



Audi Car Club of North America
New Jersey Chapter
Bylaws Summary

Background

As part of the organizational process, the Audi Car Club of North America ("National Club") requires local chapters to adopt bylaws. The New Jersey Chapter based its bylaws on the form of bylaws used by the National Club. A copy of the proposed bylaws for the New Jersey Chapter is attached.

The National Club has reviewed and approved the New Jersey Chapter bylaws and the active members of the New Jersey Chapter will be asked to approve the bylaws at the first annual meeting, which is scheduled for Sunday, March 10, 2002. The following is a summary of the major provisions of the bylaws.

Membership

Membership in the New Jersey Club is open to members in good standing of the National Club who are at least 18 years old and who own or lease an Audi. These members are referred to as "active members." Active members are entitled to vote and are eligible to serve as directors and officers of the New Jersey Chapter.

Persons who are at least 18 years old and who reside in the same house as an active member or who have an interest in Audi automobiles can also be members of the New Jersey Chapter as "family members" and "associate members," respectively. Family members and associate members are not entitled to vote and are not eligible to serve as directors and officers of the New Jersey Chapter.

At the present time the New Jersey Chapter does not impose dues. The Board of the New Jersey Chapter can impose dues in the future by a 2/3 vote. A member can be asked to leave the New Jersey Chapter only by a 75% vote of the Board of the New Jersey Chapter or the National Club.

Meetings

The New Jersey Chapter will have an annual meeting each year at a time designated by the Board. The New Jersey Chapter will have special meetings as requested by the Board or by 25% of the active members (or by 50 active members, whichever is less). The Board will send a notice to members of annual and special meetings. In order to have a quorum for votes, at least 25% of the active members (or 50 active members, whichever is less) must be present at a

meeting. Once a quorum exists, a majority vote is required to approve any action. Voting can be done in person at the meeting or by proxy.

Board of Directors

The Board of Directors of the New Jersey Chapter will consist of 3-5 active members. The initial Board consists of Tim Umbehauer, John Eagan, Chris Welch and Marc Perreault, who are the organizers of the New Jersey Chapter.

The members of the Board will have terms of two years on a staggered basis. In order to start the stagger, John Eagan and Marc Perreault will initially serve a term of one year from March 2002 until February 2003 (or until the annual meeting in 2003), and Tim Umbehauer and Chris Welch will serve a term of two years from March 2002 until February 2004 (or until the annual meeting in 2004).

Given the initial organization of the New Jersey Chapter, elections for Board positions will be held for the first time at the annual meeting in 2003. The Board is responsible for the management of the New Jersey Chapter, including the appointment of the officers of the New Jersey Chapter.

Officers

The initial officers of the New Jersey Chapter will be Tim Umbehauer (President), John Eagan (Vice President), Chris Welch (Treasurer) and Marc Perreault (Secretary). The officers have a term of two years and are appointed by the Board.

AUDI CAR CLUB OF NORTH AMERICA

NEW JERSEY CHAPTER

BYLAWS

ARTICLE I. Name.

1. Name. The name of the organization shall be the "New Jersey Chapter of the Audi Car Club of North America" (the "Club"). The registered office of the Club shall be located and the records of the Club shall be kept at such place in the State of New Jersey as shall be determined from time to time by the Board of Directors. Until otherwise determined by the Board of Directors, the registered office shall be at 60 Westend Avenue, Shrewsbury, New Jersey 07702.

ARTICLE II. Powers and Purpose.

2.1 Powers. The Club shall be empowered to do all things and conduct all business, not for profit, necessary to carry out the general objectives, within the State of New Jersey, of the Audi Car Club of North America (formerly known as "Quattro Club USA, Inc.").

2.2 Purpose. The purpose of the Club shall be to promote the appreciation and enjoyment of Audi automobiles, driver safety and education, and the interests of the Audi Car Club of North America (the "National Club").

ARTICLE III. Definitions, Memberships, Dues and Duties.

3.1 Definitions.

"Audi automobile" shall mean an automobile manufactured by Audi AG or its subsidiaries.

"Active Member" shall mean owners, lessees, or co-owners of Audi automobiles who are 18 years of age or older and are members in good standing of Audi Car Club of North America. If an Active Member no longer owns, leases or co-owns an Audi automobile, he/she shall become an Associate Member.

"Family Member" shall mean a person 18 years of age or older who resides in the same house as an Active Member and is designated as a family member by an Active Member.

"Associate Member" shall mean a person 18 years or older who does not own, lease, or co-own an Audi automobile, but has an interest in Audi automobiles.

3.2 Privileges and Voting Rights. Active Members, Family Members, Honorary Members and Associate Members in good standing shall be entitled to all privileges of the Club, except that only Active Members shall be entitled to vote, hold elected or appointed office, serve on the Board of Directors, and designate Family Members. Ballots will be mailed to Active Members with space only for the vote of the Active Members.

3.3 Honorary Members. The Board of Directors may, by a 2/3 vote, recognize persons as "Honorary Members" in recognition of outstanding interest in or service to the Club. Such membership shall be limited to one year but may be renewed upon the 2/3 vote of the Board of Directors.

3.4 Life Members. The Board of Directors may, by a 2/3 vote, recognize persons as "Life Members" in recognition of extraordinary service to the Club. The Chairman of the Board of Directors of the Club, upon termination of his/her elected term, shall automatically be a life member. A Life Member shall be considered as an Active Member.

3.5 Membership Year and Dues. The membership year shall be one year from a member's anniversary date. The Club initially shall not impose dues on its members; however, the Board of Directors may, by a 2/3 vote, impose dues upon the members in an amount not to exceed the annual dues imposed by the National Club. The Secretary shall send each member one billing for renewal dues on or about the due date. Members who are in arrears for more than 45 days shall be dropped from membership.

3.6 Suspension and Expulsion. Any member may be suspended by a 75% vote of the Board of Directors of either the Club or the National Club. Upon written notice of such

suspension, the suspended member shall be afforded reasonable opportunity to be heard in person or through a representative by the Board of Directors suspending such member, or a committee appointed by it for the purpose, concerning the alleged misconduct. The applicable Board of Directors may thereafter continue the suspension, expel the member, or take whatever action, in its sole discretion, that it deems appropriate under the circumstances, and its decision shall be final. Suspensions of Active Members are also applicable to Family Members designated by such Active Members.

ARTICLE IV. Meetings

4.1 Principal Office. The principal office of the club shall be located at 60 Westend Avenue, Shrewsbury, New Jersey 07702 or such other location as is determined from time to time by the Board of Directors.

4.2 Annual Meeting. There shall be an annual meeting of members on a date set by the Board of Directors in each year for receiving the annual reports of officers, directors, and committees, and the transaction of other business. The place of meeting shall be designated by the Board of Directors. All members of the Club shall be entitled to attend the annual meeting.

4.3 Special Meetings. Special meetings of the members may be called at any time by the Chairman of the Board of Directors or upon written request from at least 10% of the Active Members of the Club. Anyone entitled to call a special meeting may make written request to the Chairman to call the meeting, setting forth time, place and purpose thereof, to be held no later than 90 days after receiving the request. If the Secretary fails to give notice of the meeting within 30 days from the date on which the request is received by the Chairman, the person(s) who requested the meeting may fix the time and place of the meeting and give notice thereof. If a special meeting is requested, the meeting shall be held in the county where the registered office is located. The business transacted at the special meeting is limited to the purposes stated in the notice of the meeting.

4.4 Notice. Notice of each meeting of the members, stating time and place thereof, shall be mailed or sent by e-mail to the members not less than ten days nor more than 60 days before the meeting, excluding the day of the meeting. The notice of any meeting at which members may vote by proxy shall so inform such members and shall describe the procedure for appointing proxies. Any member may waive notice of a meeting before or after the meeting, orally, in writing or by attendance. Attendance at a meeting is deemed a waiver unless the member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully convened, or objects before a vote on an item of business because the item may not lawfully be considered at that meeting and the member does not participate in the consideration of the item at that meeting.

4.5 Voting Quorum. At all meetings of the members, each Active Member shall be entitled to cast one vote on any question coming before the meeting. Members may vote by proxy. Cumulative voting shall not be permitted. The presence of 10 Active Members in person or by proxy shall constitute a quorum of any meeting thereof. The members present and entitled to vote at any meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members present and entitled to vote at any meeting at which a quorum is present shall be sufficient to transact any business. When any meeting of the members is adjourned to another time and place, notice of the adjourned meeting need not be given other than by announcement at the meeting at which the adjournment takes place.

ARTICLE V. Directors.

5.1 Number and Method of Election. The Board of Directors of the Club shall consist of at least three but not more than five Active Members. The members may increase the number of the Board of Directors to more than five, however, the total number of Directors shall be an odd number. The initial Board of Directors shall consist of Timothy Umbehauer, John Eagan, Christopher Welch and Marc Perreault. Thereafter, Directors of the Club shall be elected by the voting members.

5.2 Term. The term for each Director is for a period of two years. A Director shall be elected to serve a term of not more than three consecutive terms. A Director shall hold office for the term for which he or she was elected until the end of the meeting at which his or her successor has been elected and until such successor has been qualified, or until the Director's prior death, resignation or removal. Any vacancies occurring in the Board of Directors shall be filled by a vote of the majority of the Directors then in office, although less than a quorum.

5.3 Honorary Directors. The Board of Directors may, from time to time, elect one or more honorary directors of the Club who shall be advisory members of the Board of Directors. Any such election shall be for such terms and based on such criteria as the Board of Directors deems appropriate. All honorary directors shall be non-voting directors of the Club.

5.4 Management of Affairs of Organization. The property, affairs, activities, and concerns of the Club shall be managed by the Board of Directors, which, without limiting the generality of the foregoing, shall have the power to appoint the officers of the organization, to appoint and direct agents, to grant general or limited authority to officers, employees and agents of the Club to make, execute and deliver contracts and other instruments and documents in the name of and on behalf of the Club, without specific authority in each case. In addition, the Board of Directors may exercise all the powers of the Club and do all lawful acts and things which are not reserved to the members.

5.5 Meetings. The Board of Directors shall hold regular meetings at a date and time to be set by the Board. No notice shall be required for regular meetings.

Special meetings of the Board of Directors may be called by the Board or the President. Notice for a special meeting shall be mailed, sent by e-mail or otherwise delivered to all members of the Board at least ten days prior to such meeting. No business other than that specified in the notice of meeting shall be transacted at any special meeting of the Board of Directors.

5.6 Quorum. At every meeting of the Board of Directors, 2/3 of the entire Board of Directors shall constitute a quorum, and the vote of a majority of the Directors present at any such meeting at which a quorum is present shall be an act of the Board of Directors. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time, until a quorum is present. No notice of any adjourned meeting need be given other than by an announcement at the meeting that it is being adjourned.

5.7 Presiding Officer. The Chairman of the Board shall preside at all meetings of the Board of Directors. In the absence of the Chairman, the President shall preside. In the absence of the President and the Chairman, a temporary chair may be chosen by the members of the Board of Directors present. The Secretary of the organization shall act as secretary at all meetings of the Board of Directors, and in the absence of the Secretary a temporary secretary shall be appointed by the chair of the meeting.

5.8 Resignation. Any Director may resign at any time either by oral tender of resignation at any meeting of the Board of Directors or by such tender to the Chairman, or by giving written notice thereof to the Chairman. Any resignation shall be effective immediately unless a date certain is specified for it to take effect.

ARTICLE VI. Officers.

6.1 Officers and Tenure. The officers of the Club shall be as set forth in these Bylaws and such other officers as the Board of Directors may from time to time designate. Officers shall be elected by the Board of Directors to serve for terms of one year and until their successors are chosen and have qualified. Any officer may at any time be removed by the Board of Directors, with or without cause, by a 2/3 vote of the Board of Directors. No person may hold more than one office at the same time. No officer shall serve in the same office more than three consecutive terms. The officers need not be Directors of this organization.

6.2 President. The President shall be the chief executive officer of the Club and shall be responsible for the general supervision, direction and management of the affairs of the Club. He or she may execute on behalf of the

Club all contracts, deeds, conveyances, and other instruments which may be required or authorized by the Board of Directors for the proper and necessary transaction of the business of the Club. He/she shall be an ex-officio member of all standing committees of the Board.

6.3 Chairman of the Board. The Chairman of the Board shall be elected by the Board of Directors with preference given to the candidate who is the last past president. He/she shall preside at all meetings of the Board of Directors and shall be an ex-officio member of all standing committees of the Board.

6.4 Vice President. The Vice President shall assist and/or perform the duties of the President in the latter's absence or disability. The execution by the Vice President on behalf of the Club of any instrument shall have the same force and effect as if it were executed by the President.

6.5 Secretary. The Secretary shall keep accurate minutes of all meetings of the members and the Board of Directors and shall be the custodian of the records, documents and papers of the Club. He or she shall provide for the keeping of proper records of all of the transactions of the Club. He or she shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice to the office of Secretary, or imposed by these Bylaws. He or she shall also perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

6.6 Treasurer. The Treasurer shall be responsible for maintaining accurate financial records for and safeguarding the assets of the Club. He or she shall present a report of the Club's financial transactions and status to the Board of Directors at its annual meeting, and from time to time shall make such other reports to the Board of Directors as it may require. The Treasurer shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

6.7 Executive Director. The Executive Director shall be elected by the Board of Directors and shall perform such day to day duties as prescribed by the Board of Directors and/or the President.

6.8 Additional Powers. Any officer of the Club, in addition to the powers conferred upon him or her by these Bylaws, shall have such powers and perform such additional duties as may be prescribed by the Board of Directors.

ARTICLE VII. Committees.

7.1 Committees. The Board of Directors may act through such committees as may be specified in resolutions adopted by a majority of the members of the Board of Directors. Each such committee shall have such duties and responsibilities as are granted or delegated to it from time to time by the Board of Directors. Each such committee shall at all times be subject to the control and direction of the Board of Directors. Committee members need not be directors.

7.2 Meetings and Voting. Meetings of each committee may be held at such time and place as are announced at a previous meeting of the committee. Meetings of any committee may also be called at any time by the chairperson of the committee or by the Chairman or the President, on at least five days' notice by mail or e-mail, or two days' oral notice by telephone or in person. Appearance at a meeting is deemed to be a waiver of notice unless the committee member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the committee member does not participate in the meeting. At all meetings of a committee of this organization each member thereof shall be entitled to cast one vote on any question coming before the meeting. The presence of a majority of the membership of any committee of this corporation shall constitute a quorum at any meeting thereof, but the members of a committee present at any such meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members of a committee of this corporation present at any meeting thereof, if there be a quorum, shall be sufficient for the transaction of the business of such committee. Any action that could be taken at a committee meeting may be taken by written action signed by all members of the committee.

ARTICLE VIII. Election of Directors.

