/Merchandise.**

Section Presidents must be vigilant against the misuse of the Club name, stationery, newsletters, Club Store merchandise or Club position.

### **(4) Federal, State and Local Tax Returns.**

It is the responsibility of the Section to file the required tax returns. Each Section should seek an opinion from a tax lawyer or an accountant on the subject of whether tax returns should be filed. This information should be passed on to successor Officers of the Section.

(5) **Section Membership Directories.**

Sections may publish annual membership directories using the format template available from the NBO. For a member's information to be included in the directory, the member must have completed an opt-in questionnaire (also available from the NBO or on the MBCA Website) indicating their information that may be included in the directory, in this order: a) name and state, with telephone number, b) e-mail address, c) city, d) special model interests, and e) postal address. The format for member directories will also include the date of publication, the Club's National and Section legal address, current Section officers and other activity and affinity-group contact people. Directories must contain the statement: "Use of this directory is restricted to non-commercial purposes that are consistent with the purposes of the Club." If the directory is available online it must be restricted to a members-only section and be downloadable only in locked form that cannot be modified after download. This does not prohibit the use of NBO membership lists for official Club business.

3. **Suspension, Revocation or Voluntary Surrender of Charter.**

On behalf of the National Board, the RD, the National President and the National Vice President shall initiate the written notice required in ARTICLE VIII: SECTIONS, Sections 5 or 6 of the National Bylaws, to be sent to all members of the Section 30 days prior to the formal National Board vote as requested by the RD, advising the Section of the proposed vote to suspend or revoke the Section Charter, or to accept the voluntary surrender of the Section's Charter and dissolution of the Section. The letter should include the information stated in ARTICLE VIII: SECTIONS, Sections 5 or 6 of the National Bylaws. In the event the Section Charter is revoked, or the voluntary surrender of the Section's Charter is accepted, the members of the Section will be distributed to surrounding Sections, and the Section will surrender to the NBO, within 30 days of the National Board's action, all corporate documents of the Section, all financial records of the Section, and all funds remaining in the Section's Treasury. The NBO may then take action, as it determines may be appropriate and necessary, with the Secretary of State or Corporation Division in the State where the Section is incorporated to terminate the Section's use of the Club's name and confirm the dissolution and termination of the Section. The Section's funds shall be distributed as follows:

All Section funds shall be distributed proportionately by the percentage of members who transfer to other Sections.

**SECTION EIGHT: MISCELLANEOUS PROVISIONS**  
**SUPPLEMENT OF PROCEDURES TO BYLAWS ARTICLE IX: MISCELLANEOUS**  
**PROVISIONS**

1. **Committees.**

A. **Budget.**

The Budget Committee is made up of National Board members, with the National Treasurer serving as Chairperson. The National President, the National Vice President and the National Treasurer, as well as two RDs chosen by the RDs on a rotating basis at the Spring National Board Meeting, attend the budget meeting. The Budget Committee is responsible for the fiscal year budget and any amendments to it. The Budget Committee is responsible to review NBO records to assure that legal tax filings were and are being made.

The Executive Director, working with the National President, prepares the PROPOSED budget and distributes the first draft to the Budget Committee prior to the budget meeting. Since the new fiscal year budget is finalized at the budget meeting, the National Treasurer must have all budget items no later than August 31 of each year and will request each member of the National Board to submit their budget requests for the upcoming fiscal year by August 31 for consideration at the budget meeting. A budget call from Committee Chairpersons and Appointees should also be requested for submission to the NBO so the proposals can be included in the proposed budget.

Final approval of any budgetary actions is vested with the National Board. Therefore, following the budget meeting, the Executive Director will prepare the final draft of the proposed budget as set forth by the Budget Committee and distribute it for comment to the National Board. The National Treasurer will present Budget Committee recommendations, in the form of a motion, to the National Board for approval at the next regular National Board Meeting following the budget meeting. (Refer to SECTION THREE: ORGANIZATION, Paragraph 7.C., *Fiscal Year Budget Process*, of the Standard Operating Procedures.) The Budget Committee shall review the Club's portfolio of investments and report to the National Board on its status and possible changes to meet the Club's investment objectives.

B. **Performance Driving.**

The Chairperson of the Performance Driving Committee is appointed by the National President and with the approval of the Board of Directors based on experience with competitive driving events. The Chairperson maintains and suggests changes to the official safety regulations and event procedures for performance driving events as well as defensive driving schools. These changes must be agreed upon by the Performance Driving Committee and be approved at the Fall National Board Meeting for inclusion in the National Events Rule Book. In addition, he/she trains and oversees all certified Regional driving instructors. The Chairperson also ensures that all driving events have an event coordinator who is charged with running the event and ensuring safety. This person can also be referred to as the "National Observer."

The Chairperson evaluates venues for new events considering projected membership participation and the skill of participating members. This individual also has the final authority on the manner in which the Performance Driving Events are conducted. The

Performance Driving Committee Chairperson is the sole authority on driving events and no other member ranks higher when it comes to making decisions regarding a driving event.

It is the responsibility of the Performance Driving Committee to publish the National Events Rule Book, and insure it is kept current, and that the rules be enforced at each driving event. Copies of the National Events Rule Book may be obtained on request from the NBO or on the Website at MBCA.org.

It is beneficial to the Club to appoint a member of the current National Board as the National Events Committee Chairperson. National Events are discussed at all National Board Meetings and a National Board member would already be attending.

Rule changes to the National Events Rule Book may be recommended to the National Board for approval through the Performance Driving Committee Chairperson. All rules to be in effect for the current driving year should be approved prior to the first driving event of the year. Since rule changes for driving events will be voted on only at the November National Board Meeting, the Performance Driving Committee Chairperson should make sure that a notice to this effect is placed in the September/October issue of *The Star* with a request for input from the Club membership. This will ensure that the rules have been updated and allow time for them to be published prior to the first event the following year. The Chairperson of each National Event will be furnished adequate copies of the National Events Rules Book prior to the event so they can be given to participants.

The Performance Driving Committee Chairperson, with the approval of the National President, will select a National Observer for each National Event. A copy of the rules will be furnished to the National Observer. The National Observer will have full responsibility for the enforcement of the rules at the event. At the completion of the event, the National Observer will furnish a full report of the event to the Performance Driving Committee Chairperson, the National President and the NBO.

**C. Technical.**

The Technical Director for the Club is available to assist members with their technical questions. He or she is furnished with technical manuals, bulletins and software from MBUSA. If the Technical Director is unable to answer a specific question from a member, he or she will request assistance from the MBCA Technical Advisors or the technical staff of MBUSA. The Technical Director's name, address and telephone number, along with his or her Technical Advisor will be listed in *The Star*.

It is appropriate for the Technical Director to expend funds to fulfill his or her obligation to the members of the Club. The Technical Director may, upon invitation from a Section, travel to the Section to conduct Technical Seminars as requested by the Section. The Technical Director shall submit an expense voucher to the NBO for these trips. A telephone answering machine, fax, voicemail and e-mail may be necessary along with a budget for telephone service. When deemed necessary, he or she may request prior approval for a trip to MBUSA. A budget proposal should be sent by him or her to the Budget Committee to be included in the annual budget meeting.

**D. Enthusiast.**

The Chairperson of Enthusiast Committee will submit a budget for the Enthusiast Program to the NBO prior to the budget meeting each year. The Enthusiast Committee supports multiple areas of interest: Vintage/Classic vehicles and other Special Interest Groups and Programs. In support of the “vintage/classic” Mercedes-Benz models, the Enthusiast Committee works, when appropriate, with the Mercedes-Benz Classic Center, MBUSA and the MBCA Technical Director, Technical Advisors and Restoration Advisors to further the goals of maintaining and restoring these older vehicles. In support of Special Interest Groups, the Enthusiast Committee promotes interest in, and coordinates the aims and programs of, MBCA members interested in specific models of Mercedes-Benz vehicles. Lastly, the Enthusiast Committee supports and coordinates Lifestyle, Social and Philanthropic Programs that benefit both members and non-members alike.

**E. Star.**

The Star Committee is charged with the responsibility of overseeing the printing, mailing, distribution and sale of magazines and all issues involved with *The Star* contract. The Star Committee Chairperson also acts as liaison with the Editor/Publisher of *The Star*. The Star Committee is responsible for overseeing the cost of the magazine and determining which events and activities will be entitled to free advertising. The Star Committee works with all aspects of the magazine, including sales of advertising. The Star Committee meets regularly with the service contractors necessitated in the production of the magazine. The Star Committee regularly reports to the MBCA Executive Committee on activities involving the magazine.

**F. Membership.**

The Membership Committee Chairperson is appointed by the National President from members of the National Board and Active Members.

The responsibilities include:

- (1) Formulating an Annual National Membership Program at the grassroots level that promotes club growth and retention.
- (2) Oversees the editing and printing of updates of the MBCA application forms, and all other documents and materials related to membership with the assistance and cooperation of the NBO staff.
- (3) Develops, with the assistance of the Membership Committee and the NBO staff, recruitment and retention materials and accompanying advertising and publicity materials.
- (4) Collaborates with the NBO staff and Technology Committee in the development and monitoring of the membership applications and all related membership material on MBCA Website, including the implementation of the Clubs, other electronic aids and social media at public venues for recruitment.

- (5) Communicates and networks with and receives full cooperation of the following in order to affect a quality membership program: The entire Executive Committee, the RDs, the DALs, the National Newsletter Committee, the National Leadership Committee and the NBO staff.
- (6) Actively communicates and assists Section Officers, Membership Chairs and Newsletter Editors with recruitment and retention.

#### **G. National Events.**

In addition to the responsibilities of the National Events Committee in **SECTION THREE ORGANIZATION: ITEM 8 NATIONAL PROGRAMS; SECTION B NATIONAL EVENTS PROGRAMS** in these procedures, the National Events Committee will be responsible for recommending a location and providing a proposal for future National Events to approval by the Board. One member from the local area will be temporarily added to the National Events Committee for a National Event to aid in selection of possible activities or venues. If a Performance Driving Event is to be included, the National Events Committee will coordinate with the Performance Driving Committee Chair to ensure that all requirements are met.

#### **H. Newsletter.**

The Section rebate program was enacted in 1960 for the purpose of providing funds to the Sections for publishing newsletters and financing activities.

The Chairperson of the Newsletter Committee is responsible for advising Sections in the presentation and delivery to each member within their Section of the newsletter and is Editor of the MBCA NEWS (Newsletter Editors Work Shop), which contains suggestions to Section Newsletter Editors on editing, publishing and mailing newsletters plus content which may be reproduced. Failure to deliver a newsletter to each member by electronic means or by mail may result in a forfeiture of rebate for that period. If the Section chooses to deliver its newsletter electronically only, the Section must make every attempt possible to obtain email addresses from members who do not have an email address on file to ensure all members have an opportunity to receive the Section newsletter.

#### **I. Awards.**

The Awards Committee selects the winner of the Annual Section of the Year Award based on the selection forms submitted by the Sections, which go out with a cover letter to each Section with the NBO's December mailing. Sections must submit their entries by a given deadline and all judging will be based on the written entries. The Awards Committee will notify the NBO of the winner so that the award can be made up. It is presented at StarFest, StarTech or a National Board Meeting. Since this Award goes to only one Section, it should carry special significance.

The Awards Committee works with RDs and the NBO to recognize Member-of-the-Year from the Sections and Officer-of-the-Year from the RDs.

The Awards Committee also may submit candidates for the DAG "Silver Star" Award to be presented to a living individual who has made a significant lifetime contribution to the Club. Candidates are submitted to DAG and selected by the MBCCCI Presidents at their

annual meeting. The award (if any) is presented in person at StarFest, StarTech or a National Board Meeting.

The Awards Committee Chairperson and the Executive Director discuss, choose and order gifts for outgoing National Board members. These gifts are given in November at the banquet following the Annual Meeting.

**J. Election.**

The Election Committee establishes rules and supervises the conduct of all National elections. The Election Committee Chairperson shall appoint two Committee members to proofread the campaign statements of the candidates, which shall be limited to 300 words each. The candidates' statements are to be reviewed for accuracy of claims, spelling, grammar and compliance with the word limit. In the event of a question concerning the accuracy of information in a candidate's statement or prior Club activity, the proofreaders may contact the candidate to get required verification.

No one who is, or will be, a candidate for office at the next National election shall serve on the Election Committee. At least one member of the Election Committee shall be a past National President.

**K. Personnel.**

The Personnel Committee consists of the National President, National Vice President and three other members of the National Board. They are responsible for hiring, evaluations and termination of the Executive Director and for assisting the Executive Director with any staffing situations at the NBO.

**L. Leadership.**

Chairperson of the Leadership Committee is appointed by the National President. The Leadership Committee's aim is to foster and develop leadership skill and growth through training and programs for Section Officers and members interested in building and strengthening their Section. Responsibilities include creating and maintaining a Leadership Manual; developing and implementing a Leadership Program that may encompass the presentation of Leadership Seminars or Workshops; publishing "Turn Signals" (the Leadership Newsletter); and fostering effective communications between Section Leaders and the National Board.

**M. National Concours.**

The National Concours Committee reviews and establishes changes in the concours rules and the classification of vehicles in the National Events Rule Book. It also has the responsibility to train and certify National Concours Judges and teach all aspects of the judging process as well as methodology to conduct a concours at Concours Judging Schools throughout North America. These schools are at the request of a Section President or the RD.



## **N. Driver Skills.**

The Driver Skills Committee reviews and establishes the syllabus for the MBCA Driver Skills Curriculum, facilitates certification of Regional Chief Instructors and supervises the consistent implementation of MBCA Driver Skills events. The Driver Skills Committee has the responsibility to train and certify qualified Regional Chief Instructors and sets the in-car instructor/coach qualification standards for all MBCA Driver Skills Curriculum events.

## **O. Governance.**

The purpose of the Governance Committee is to help the National Board reach its full potential by functioning appropriately and effectively with Directors who meet established nomination and selection criteria, and to provide methods of regular training to members of the National Board so the Directors have the knowledge, critical skills, and perspectives necessary to perform at the highest level.

The Governance Committee provides onboarding and training for the National Board by developing and implementing a comprehensive Board development plan, which includes methods and tools for orienting, training, educating, and evaluating Directors and by developing and conducting new Director orientation/mentorship program.

The Governance Committee regularly reviews the bylaws and procedures, and recommend updates or changes as needed to the Board; regularly reviews the committee structure, including purposes, responsibilities, and performance, and recommend changes as needed to the President and Board; periodically conducts a Board self-evaluation to measure the Board's effectiveness and to identify areas for improvement, and present the evaluation results and Governance Committee's observations and recommendations to the Board; acts as a guide and resource on how to deal with potential conflicts within the Board; with input from the Board, annually develops a list of minimum selection criteria for knowledge, experience, and critical skills needed on the Board; develops and implements a Director Recruitment Process for identifying and developing future Directors; reviews Director candidates' qualifications based on the selection criteria developed by the Governance Committee and Board; recommends candidates to fill any vacancies on the Board; and annually prepares a slate of recommended individuals to be considered for nomination by the Board as directors, with the final Board-endorsed slate presented to the full membership for election.

The Governance Committee consists of 3-5 committee members, meets quarterly, or as needed for special circumstances, performs its responsibilities independently without undue pressure/influence, consults with MBCA Legal Counsel, non-profit organization specialists, and auditors as needed, and reports to the National Board.

## **2. Appointees.**

### **A. Insurance Advisor.**

The Club's Insurance Advisor may also be a member of the National Board. As requested by the National Board, he or she provides advice on insurance matters involving the Club and with the National Board approval may arrange for such coverage deemed necessary by the National Board.

**B. Legal Counsel.**

The National President may appoint outside Legal Counsel. The Club's Legal Counsel shall represent its Officers and National Board and may handle such legal matters are referred to him or her by the National President.

**C. Mercedes-Benz Classic Car Club International (MBCCCI).**

This representative is the liaison to MBCCCI regarding policies and programs that affect MBCA and provides information about MBCA that can benefit other Mercedes-Benz Clubs worldwide.

**D. Procedures Manual.**

The Executive Director, working with the National President, is responsible for monitoring needed changes to the Procedures Manual, proposing changes and deciding the content of the Procedures Manual, subject only to being overridden by the National Board in the event of majority disagreement.

The Procedures Manual will be updated yearly and provided to all Section Presidents and National Board members. The Procedures Manual is placed on the MBCA Website for reference by all other Club members.

**E. Raffle Liaison.**

This liaison is responsible for coordinating the Club's raffles that currently are organized and operated by the International Stars Section in Michigan. The liaison is also responsible for the Raffle Sponsorship Agreement with the sponsoring Section.

**3. Reports.**

Each National Board member, Committee Chairperson and Appointee is expected to submit a Report to the NBO at least 45 days in advance of each regular National Board Meeting, advising of his or her activities of Office, progress of Committee programs and results.

For National Board members, these Reports will include past activities and results in connection with their duties and responsibilities. RDs also include future plans for the Region. Committee Chairperson's report on Committee programs and activities, progress and results. Appointees submit similar activity reports.

Some Committee Chairpersons and Appointees are also members of the National Board. However, from time to time, the National President may feel it necessary to invite a Committee Chairperson or Appointee who is not on the National Board to attend a National Board Meeting for discussion of their work. In this instance, such person will be eligible for all travel, hotel and per diem as National Board members, the funds for which will be appropriated from the National Board Meeting expense category of the Club budget.

As is the case with all members of the Club, all expenditures of Club funds must have prior approval from proper authority. Reimbursement requests for expenditure or commitment of Club funds without proper authority will not be honored.

**A. Expenditures and Reimbursements.**

The following sets forth allowable expenditures and reimbursement procedures for National Board members attending National Board Meetings, those Committee Chairpersons and Appointees who be attending at the request of the National President. It also sets forth the allowable expenditures in the administration of their assigned duties, and the procedures and forms for reimbursement.

**(1) The Expense Voucher Form.**

The Expense Voucher Form comes in triplicate. The white and yellow copies are to be submitted for approval to the National Treasurer for payment by the NBO. The pink copy is retained by the sender. The forms are obtained from the NBO and at the MBCA Website.

**(a) Attendance at National Board Meetings.**

The Attendance at National Board Meetings Form is to be used by all National Board members (and National Committee Chairpersons and Appointees invited to attend a National Board Meeting) to request reimbursement of allowable expenses not paid directly by the NBO. It is the responsibility of each traveler to submit the Expense Voucher Form within 30 days after the expense was incurred. Both travel and meal expenses can be combined on one voucher, however, meal expenses will be paid only after meeting attendance. (*See Meal Reimbursement, below.*)

**Travel:**

All general meetings are announced in advance to accommodate payment of the least costly airfare. Each National Board member, National Committee Chairperson (if requested to attend), the Executive Director and any needed NBO staff who attend these meetings shall be reimbursed for their airfare at the most economical rate at the time of booking their travel, getting to/from the airport (taxi, airport service, etc.) and fees for airport parking.

Early purchase of air tickets is encouraged to take advantage of special reduced fares even if nonrefundable when not used. Reimbursement will be made for any charge in the event of cancellation of such tickets. There is no restriction as to choice of airline, and the NBO will be billed directly.

Should attendees elect to drive to the meeting, they will be paid either roundtrip mileage, as allowed by the IRS or less, or the equivalent of the lowest airfare purchased at least 15 days prior to departure, plus cost of getting to/from the airport and airport parking fees, whichever is less.

**Meal Reimbursement:**

The amount of meals to be reimbursed is based on actual expenditures incurred up to a maximum amount predetermined by the National Treasurer.

Expenditures must be listed separately on the expense report. Individual expenditures for \$25.00 or more must be substantiated with a receipt or copy of the receipt. The maximum amount of the reimbursement is set by the National Board and is paid for each day of attendance at meetings plus one day of travel,

if needed. The National Board may approve changes to fit the circumstances. Alcoholic beverages may not be expensed.

It is left to the judgment of the National Treasurer in consultation with the National President to deal with and authorize payment for nonconforming circumstances.

**Hotel Rooms:**

Reservations made directly by the NBO for the meeting stay and paid directly by the NBO shall not be reported on the Expense Voucher Form as an item for reimbursement.

**Special Board Meetings:**

Payment under the above rules is waived in the event of special meetings of the National Board unless the special meeting is announced a minimum of 30 days in advance.

(b) **Regional Event Disbursement National Subsidy.**

The RD may submit the Expense Voucher Form to the National Treasurer to request disbursement of the \$500 National subsidy, indicating payee (Section(s) hosting the event), and the name and mailing address of the recipient. This may occur before or after the event, at the RD's discretion.

(c) **Assistance Money – National Driving Events.**

The Performance Driving Committee Chairperson uses the Expense Voucher Form for budgeted items such as an approved National Driving Event subsidy. Generally, the Performance Driving Committee Chairperson requests that payment go to the appointed chairperson of the scheduled event.

(d) **National Board Meeting Subsidy for Host Section.**

The Expense Voucher Form is used to request the \$1,500 subsidy that is allowed for any Section hosting a National Board Meeting. The money may be requested in advance (in the calendar year of the meeting) to cover the costs of booking a Hospitality Suite and for purchasing the food and beverages that are included in the Hospitality Suite. This subsidy is intended to cover most of the expenses of hosting a National Board Meeting (depending upon how much the host Section spends on the event).

(e) **Other Expenses.**

Members of the National Board are cautioned against expending funds without prior authorization. The National Treasurer is not authorized to approve payment of any expenditure that has not been authorized, either by prior National Board action or by the National President. The Executive Director is not authorized to pay any expense shown on any Expense Voucher Form that has not been approved by the National Treasurer or the National President.

If expenses are to be incurred by a National Board member as a result of a special assignment by the National President, the funds must be approved by the National President prior to the actual expenditure.

(2) **National Board Members and Committee Chairpersons Club Letterhead/ Envelopes.**

Individual printing of letterheads and envelopes will be the responsibility of ALL National Board members and Committee Chairpersons. The cost of same should be included on the Quarterly Activity Report and Expense Voucher Form and will be reimbursed by the NBO upon presentation. The official letterhead and logo imprint that must be used is available at the NBO in electronic form upon request.

(3) **Disclosure of Benefits.**

Any payment, reimbursement or benefit given to or paid for any National Board member, Appointed Official, Committee Chairperson or Committee member shall be reported to the National Board by the NBO at the end of each calendar quarter and shall be made available, upon request, to any Club member. (*See Demand for Inspection/Copying of Books and Records Form, Appendix F.*)

(4) **Commercial Business Relationships.**

No National Board member or candidate may engage in commercial business activities with the MBCA. (*See Conflict of Interest Policy Form, Appendix C.*)

## **APPENDIX A: STANDARDS OF BUSINESS AND PROFESSIONAL CONDUCT, CODE OF ETHICS AND E-MAIL ETIQUETTE**

### **Part I. Standards of Business Conduct**

#### **General Guidelines**

- Mercedes-Benz Club of America, Inc. (MBCA) National Board members, National Business Office (NBO) staff members, suppliers, advertisers, and general membership *will be open and honest in their dealings with others, to earn their trust and loyalty*. Ethical conduct cannot be assured by written policies or Club Bylaws or codes of ethics and conduct; it must be an integral part of how we operate, a deeply ingrained tradition that is passed from one generation of members and staff to the next.
- *We achieve our common objectives through teamwork*. We recognize that it is only through effective cooperation among ourselves and with our suppliers that we can achieve our goals. Our commitment is to work as a team to fulfill the expectations of our Club members, suppliers, the automotive community, and our relationship with both Mercedes-Benz USA (MBUSA) and Daimler AG (DAG). We must always remember that it is *their* logo that we use and represent in all of our business conduct.
- *We maintain high ethical standards*. It is the intent of MBCA that membership in the Club and its Sections will satisfy members' desire for enjoying the friendship of fellow members while gaining knowledge about the vehicles that bring us together. We also recognize the MBCA can further our opportunities for community service in a framework of high ethical standards. All programs, activities, events, and publications of MBCA and its Sections and their individual members shall pursue standards of excellence which will reflect credit to the organization and Daimler AG.

Maintaining high standards in all form of communication or actions is the responsibility of all Section leaders. If actions of a Section conflict with the basic principles, ideals, or standards of MBCA, the Section may be subject to suspension or revocation of its charter and/or the individual member may be subject to suspension or expulsion/termination, or other appropriate action.

Individual members of Sections shall not use any form of communication in a derogatory or personally damaging way, nor conduct any program, activities, publications, speeches, and behavior which are offensive or in poor taste or otherwise considered detrimental to the best interests of the Mercedes-Benz Club of America, Inc. (MBCA). In addition, no such person or entity shall publish or distribute any newsletter or other publication (printed or electronic) that contains defamatory remarks, malicious and derogatory charges, or false or libelous statements. Any use of MBCA media (newsletters, publications, e-mail, technical forum, leadership forum, etc.) must employ the highest applicable standards of journalistic integrity for fairness, accuracy, responsibility, and respect for MBCA and its members. To many members, MBCA is its media.

Activities in support of candidacy for the National Board or Section Boards shall be conducted in a responsible manner consistent with the importance and dignity of the office. A candidate shall take the initiative in keeping the activities of supporters within the

established guidelines. In addition, material soliciting support of, or offering candidates for, National Board or Section Boards shall be in good taste and shall not display materials in any fashion that would bring discredit to MBCA or its Sections.

Members of MBCA and its Sections shall, at all times, observe the regulations of hotels, racetracks, and other facilities where activities and events are being held. Any activity by a Section or its individual members that would bring discredit to MBCA will not be condoned, and the Section may be subject to suspension or revocation of its charter and/or the individual member may be subject to suspension or expulsion/termination, or other appropriate action.

No member of MBCA shall assist, support, aid, facilitate, invite, or condone any conduct by any former member of MBCA or any non-member of MBCA which has the purpose or effect of interfering in the programs, events, or activities of MBCA or its Sections.

Violation of any of the above principles concerning prohibited activities by an individual member of MBCA or one of its Sections may be subject to suspension or revocation of its charter (MBCA Bylaws, Article VIII, Sections, Section 5) and/or the individual member may be subject to suspension or expulsion/termination, or other appropriate action (MBCA Bylaws, Article II, Membership, Section 3).

### **Specific Guidelines**

- ***Discussions and negotiations with suppliers*** should always be conducted in such a way as to reflect well on the image and integrity of MBCA. The privacy of our suppliers' finances should be respected. Negotiations should be conducted discreetly. Good faith agreements should always be reached, but then what was agreed to needs to be clearly documented and signed by both MBCA and our suppliers. [NOTE: This privacy issue particularly applies to any *public* dissemination of information, *not* to the appropriate and necessary dissemination of information among the Board members and/or NBO staff.]
  - Any Board member or NBO staff member who also conducts or works for a business (or has a family member who does) should be particularly sensitive to the appearance of impropriety in the relationships between MBCA and that business. Such business relationships must be reported to the Club President. Any "contract or agreement" with such a business needs to be conducted in a way that it is clear there was no favoritism in the selection of that business to work with the Club.
  - Formal bidding for goods or services (when it is used) shall be open, formal, and confidential. Bids received should not be shared with other bidders prior to the award of a contract. Standards for good business practice should be used in all formal bidding processes.
- ***Relationships with MBUSA and its dealers*** should always be conducted in a way that shows the value of MBCA. We believe that *the general membership of MBCA is a real asset* to MBUSA and to DAG. As car enthusiasts, we recommend Mercedes-Benz vehicles and dealers to others. This asset needs to be built upon and strengthened by our everyday behaviors. Nothing that we do should be detrimental to the welfare of the Club or our relationships with MBUSA, DAG, or the Mercedes-Benz dealer network.

- ***Club travel and expenses*** should always be budgeted and whenever possible pre-approved. It seems like a simple point, but we need to remember that our travel and expenses are *for the Club* and should never be, or have the appearance of being, for just our personal benefit.
  - Major expenses should be planned for in advance. A contingency or risk reserve fund can be set aside for unknown and unplanned expenditures. The Club’s Officers should administer this fund.
  - Committee travel and expenses should be budgeted. The person or persons traveling and estimated expenses should be approved prior to traveling. At no point should any Board member spend the Club’s money in a way that could be interpreted as for personal gain.
  
- ***Club financial accounting.*** Budgets should be based upon expected income from membership dues and other sources. Surpluses may be placed in reserves. All income and expenses should be accounted for by the Club President, Treasurer, and Executive Director and regularly reported according to standard business accounting practices. This also applies to special Club events and fund-raisers, such as “The Raffle,” “StarFest,” and “StarTech.” Such events shall have separate bookkeeping to account for income and expenses. We must be aware of the impact of law and legislation in all our financial affairs to avoid any impropriety, or appearance of impropriety, with governmental agencies. Our nonprofit status as well as our financial health requires no less.
  
- ***Gifts and entertainment*** should be accepted with great caution. This is particularly true if the gift or entertainment comes from a prospective supplier or business and where the gift could be construed as a bribe, kickback, or payoff. Any such gifts should be infrequent and consistent with accepted business practices. For example, a committee chairperson or delegate may receive lodging at a prospective host site for an event as a way to assess the suitability of the site for the Club’s purposes. However, such a “gift” should be accepted only as part of a definite plan to work with that business and should receive the written approval of the Club President *prior to* receiving the gift. Such site visits should not include more than one or two Board members. If spouses or others accompany the Board member, it *must* be at their own (not Club) expense.
  - If you have any question about the propriety of receiving a gift or entertainment, ask the Club’s Legal Counsel prior to accepting it.
  
- ***Giving gifts to suppliers or non-Club members*** should be done only with the advice and counsel of the Club President and/or Legal Counsel. In cases where giving a gift is appropriate and legal, it should be done in such a way that is consistent with generally accepted ethical standards and business practices; it cannot be seen as a bribe, payoff, or kickback; it does not violate any law or custom; it will not be an embarrassment if publicly disclosed.



- ***MBCA’s Conflict of Interest Policy*** defines specific areas of conduct that each member of the Board of Directors of MBCA, and all Officers, committee members, and employees will follow. It is part of the Procedures Manual, as Appendix C, with a Conflict of Interest Certification Statement that is to be signed\* by each member of the MBCA Board of Directors, Officers, committee members, and employees.  
\* Responsibility for obtaining the signatures on the Conflict of Interest Certification Statement and for maintaining the signed Conflict of Interest Statements rests with the NBO.
- ***Handling MBCA records*** should be done with regard to legal requirements for records retention. You should submit any legal or business documents to the NBO for a determination of the length of time they need to be stored and for secure storage.
- ***Involvement in a lawsuit affecting MBCA*** should be reported immediately to the Club’s Legal Counsel. If you receive a subpoena, notice to appear, or are served papers in any matter affecting the Club, you should immediately notify the Club’s Legal Counsel for advice in how to respond. In some cases, even “accepting service” can create a problem. Taking any action before receiving legal counsel could jeopardize the Club’s standing in a legal action.
- ***MBCA assets*** must be protected from unauthorized use. If you maintain custody of assets (including any MBCA-owned property), they should be kept in a secure location, and used only to serve the needs of Club members and for *pre-approved* club activities. The NBO must keep records regarding the transfer and use of club assets. Specifically, if assets are loaned to others (*e.g.*, for National, Regional, or Section events) a record should be kept that identifies who requested the asset, when and how it was shipped, who signed for it, when it is to be returned, and when it was returned to the club custodian. The disposition of any Club assets may be done only with the authorization of the MBCA Board of Directors. Any Club assets, such as computers, e-mail systems, Websites, facilities, office equipment, track timing equipment, literature, and supplies should be used exclusively for Club business. Club financial records, minutes of meetings, membership lists, and related documents should be handled in such a way as to protect them from unlawful or improper uses.

## **Part II. Standards of Professional Conduct**

### **General Guidelines**

- To a great extent, appropriate professional conduct can be determined by “common sense” or by applying the “Golden Rule.” This states that one should “do unto others as you would have them do unto you.” This includes statements or behaviors that directly or indirectly have negative consequences for the other person. The Golden Rule holds us accountable to think about the possible affects of what we say or do to other persons or organizations *before* we speak or act.

### **Specific Guidelines**

- ***Treat each other with respect, dignity, and courtesy.*** Do not say or do anything that impugns the motives of another Board member, National Business Office staff member, Club member, or supplier. If you have any reason to question the motives of another person, ask what they intended or meant by what they did. Do not assume that you know another person’s intentions. Do not treat that person with contempt or disrespect. There are several ways in which the letter as well as the intent of these guidelines can be violated, such as:
  - ***Verbal harassment:*** making derogatory comments or slurs (name calling, belittling statements, inappropriate comments, or demeaning statements about a person’s relationships, opinions, or ancestry, etc.).
  - ***Visual and written harassment:*** derogatory or demeaning gestures, illustrations, computer graphics or statements (on a Web page, for example), or statements that are disseminated to others (using e-mail, for example).
  - ***Physical harassment:*** impeding or blocking someone’s movement, making threatening moves or gestures, assaulting, grabbing, or holding someone inappropriately.

During any Club activities, meetings, and correspondence we have a responsibility to treat each other with respect, dignity, and courtesy.

- We do not have to “like” each other or even “accept each other’s views” on Club business to be respectful.
- There are some very specific ways in which we can minimize distrust and polarization that develops when we act out of “emotions” rather than from “reason.” Paraphrasing from Carl Sagan’s, *The Demon-Haunted World: Science as a Candle in the Dark*, Random House, April 1996, pp. 210-216.
  - Wherever possible, get an independent confirmation of “facts.”
  - Encourage substantive debates on the evidence by knowledgeable proponents of all points of view.
  - Do not rely on “experts” *only*—they have been wrong in the past and will likely be wrong in the future.
  - Test more than one hypothesis. If something needs to be explained, consider different ways in which it could be explained.
  - Don’t get overly committed to one position or hypothesis especially if it’s yours. It is only a way station in the pursuit of knowledge / truth.
  - If there is a chain of argument, *every* link in the chain must work (including the premise).
  - When faced with two hypotheses that explain the data equally well, choose the one that is *simpler* (Occam’s Razor).
  - Choose hypotheses that are testable, verifiable, and explainable so that others can see how you reached your conclusions and even reach their own conclusions using your methods.
- ***Operate from a position of trust.*** Trust and truthfulness are vital to the successful operation of any organization. If a situation arises where trust is compromised or questioned, clarify the situation *before acting* on your belief that you cannot trust the other person. Verifying “the facts” or intentions is a great way to avoid mistrust of one another.

- ***Focus on a high level of achievement and contribution.*** Club members have entrusted us with the responsibility to manage the Club in a way that meets the greatest number of needs of the greatest number of members. We are chartered *to be leaders, to generate enthusiasm and commitment among the section’s leaders, to govern fairly and in the best interests of the club, and to meet or exceed the expectations of our members.*
- ***Maintain our stewardship responsibilities.*** To be good stewards we must work collaboratively and professionally. This requires that we remember that we are a car club, not a political organization. We must follow our Club’s vision and mission—as defined in our Charter, Bylaws, and Standard Operating Procedures.
- ***Attend National Board meetings fully prepared.*** National Board meetings usually require three days of the full Board’s time, plus the time of any guests or members who attend. Board members, NBO staff, and guest presenters are expected to arrive with all of their “homework” done. This includes:
  - The Board Agenda (including Topics, Expected Outcomes, Owners, and Time Allotted) prepared and distributed along with the Committee Reports at least two weeks prior to the Board meeting.
  - Board Agenda and Committee Reports read and marked up by each Board member.
  - Committee and Task Force assignments completed with recommendations prepared and distributed in advance. This should also include any options and differing viewpoints (where applicable).
  - An intent to participate in the governance of the Club using:
    - Good meeting management techniques
    - Robert’s Rules of Order (when needed)
    - An attitude to work collaboratively
    - A commitment to treat each other with respect, dignity, and courtesy
- ***Use electronic mail and Web postings (such as technical forums, and any other types of “lists”) with discretion.*** Statements that are made without face-to-face interaction can be far more inflammatory than most people would state directly to another person. Further, rumors, speculations, and accusations are far more difficult to discuss in electronic mail and Web postings. Written words require more discretion than can be handled with the spoken word.
  - We have a major responsibility to help members calmly assess what is being said and to get to “the truth.”
  - Initiating irresponsible statements, verbal attacks, vindictive statements, interpersonal hostilities, yelling, shouting, sarcastic comments or “fanning the flames” of such misbehaviors are “conduct detrimental” to the welfare of the Club members who repeatedly behave in such irresponsible ways will be coached, reprimanded, required to sign a performance agreement, censured, or expelled (depending upon the nature of the unacceptable behaviors). [NOTE: This is not taking a position that *dialogue* should be suppressed, nor that *freedoms of expression* should be abridged.]
- ***Differences of opinion*** about directions of the Club, policies, and procedures to achieve our future directions should be *discussed* in National and Section Board meetings. Items that cannot be resolved in the time allotted *during* a Board meeting should be given over to

committees or task forces that represent all sides of the difference(s) and reported back to the Board with specific recommendations for action.

### **Part III: Reprimand, Censure, and Termination**

Behavior that runs counter to these standards must not be ignored. Occasionally, the Club's or Section's environment may be disrupted by a member. If enjoyment wears thin the Club or Section can have difficulty with events, activities, and programs. Before friction builds or members drop out the leader closest to the problem (Section President, Regional Director) should inform their leaders and the National President and initiate the following sequential steps (If a problem potentially violates statutory law the National President and Legal Counsel may eliminate or postpone some or all of these steps):

1) *Mediation*: Discuss the problem privately with the disruptive member and encourage him or her to help maintain the Club's positive atmosphere. If a problem arises between several members learn and discuss the specifics with both parties, preferably together, as misperceptions or unintentional indiscretions can often be rectified without going any further. Always provide a copy of Appendix A to everyone in the meeting.

2) *Coaching*: If the problem is in fact the member's behavior, such as impugning the motives of another member, slurs, gestures, or harassment, review the Club's guidelines (Appendix A) with the member and give him/her a letter of record that this is the coaching step as described in the Appendix.

3) *Reprimand*: If the member's behavior does not improve the Club or Section President may ask the person to resign. If the member declines the person may be asked to sign a "*performance agreement*" that specifies acceptable standards of conduct with the likelihood of censure and/or expulsion (MBCA Bylaws, Article II, Membership, Section 3) if the unacceptable behaviors continue.

4) *Censure or Expulsion*: If necessary, requires a vote of the National Board of Directors. A vote on censure or expulsion should be limited to only those items which the member has been told are the reasons for the proposed action. If necessary, the National President may choose to bring in Club Legal Counsel to advise on the matter. Remember, memberships are held by individuals in the National MBCA, not at the local Section level. Thus, only the MBCA National Board conducts termination/expulsion proceedings.

To be fair and reasonable, do the best you can to keep the issue confidential within the Club. Ordinarily, no person outside the Club should be involved or attend any meeting of the Club at which disciplinary action is being discussed. Any deviations from this process need to be justified by the circumstances (*e.g.*, threats to personal safety), and must be fair and reasonable. The Club is ultimately responsible for making its own interpretation of these procedures.

### **Part IV: E-mail Etiquette**

#### ***Top ten rules of e-mail etiquette!***

**1. Use a subject line that lets the receiver know what the message is about.**

- ☐ An effective Subject line is paramount. A good Subject line helps you and your message recipients view, file, search, and prioritize messages efficiently. Having an inbox full of messages with a blank Subject line or starting with URGENT or FYI is very frustrating. The “Subject” should state exactly what the message is about and nothing more--most recipients can prioritize messages for themselves.
2. **Do not click on Reply To All if you are only intending to Reply to the person who sent the e-mail.**
    - ☐ Use Reply To All with caution. In some situations, this option is necessary because all recipients need your response. However, a Reply To All with the message body "Thanks" probably does not need to go to everyone. Closely related to Reply To All is the distribution list (DL). Make sure you use Distribution Lists with care, and when you see that a large Distribution List has been used, ask yourself whether everyone needs your response before you click the Reply To All button.
  3. **Do not write e-mails in BLOCK CAPITALS or all lower case.**
    - ☐ WRITING IN BLOCK CAPITALS IS UNNECESSARY AND IS INTERPRETED BY MANY AS SHOUTING. → Expect a rude reply!
    - ☐ using all lower case is odd, especially if i do it all the time. it might look quaint but some read it as laziness. → Expect no reply!
    - ☐ Using the usual case is recommended; the use of lower case and upper case evolved over many years; it is legible and requires little effort of reader or writer.
  4. **When sending e-mail, always remember that what you say in e-mail is in writing and is not always private.**
    - ☐ MBCA encourages the use of electronic mail and respects the privacy of users. It does not inspect, monitor, or disclose electronic mail. Nonetheless, MBCA may deny access to its electronic mail services and block access to offensive material. Refer to the *MBCA Standards of Business and Professional Conduct and Code of Ethics, May 2001*, for more information.
  5. **When sending attachments, please be aware of the size.**
    - ☐ Limit the use and size of attachments. Attachments are not evil by nature—you just need to use them with care. When you add an attachment to a message, consider whether there is an alternative, such as sending a link instead of the whole attachment.
    - ☐ MBCA’s e-groups mailer does **not** support the use of attachments. If you must send an attachment with e-mail, you will need to individually address it to the recipients—assuming your own e-mail service supports attachments.
  6. **Remember when writing an e-mail to keep it specific.**
    - ☐ Be succinct. Try to limit message text to one screen (this varies by recipient and screen resolution, of course) so the reader can quickly peruse the message for highlights and main points. Also, stay on topic and avoid long dialogs or discussions via e-mail.
  7. **Think before sending e-mail to more than one person.**
    - ☐ Do the additional people really want or need to see this message? Will everyone know the context for this message? If you cannot answer "yes" to these questions, you

probably should not send it to the larger group. Other people are seldom interested in e-mail "chat" between two parties.

**8. Be careful when forwarding a message.**

- ☐ Be especially careful when you forward an entire message. Will the recipient understand why you are sending it? Did the original author intend for the information to be passed on? If in doubt, ask! **BE CAREFUL WITH PERSONAL INFORMATION** and what you say about others. Remember that once you send a message you cannot control who will ultimately read it. If you are quoted out of context, someone may become offended or angry even though this is not what you intended.

**9. Be careful with sarcasm.**

- ☐ Be careful with humor and sarcasm. Some jokes fall short in the absence of facial expression and tone of voice. Humorous remarks may be taken seriously when they are quoted out of context.

**10. SPAM**

- ☐ There are definite rules and regulations against SPAMMING (unsolicited e-mail). Congress passed Bill S 1618 ES, Title III in 1998 as an amendment to the Communications Act of 1934.

**APPENDIX B: CERTIFICATE OF INSURANCE REQUEST FORM**

**NOTE:** Unless a Certificate of Insurance is requested by a host facility, it is unnecessary.

MERCEDES-BENZ CLUB OF AMERICA      DATE: \_\_\_\_\_  
1907 LELARAY STREET  
COLORADO SPRINGS CO 80909

WE REQUEST AN INSURANCE CERTIFICATE FOR THE FOLLOWING EVENT:  
(SUBMITTED 60 DAYS PRIOR TO THE EVENT)

SECTION: \_\_\_\_\_

TYPE OF EVENT: \_\_\_\_\_

DATE OF EVENT: \_\_\_\_\_

LOCATION: \_\_\_\_\_

OWNER OF PROPERTY (PLUS ZIP CODE COVERING AREA)

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

PHONE/FAX: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

WILL BLEACHERS BE IN USE: (CIRCLE ONE)      YES    NO

SEND CERTIFICATE TO: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

NUMBER OF MEMBERS ATTENDING: \_\_\_\_\_

PERSON(S) REQUESTING THIS COVERAGE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CITY/STATE/ZIP CODE: \_\_\_\_\_

TELEPHONE NUMBER: (\_\_\_\_\_) \_\_\_\_\_

IF TIMING EQUIPMENT IS NEEDED, PLEASE CONTACT THE CLUB STORE MANAGER  
AT THE NBO.

**APPENDIX C: CONFLICT OF INTEREST POLICY  
AND CERTIFICATION STATEMENT**

**MERCEDES-BENZ CLUB OF AMERICA, INC.**

**This Conflict of Interest Policy and Certification Statement applies to, and is intended to serve as guidance for, each member of the Board of Directors of MBCA, and all officers, committee members, and employees regardless of position.**

Those of us who choose to serve **Mercedes-Benz Club of America, Inc. ("MBCA")** fulfill a critical role in the interface of MBCA with the public. We are all held to a high standard of ethics and assume an obligation to subordinate individual interests to the interests of MBCA. We must serve without conflict of interest, personal gain or advantage, and must be free from any outside business interest or influence which might interfere with the proper and efficient discharge of our duties, or which might be inconsistent with our duty of loyalty to MBCA. We must serve without loss or embarrassment to MBCA and in such a way as to enhance the public and membership confidence in MBCA. It is important to avoid not only real conflicts of interest, but also any appearance of a conflict of interest.

**Article 1. Conflicts of Interest.** In light of the foregoing, I hereby certify and agree as follows:

- a) **Disclosure Obligation.** In the event of any transaction which involves MBCA and which also involves:
1. Myself, or an immediate member of my family (*e.g.*, a spouse, parents, siblings, or children); or
  2. An organization with which I or a member of my immediate family may be affiliated; or
  3. Any other relationship or business affiliation that reasonably gives rise, or could give rise in the future, to a conflict involving MBCA;

I will, at the first knowledge of the transaction, disclose fully to the President of MBCA the precise nature of any such involvement.

For purposes of this Conflict of Interest Policy, I understand a "relationship" or an "affiliation" with an organization is understood to exist if I, or a member of my immediate family (a) is an officer, director, trustee, partner, member, employee or agent of such organization, (b) is either the actual or beneficial owner of any interest in such an organization, or (c) has any other direct or indirect dealings with such organization from which I (or any member of my immediate family, or any affiliate) knowingly is materially benefited (*e.g.*, through receipt directly or indirectly of cash, property or other consideration or remuneration).



- b) **Restrictions on Voting.** If I have declared, or notwithstanding the above, have been found by a majority vote of the Board to have, a conflict of interest in any matter, I shall not vote on any such matter, but I may participate in the discussion of the matter and may be present at the time of a vote on such matter, unless requested otherwise by a majority vote of the Board.

**Article II. Further Guidelines.** While no set of guidelines can guarantee acceptable behavior, I agree that I should be guided by the standards of behavior described below as I go about fulfilling my duties to MBCA:

- a) All real and potential conflicts of interest, along with situations which might create an appearance of a conflict of interest must be fully disclosed;
- b) Any person serving MBCA should be willing and prepared to answer questions asked by the National President or the Board related to any conflict of interest or any potential conflicts of interest;
- c) The business of MBCA and its various committees is to be conducted in observance of both the spirit and letter of applicable federal, state and local laws, rules and regulation;
- d) MBCA properties, services, opportunities, authority and influence are not to be used for private benefit;
- e) Reimbursable expenses incurred by me in the furtherance of MBCA business are to be reasonable, necessary and, if \$25.00 or more, must be substantiated;
- f) Gifts, whether cash, services or other things of value, must not be given or received, unless they are gifts of nominal value exchanged in the normal course of business, and all gifts given or received must be disclosed;
- g) I shall exhibit honesty, loyalty, candor and professional competence in my relationships with the public, members and others involved with MBCA;
- h) I shall have the obligation to maintain the confidentiality of MBCA matters; and
- i) I shall at all times support the purposes of MBCA, as they shall be defined by the Board from time to time.

If in doubt as to whether a situation constitutes a conflict of interest, I agree to request that the Board determine whether a conflict may exist.

**Article III. Conflicts of Interest Certification Statement.**

I HAVE REVIEWED AND FULLY UNDERSTAND THE ABOVE CONFLICT OF INTEREST POLICY OF **MERCEDES-BENZ CLUB OF AMERICA, INC.**, AND I AM IN COMPLIANCE WITH SUCH POLICY, EXCEPT AS DESCRIBED BELOW. IF ANY CIRCUMSTANCE SHOULD ARISE IN THE FUTURE THAT MIGHT REQUIRE A MODIFICATION OF THIS INFORMATION, I WILL SO ADVISE THE PRESIDENT AND EXECUTIVE COMMITTEE OF MBCA AS SOON AS I BECOME AWARE OF ANY SUCH MATTER.

**Exceptions (If none, please write “None”):**

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**Article IV. Review and Updating.** I understand and agree that, in addition to disclosure of matters when I become aware of them, I must and will annually review, update, and sign this Conflict of Interest Certification Statement.

**Signed:**

\_\_\_\_\_  
(Sign Name Here)

\_\_\_\_\_  
(Print Name Here)

\_\_\_\_\_  
(Print Position/Title Here)

\_\_\_\_\_  
(Date)

**APPENDIX D: NOMINATION PETITIONS FOR RD AND DAL**

**NOMINATION PETITION  
FOR THE OFFICE OF REGIONAL DIRECTOR**

The following Active Members of the MERCEDES-BENZ CLUB OF AMERICA, INC.  
\_\_\_\_\_ Region, nominate \_\_\_\_\_,  
an Active Member of the \_\_\_\_\_ Section, for election (or  
reelection) to the office of \_\_\_\_\_ Regional Director on the Board of  
Directors of the MERCEDES-BENZ CLUB OF AMERICA, INC., for the term starting  
November \_\_\_\_\_.

	PRINTED NAME	SIGNATURE	MEMBERSHIP #	DATE
1.	_____	/ _____	/ _____	/ _____
2.	_____	/ _____	/ _____	/ _____
3.	_____	/ _____	/ _____	/ _____
4.	_____	/ _____	/ _____	/ _____
5.	_____	/ _____	/ _____	/ _____
6.	_____	/ _____	/ _____	/ _____
7.	_____	/ _____	/ _____	/ _____
8.	_____	/ _____	/ _____	/ _____
9.	_____	/ _____	/ _____	/ _____
10.	_____	/ _____	/ _____	/ _____

A minimum of five Active Member signatures is required.

I, \_\_\_\_\_, the nominee, accept this nomination and agree to serve  
if elected.

\_\_\_\_\_  
Nominee's Original Signature / \_\_\_\_\_  
Date

Note: All Nomination Petitions for election must be submitted to the NBO by May 1  
of the election year, submitted to the attention of the Governance Committee.



**APPENDIX E: PROXY**



**MERCEDES-BENZ CLUB OF AMERICA, INC.**

**Proxy**

Please note: Under the Colorado Revised Nonprofit Corporation Act, general proxies permitting one person to vote on all issues for another are invalid. The only proper proxy is one that directs a Board Member to vote in a specific fashion on a specific issue that will be before the Board. The Board Member does not have discretion but is restricted to the instructions given concerning the vote on a described issue. The pertinent portion of the Colorado law, Section 7-128-205(4) follows:

A director may be deemed to be present at a meeting and to vote if the director has granted a signed written proxy to another director who is at the meeting, authorizing the other director to cast the vote that is to be directed to be cast by the written proxy with respect to the particular proposal that is described with reasonable specificity in the proxy.

Board Members are requested to sign the form below to assign their proxy in accordance with the above to another Board Member in the event circumstances make it impossible for them to attend the Board meeting. Send your signed proxy to the Director you choose to hold your proxy.

Thank you,  
National Secretary  
Mercedes-Benz Club of America, Inc.

The undersigned hereby appoints \_\_\_\_\_ as my proxy to vote as directed in my behalf at the National Board Meeting to be held at \_\_\_\_\_, on \_\_\_\_/\_\_\_\_/\_\_\_\_.

This proxy is valid only for the specific issue(s) indicated below as may come before the meeting. If no specific instructions are listed herewith, this proxy is considered to be an abstention on all issues.

Issue(s)	Instructions (Yes, No or Abstain)

(Attach additional sheets as necessary -- be sure to sign and date each sheet)

Signed \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX F: DEMAND FOR INSPECTION**

**Demand for Inspection/Copying of Books and Records**

To: National Business Office  
Mercedes-Benz Club of America, Inc.  
1907 Lelaray Street  
Colorado Springs, CO 80909-2872

From: \_\_\_\_\_  
Member#: \_\_\_\_\_  
Address: \_\_\_\_\_  
Ph: (\_\_\_\_)\_\_\_\_ - \_\_\_\_\_ Fax: (\_\_\_\_)\_\_\_\_ - \_\_\_\_\_

The undersigned Member of Mercedes-Benz Club of America, Inc. (MBCA) hereby makes demand to:  
[ ] Inspect [ ] Copy [ ] Inspect and Copy  
at \_\_\_\_ a.m./p.m. (must be regular MBCA business hours) on \_\_\_\_\_ (date)  
the following records of MBCA (check all that apply):

**Category "A" Records**

- [ ] Articles of Incorporation
- [ ] Bylaws
- [ ] Resolutions adopted by the Board of Directors relating to the characteristics, qualifications, rights, limitations and obligations of the members of MBCA
- [ ] Minutes of all meetings of the members
- [ ] Record of all actions taken by the members without a meeting for the past three years
- [ ] All Written communications within the past three years to members generally, as members
- [ ] Names and business or home addresses of the current directors and officers of MBCA
- [ ] Most recent corporate report as filed with the Colorado Secretary of State
- [ ] Financial statements of MBCA for the periods ending during the last three years

**Category "B" Records**

- [ ] Membership list - names and address in alphabetical order, current as of date of this Demand.
  - [ ] Request the Membership List sorted by zip code on Diskette/Electronic at a cost of \$10.00
  - [ ] Request the Membership List sorted by alpha on Diskette/Electronic at a cost of \$10.00
- [ ] Minutes of all meetings of members
- [ ] Minutes of all meetings of the Board of Directors
- [ ] Record of all actions of the Board of Directors without a meeting
- [ ] Record of all actions taken by a committee of the Board in place of the Board on behalf of MBCA
- [ ] Accounting records of MBCA

The undersigned agrees that, if demand is made for inspection or copying of the Membership List, the Membership List may not be used for any purpose unrelated to the member's interest as a member and, without the consent of the MBCA Board of Directors, the Membership List or any part thereof may not be (i) used to solicit money or property unless money or property will be used solely to solicit votes of the members of MBCA in an election to be held by MBCA, (ii) used for any commercial purpose or (iii) sold to or purchased by any person.

\_\_\_\_\_  
(Member signature and MBCA membership number)

Date: \_\_\_\_\_

**APPENDIX G: PETITION TO FORM A SECTION**

We, the undersigned ACTIVE MEMBERS of the MERCEDES-BENZ CLUB OF AMERICA, INC., request permission to form a Section of the Club.

The name of the new Section will be:

MERCEDES-BENZ CLUB OF AMERICA, INC.,  
\_\_\_\_\_ SECTION.

PRINTED NAME	MEMBER NUMBER	SIGNATURE
1. _____	2. _____	
3. _____	4. _____	
5. _____	6. _____	
7. _____	8. _____	
9. _____	10. _____	
11. _____	12. _____	
13. _____	14. _____	
15. _____		

The following members have been designated as the Temporary Officers of the MERCEDES-BENZ CLUB OF AMERICA, INC. \_\_\_\_\_ SECTION. They will hold office until the formation process is complete and the election of Permanent Officers can be held.

PRESIDENT \_\_\_\_\_, SECRETARY \_\_\_\_\_,

VICE PRESIDENT \_\_\_\_\_, TREASURER \_\_\_\_\_,

\_\_\_\_\_/\_\_\_\_\_  
Signature Temporary President      Date

The name appearing above as Petitioners have been verified as ACTIVE MEMBERS of the MERCEDES-BENZ CLUB OF AMERICA, INC.

This Petition to Form a Section is approved this \_\_\_\_\_  
Date

Executive Director \_\_\_\_\_

RD, \_\_\_\_\_ Region \_\_\_\_\_

\_\_\_\_\_  
National Vice President

**APPENDIX H: FORMING GRANT REQUEST & LOGO / MASTHEAD APPROVAL**

We, the Temporary Officers of the MERCEDES-BENZ CLUB OF AMERICA, INC.,

\_\_\_\_\_SECTION, hereby submit our Section logo and  
Section newsletter masthead for approval. Upon approval of the above, we request a grant in the  
amount of \$500 for the purpose of forming the Section.

Temporary President \_\_\_\_\_  
(Signature)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Print President's Name    Member Number    Date

Temporary Treasurer \_\_\_\_\_  
(Signature)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Print Treasurer's Name    Member Number    Date



## **APPENDIX I: EXAMPLE OF SECTION BYLAWS**

### **BYLAWS of the SECTION MERCEDES-BENZ CLUB OF AMERICA, INC.**

APPROVED by votes of the Board of Directors on (date) and the general membership on (date) of the Section.

#### **ARTICLE I: MEMBERSHIP**

- A. Members shall be classified in the following manner as shown in the Mercedes-Benz Club of America, Inc. (MBCA) bylaws:
1. Active/Family Members (adult family members). In voting by Active/Family Members, only one vote per Active/Family membership is allowed (*i.e.*, one vote per MBCA member number).
  2. Honorary Members.
- B. Membership in the Section is open to anyone who is in good standing with MBCA and who requests MBCA to have their membership affiliated with this Section.

#### **ARTICLE II: SUSPENSION OR REVOCATION OF MEMBERSHIP**

Any member or members not in good standing with the MBCA shall automatically have their Section membership suspended until such time as they are restored to good standing in MBCA. Any member or members who have had their MBCA membership revoked shall automatically have their Section membership revoked.

#### **ARTICLE III: OFFICERS, EXECUTIVE COMMITTEE, AND BOARD OF DIRECTORS**

- A. The Officers of the Section shall consist of a President, Vice President, Secretary, and Treasurer. One person may hold more than one office at a time, except that no person may simultaneously hold the offices of President and Secretary.
- B. The Officers shall constitute the Executive Committee of the Board. The Executive Committee shall have the authority to manage the affairs of the Section between meetings of the Board of Directors.
- C. The number of Directors of the Section shall be determined by a majority vote of the Executive Committee.

- D. The Board of Directors shall be elected every (#) year(s) by the Active/Family Members. The election process is as follows:
1. A Nominating Committee shall be established, chaired by the Immediate Past President, consisting of up to four other members of the Section in good standing appointed by the President and confirmed by the Board of Directors at the third quarterly meeting of the Board of Directors to be held in the month of July. If the immediate Past-President is not available to serve as Chairperson of the Committee, another Chairperson shall be appointed by the President and confirmed by the Board of Directors.
  2. The Nominating Committee will promptly begin its search for candidates who agree to serve on the Board of Directors. The Nominating Committee will notify the Section membership of its nominations no later than August 15. Further nominations may be made by an Active/Family Member in good standing to the Secretary of the Section no later than August 30.
  3. All elections shall be by secret ballot of the Active/Family Members. Such ballot will be distributed in September, usually in the Section newsletter. To be counted, all ballots must be received by the Secretary of the Section no later than September 30.
  4. That number of Directors to be elected who receive the highest number of votes shall be elected.
- E. Each member of the Board of Directors has voting rights in any matters that come before the Board of Directors.
- F. Officers of the Section shall be elected by the Board of Directors from among the members of the Board, by majority vote at its fourth quarterly meeting to be held in the month of October.
- G. Officers serve for the term of (#) year(s). The term of Officers shall commence at 12:01 a.m. on November 1 and terminate at midnight on the following October 31.
- H. Any Officer or Director of this Section may resign, provided that any such resignation is made in writing and delivered to the Section President or Secretary. Unless any such resignation is, by its terms effective on a later date, it shall be effective on delivery to such Officers, and no acceptance by the Board of Directors of this Section shall be required to make it effective.
- I. Any Officer of the Section may be removed at any time with or without cause, by the recommendation of the Executive Committee and approved by a majority vote of the Board of Directors of the Section; provided, however, that the Board of Directors may take such action even if a recommendation for removal has not been made by the Executive Committee. The Officer in question shall be notified and given a reasonable opportunity for a hearing before the Board of Directors prior to such action being taken.
- J. Any Directors of the Section may be removed at any time with or without cause only by the Active/Family Members by a two-thirds vote (of those voting).

- K. Any vacancy in an Officer position shall be filled by appointment by the President with the concurrence of the Executive Committee. Any vacancy in a Director position shall be filled by the vote of remaining Directors.
- L. The Officers shall provide reports as required by the Internal Revenue Service, authorities of the State/Province in which the Section has been formed, the National Business Office of MBCA, and other authorities as required by law.
- M. The Section may limit the liability and provide for the indemnification of the Officers and Directors as provided by law.

#### **ARTICLE IV: ACCOUNTS**

- A. The fiscal year of the Section shall begin on the 1 day of January and terminate on the succeeding 31 day of December.
- B. The financial records shall be maintained by the Treasurer to reflect receipts, disbursements, balances, and assets of the Section.
- C. The funds of the Section shall be deposited in a local financial institution under the Section name. Two Officers of the Section, from different households, shall be registered at and authorized by the financial institution for the purpose of authorizing the signing of checks. This will need to be updated as Officers change and when the “Change of Officers” form is submitted to the NBO each year.
- D. Checks and other orders for payment of monies in the name of the Section shall be signed by the Treasurer or the President of the Section, or by the signatures of both if the Board of Directors shall establish a policy for dual signatures.

#### **ARTICLE V: SECTION MEETINGS AND EVENTS**

- A. The Section shall hold an annual meeting (and such other periodic meetings as the Board of Directors may establish) for the benefit of its members and their guests.
- B. Notice of such events shall be announced in the Section newsletter at least one month in advance of the event so that Active/Family Members will have time to submit their reservations and payments for the respective events.
- C. The Board of Directors shall meet at least quarterly (and more frequently as the Board of Directors may establish) to manage the affairs of the Section.
- D. The Executive Committee will meet on a schedule to be established by the Executive Committee. In addition, the Executive Board may be called into a special meeting by any Officer when an urgent matter requires attention.
- E. At meetings of the Board of Directors or the Executive Committee, a quorum shall be a majority of the members of the Board or the Executive Committee, as the case may be. If a quorum is present, action may be taken by a majority vote of the members present and voting.

**ARTICLE VI: AMENDMENTS**

- A. Notice of proposed amendments to the Articles of Incorporation, Constitution or Bylaws of the Section must be presented to the Active/Family Membership at least 30 days prior to a vote on such amendments.
- B. Such amendments may be adopted by a two-thirds majority of all Active/Family Members voting at a membership meeting or returning their mailed ballots.

**ARTICLE VII: COMPLIANCE WITH MBCA NATIONAL BYLAWS AND STANDARD OPERATING PROCEDURES**

The Section shall abide by the MBCA National Bylaws and Standard Operating Procedures.

Approval of the Bylaws by the MBCA is requested on behalf of the MERCEDES-BENZ CLUB OF AMERICA, INC., \_\_\_\_\_ SECTION.

\_\_\_\_\_

Date

\_\_\_\_\_  
MBCA Executive Director

\_\_\_\_\_  
Regional Director, \_\_\_\_\_  
Region

\_\_\_\_\_  
MBCA National Vice President

**APPENDIX J: EXAMPLE OF SECTION CONSTITUTION**

**CONSTITUTION  
of the  
\_\_\_\_\_SECTION  
MERCEDES-BENZ CLUB OF AMERICA, INC.**

**ARTICLE I: NAME**

- A. The Section shall be known as the (Section Name) “MERCEDES-BENZ CLUB OF AMERICA, INC.”

**ARTICLE II: AUTHORITY**

- A. The Section derives its authority from its incorporation as a nonprofit corporation under the laws of (State) by virtue of a Certificate of Incorporation filed with the State of \_\_\_\_\_ and of a charter granted by the MERCEDES-BENZ CLUB OF AMERICA, INC., a Colorado nonprofit corporation.

**ARTICLE III: STATUTORY OFFICE**

- A. The Section shall maintain a statutory office within the State/Province of \_\_\_\_\_ and keep there any and all books and records required by the law.

The Section shall also designate a person residing within the jurisdiction as its statutory agent upon whom process in any legal proceeding against the Section may be served.

**ARTICLE IV: DURATION**

- A. The duration of the Section shall be perpetual.

**ARTICLE V: PURPOSE**

- A. To serve the interest of Mercedes-Benz owners and enthusiasts through official contacts with factory outlets via the National organization.
- B. To gather them together socially.
- C. To improve their enjoyment of the Mercedes-Benz vehicles.
- D. To facilitate procurement of technical and engineering information about Mercedes-Benz automobiles.
- E. To participate in motor events with Mercedes-Benz vehicles within the Section, Regionally, and Nationally.

F. To represent the Marque in contemporary motoring circles.

#### **ARTICLE VI: BYLAWS**

A. The Section may adopt Bylaws prescribing the qualifications for membership, the classification, privileges, and obligations of members, the method of its organization and government, the conduct of meetings, and other such matters as may be desirable and add to or change the same from time to time as prescribed. The Section shall make no changes to its Bylaws contrary to, or in conflict with the National MERCEDES-BENZ CLUB OF AMERICA, INC.

#### **ARTICLE VII: AFFILIATES**

- A. The Section is an organization whose interest, influence, and membership extend throughout the \_\_\_\_\_, but some activities are to be carried on by means of affiliations with other Sections and with the National Business Office of the MERCEDES-BENZ CLUB OF AMERICA, INC.
- B. The Section has the right to use the words "Mercedes-Benz Club of America, Inc. Section" pursuant to the Bylaws of the MERCEDES-BENZ CLUB OF AMERICA, INC.
- C. Unless expressly authorized by formal resolution of the governing body of the Section, no member or group of members shall use the name of the Section in connection with any activity or event, except pursuant to such rights granted to such an affiliated group, and then only in such a way as to make apparent the affiliated group is the sole sponsor of such activity or event.
- D. All persons extending credit to, contracting with, or having any claim against such affiliated group shall look only to the funds and property of such group for the payment of any debt, damages, judgments, or other claim, so that neither the members of such group, nor the Section, nor any of its members, nor any of the members of the governing body of either shall be liable therefore.

#### **ARTICLE VIII: LIMITS OF LIABILITY OF DIRECTORS OF THE CORPORATION**

A. The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest possible extent permissible under (State) law.

#### **ARTICLE IX: INDEMNIFICATION OF THE DIRECTORS OF THE CORPORATION**

A. The corporation is authorized to indemnify the directors and officers of the corporation to the fullest extent permissible under (State) law. The Section Bylaws may authorize and provide for such indemnification.

APPROVED by votes of the Board of Director, (date) and the general membership (date).

Temporary President \_\_\_\_\_  
(Signature)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Print President's Name / Member Number / Date

Temporary Secretary \_\_\_\_\_  
(Signature)

\_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
Print Secretary's Name / Member Number / Date

**APPENDIX K: MEMBER OF THE YEAR AWARD REQUEST FORM**



## Mercedes-Benz Club of America

### Member-of-the-Year Award Request Form

Date \_\_\_\_\_

Section \_\_\_\_\_

Region \_\_\_\_\_

Nominee's Name \_\_\_\_\_

NOTE: Please double-check the spelling of your nominee's name and print or type his or her name in the space above. If spelling errors occur on the plaque and they are the fault of the engraver we will replace the plaque free-of-charge, but if the error appears on this sheet the replacement charge will be the Section's responsibility.

Ship award to:

Name \_\_\_\_\_

Street \_\_\_\_\_

City/State \_\_\_\_\_ Zip / Postal Code \_\_\_\_\_

Date that award will be needed \_\_\_\_\_

Contact Phone Number \_\_\_\_\_

**This form must be signed by two (2) Section officers**

Name \_\_\_\_\_ Office \_\_\_\_\_

Name \_\_\_\_\_ Office \_\_\_\_\_

**Send this completed form and letter to your Regional Director no later than Oct 1**

**Regional Directors need to have this form to the NBO no later than October 15**

Regional Director's Signature \_\_\_\_\_ Date \_\_\_\_\_





**APPENDIX M: SECTION OF THE YEAR SELECTION QUESTIONNAIRE**



**Mercedes-Benz Club of America**

**Awards Committee  
Section of the Year  
Selection Questionnaire**

Section Name \_\_\_\_\_

Date Submitted \_\_\_\_\_

President's Name \_\_\_\_\_

President's Phone Number \_\_\_\_\_

Secretary's Name \_\_\_\_\_

Secretary's Phone Number \_\_\_\_\_

Section Mailing Address:

Street \_\_\_\_\_

City \_\_\_\_\_

State or Province \_\_\_\_\_

Zip / Postal Code \_\_\_\_\_

Section-of-the-Year Selection Criteria are on the following two pages.

Please answer these questions on separate sheets of paper and attach the cover page, above.  
NOTE: All data are for the year immediately preceding application. Provide the data from your own Section's records. Do not ask the NBO to find and provide the answers for your Section. You may provide photographs to illustrate your Section's activities and to create a more professional appearing Section-of-the-Year application. Finally, please submit your application in typewritten (not handwritten) form. Responses that cannot be read will void your request for this award.

1. Membership numbers:  
Compare membership of January 1, 20\_\_ with that of December 31, 20\_\_.
  2. Newsletter publication:
    - a. Number of newsletters published in 20\_\_.
    - b. Average number of pages of your Section's newsletter.
    - c. Overall description of your newsletter, including format and source(s) of editorial content.
    - d. Submit nine copies of your latest newsletter.
  3. Co-sponsored events:
    - a. Number of events co-sponsored with other sections.
    - b. Number of members attending such co-sponsored events.
    - c. General description of co-sponsored events.
  4. Social events:
    - a. List each social event sponsored by your Section.
    - b. Describe the nature of each event.
    - c. List the number of members attending each event.
    - d. State if any event was family-oriented.
    - e. Evaluate each event's overall success. (What are your criteria?)
  5. Auto-related events (technical session, rally, driving):
    - a. Describe the nature of each event.
    - b. List the number of members attending each event.
    - c. State if any event was family-oriented.
    - d. Evaluate each event's success. (What are your criteria?)
  6. Membership promotion:
    - a. Describe methods your section used to promote membership recruitment and retention.
    - b. List specific promotion campaigns and evaluate their success.
  7. Charity events:
    - a. Describe any charity events your section sponsored or participated in.
    - b. Explain the nature of these events, their sponsors, and their beneficiaries.
    - c. Describe specifically how your section's participation benefitted the charity.
- NOTE: You may separately apply for the Club's Public Service Award. Contact the NBO for information about this award and the criteria.

8. Advanced events planning:
  - a. Does your section schedule a calendar of events a full year in advance?
  - b. Explain where the events calendar is published and how far in advance.
  - c. Describe how closely your actual events adhere to the calendar.
  - d. Please provide a copy of the original events calendar.
  
9. Section treasurer's or financial report:
  - a. Explain how often your section prepares a treasurer's or financial report.
  - b. Please provide a copy of your last such report.
  - c. Are these financial reports periodically reviewed by the section board?
  - d. Are these financial reports published in your section newsletter once a year?
  - e. How does your section determine if its finances are adequate to sustain its activities for the coming year?
  
10. General Statement:

Please explain why you believe your section deserves to be Section-of-the-Year 20\_\_.

NOTE: The award covers the calendar year preceding application.

PLEASE TAKE ADVANTAGE OF THIS OPPORTUNITY. ALL ENTRIES MUST BE RECEIVED BY MARCH 1 OF THE APPLICATION YEAR.

SEND ALL APPLICATIONS TO:

Scott O. Suits  
795 CR #1 Lot 205  
Palm Harbor, FL 34683

## **APPENDIX N: PARTICIPATION AGREEMENT**

### **MERCEDES-BENZ CLUB OF AMERICA, INC. PARTICIPATION AGREEMENT**

THIS AGREEMENT pertains to driving events of the Mercedes-Benz Club of America, Inc. (MBCA) in which I desire to participate, whether as a driver, passenger, official or volunteer, or to attend as a spectator or visitor. In consideration for permitting me to participate in or observe driving events, which may consist of time trials, autocross, acceleration run, defensive driving and/or road rally, or to attend the event as a spectator or visitor, I knowingly and voluntarily agree as follows:

1. I UNDERSTAND that there are various risks associated with and inherent in the operation of an automobile on a track course, concours site, or the highway that may result in property damage, personal injury, disability, or even death. I ACKNOWLEDGE AND ASSUME ALL RISKS AND DANGERS associated with and inherent in any of the events in which I participate, observe, work or officiate, including as a spectator or visitor, and warrant personally that I have inspected any vehicle which I operate or in which I am a passenger for such events, and have inspected all facilities and equipment utilized by me for such events to the extent available for inspection by me.
2. I RELEASE the MBCA, its officers, directors, committee members, employees, officials, agents, volunteers, and other participants in such events, as well as the owner and/or operators of any facilities used in such events, and their employees, agents and representatives (individually and collectively, the "Releasees") for any responsibility or liability for property damage, personal injury, disability or death.
3. I WAIVE ANY CLAIM of any kind or description, including any actual or implied warranty, against the Releasees for any property damage, personal injury, disability, or death arising in any way from the events in which I participate, observe, work, or officiate, including as a spectator.
4. I COVENANT NOT TO SUE the Releasees for any property damage, personal injury, disability, or death arising in any way from the events in which I participate, observe, work, or officiate, including as a spectator.
5. I AGREE TO INDEMNIFY AND HOLD HARMLESS the Releasees from and against any and all losses, liabilities, damages, expenses, claims, or actions brought as a consequence of any property damage, personal injury, disability, or death arising in any way from the events in which I participate observe, work, or officiate, including as a spectator.
6. I CERTIFY, UNDERSTAND, AND AGREE that if I am driving a passenger, or otherwise participating in the events:
  - a. The vehicle I am driving or in which I am a passenger in the events is insured with at least \$100,000 per person bodily injury and property damage insurance that will be in effect for the entire duration of the event.
  - b. Any participant violating the competition and event rules will be expelled from the event and forfeit all competition privileges and fees.
  - c. I accept, and agree to abide by the competition and event rules, as stated in the National/Regional Events Rule Book
7. I UNDERSTAND AND AGREE that possession or consumption of drugs or alcohol is strictly prohibited.
8. I HEREBY GRANT TO MBCA and the event organizer the irrevocable and unrestricted right to use and publish photographs of me, or in which I may appear, for editorial, trade, advertising and any other bona fide purposes, in any manner and medium. I hereby release MBCA, the event organizer and the photographer from all claims and liability relating thereto.

- 9. MBCA cannot be held liable for cancellation, delays, or other lack of performance with respect to the event under any “force majeure” circumstances (including, but not limited to, war, riot, insurrection, terrorism, acts of GOD, strikes or labor stoppages).
- 10. I authorize and consent to treatment, hospitalization and other care rendered to me in the event of my illness, injury or other emergency circumstances that may occur while participating in the event and assume full responsibility to pay for all costs and expenses for any such treatment, hospitalization and care (therefore, agreeing to fully hold harmless and indemnify MBCA and the event organizers, therefore).

HAVING READ THIS PARTICIPATION AGREEMENT, I HEREBY BIND MYSELF AND MY PERSONAL REPRESENTATIVES, HEIRS, AND NEXT-OF-KIN BY THIS AGREEMENT.

<u>DATE</u>	<u>PRINTED NAME</u>	<u>SIGNATURE</u>	<u>PARENT/GUARDIAN</u>
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I have read/agree with the Participation Agreement			
I have read/agree with the Participation Agreement			
I have read/agree with the Participation Agreement			
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## APPENDIX O: MBCA WHISTLEBLOWER POLICY

### **Mercedes-Benz Club of America, Inc. Whistleblower Policy**

**Adopted: May 16, 2008**

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The Mercedes-Benz Club of America, Inc. (MBCA) requires Directors, Officers, committee members and employees to observe high standards of conduct in performing their duties and responsibilities. This is reflected in the MBCA Standards of Business and Professional Conduct and Code of Ethics. Such persons must also comply with all applicable laws and regulations.

It is the responsibility of all persons who serve MBCA as Directors, Officers, committee members or employees to report violations or suspected violations in accordance with this Whistleblower Policy. Therefore, this Policy is intended to encourage and enable such persons to raise serious concerns within MBCA. While this Policy is designed principally to deal with reporting by persons who serve MBCA in employment or volunteer positions, it may also be used by members of MBCA to report violations or suspected violations (as referred to in Paragraph A., below) by persons serving in employment or volunteer positions with MBCA.

The following procedures are adopted by MBCA with the intent to discover, investigate and respond to violations, including those of applicable laws or regulations. It is also designed to protect persons who report inappropriateness within MBCA from retaliation.

- A. **Reporting Suspected Violations.** If an employee suspects that someone associated with MBCA has violated any responsible accounting practices, bylaw, operating procedure, law or regulation, the employee should promptly report this to his or her supervisor. If the person reporting the violation is a Director, Officer or committee member of MBCA, the item should be reported to the President. The report should be made without regard to the identity or position of the suspected offender and may be made anonymously. Because failure to report inappropriate activity can be understood to condone the activity, emphasis is made upon the importance of reporting such violations and suspected violations. If, for any reason, the employee is uncomfortable reporting to his or her supervisor, or believes that his or her supervisor is not responding appropriately, the concern may be reported to the MBCA President. Reports made to spread falsehoods or threaten others, or with the intent to damage another person's reputation, are violations within themselves.
- B. **Responding to Reports.** All conversations and reports involving unethical or illegal behavior will be taken seriously. MBCA will promptly investigate all reports received under this Policy. To the extent practical and appropriate under the circumstances, the identities of individuals who report suspected violations and who participate in investigations will be kept confidential. All Directors, Officers, committee members and employees are required to cooperate, to respond accurately, completely, and promptly to requests for information, and to preserve records that may be related to a compliance investigation. If a government agency

or other third party has initiated an audit or investigation, all requests for information will be coordinated by MBCA Legal Counsel.

- C. **Responding to Violations.** If, after completing an internal investigation, MBCA determines that inappropriate or illegal conduct has occurred, appropriate action will be taken to respond to and correct such conduct. Appropriate action may include disciplinary action, up to and including employment termination for employees engaged in such conduct, removal as a Director, from office, or as a committee member, implementing procedural or organizational changes to reduce the possibility of a recurrence of such conduct, or notifying the appropriate governmental agency.
- D. **Retaliation Prohibited.** No Director, Officer, committee member or employee who in good faith reports a violation shall suffer harassment, retaliation or, in the case of an employee, adverse employment consequence. MBCA will not retaliate or take adverse action against any individual who merely (a) reports suspected inappropriate or illegal conduct in good faith, even if the report is unfounded or mistaken, or (b) helps MBCA to investigate or resolve an ethical or legal violation. Retaliation, in any form, against such an individual is itself a serious violation and must be reported immediately.
- E. **Disciplinary Action.** Persons who engage in violations - whether by improper acts or failures to act, condoning or failing to report improper acts or failures to act by others, or retaliation against any individual who reported or cooperated in an investigation of an ethics or compliance issue - are subject to disciplinary action up to and including termination of employment or removal from one's office or position for cause. Depending on the nature of the alleged violation and the position or capacity in which the person who committed the alleged violation serves, disciplinary action may be taken under the MBCA Bylaws, the MBCA Standards of Business and Professional Conduct and Code of Ethics, or the personnel policies and procedures of the MBCA, as appropriate. Forms of disciplinary action may include verbal or written counseling or warnings, performance improvement plans, suspension or other forms of disciplinary action. In considering what discipline is appropriate, MBCA will treat with appropriate leniency persons who come forward to report their own ethics or compliance violations.
- F. **Good Faith.** Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.
- G. **Confidentiality.** Violations or suspected violations may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct a fair and adequate investigation, and taking into consideration any right of the person accused of a violation to be informed of the charges and to have a fair opportunity to respond.



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