



# Porsche Club

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## Great Britain



### EXTRAORDINARY GENERAL MEETING FREQUENTLY ASKED QUESTIONS

#### **What is an Extraordinary General Meeting (EGM)?**

An EGM is any General Meeting other than the Annual General Meeting. It can be called by the Board or by a requisition of a group of at least 50 members, and follows the same procedures.

#### **What are the powers of an EGM?**

Members voting at an EGM have the same powers as in any other General Meeting.

#### **What are the voting procedures?**

At least 50 members must be present to be quorate at an EGM. Resolutions can be passed by a simple majority of members present by a show of hands, In the case of a virtual meeting, this would be done on a member's answer to a specific resolution (ie for or against) on an online voting platform. Proxy voting is allowed as per the notice issued by the Club Secretary.

#### **What is the purpose of the proposed Extraordinary General Meeting?**

The only purpose of the EGM now is to consider two resolutions to dismiss the Club's entire Board of Directors and to appoint a new Board of directors.

#### **Has anything like this happened before?**

No. As we enter the Club's 60<sup>th</sup> year, such a proposal is unprecedented.

#### **Who are the present members of the Board?**

Mark Hamilton (Chair and IT director) Phil Graham (Vice Chair) David Carnaffin (Register and Technical), Nick Jeffery (Operations and HR), Chris Collard (Finance), Ken Mack (Communications and stakeholder engagement), and Richard Watling (Marketing and Partnerships).

#### **What does this mean for these members?**

They would leave the board on the passing of the resolution. Their dismissals would be registered at Companies House. This will clearly have a personal impact on the individuals concerned, potentially their future business relationships, their personal reputations and the overall image of the Club.

#### **Are there any other club role implications for the Board members?**

In addition to their board positions. Mark Hamilton is the 993 Register Secretary and a member of the PCGB Motorsport board, Ken Mack is Regional Organiser of the

Northern Ireland Region, Richard Watling is the Factory Visitor Organiser and Phil Graham is 991 North Register Secretary.

### **How many people have asked for this meeting and who are they?**

Under the Companies Act, the default position for most companies would require 5% of members to requisition an Extraordinary General Meeting. For our Club, that would be approximately 1100 people. However, the Club's Articles currently only require 50 people to request an Extraordinary General Meeting. Fifty-seven requests were originally received, subsequently five were rescinded leaving a total of 52.

### **Why is the meeting being called?**

The requisitioners have raised the following issue:

- the manner of the dismissal of the former Region 5 Regional Organiser and his committee,  
and in addition, they have made the following allegations
- Failure in the Board's ability to show strategic leadership,
- Failure to make the best use of financial resources,
- Failure to deal with grievance issues in an open and consistent way,
- Failure to show openness and transparency in Board related matters, and
- Failure by the Board to publish minutes of meetings of Board meetings in a timely manner, despite requests that the Board do so.

### **What has the Board got to say about that?**

The Board completely rejects these allegations and will strongly defend its performance and reputation.

The Board recognises that many members were upset when a change of Regional Organiser was sought for Region 5. Both before and after Allan Crosby's departure, considerable effort has been expended by several people to resolve that issue. The Board are pleased that, with the support of many former committee members, Region 5 is now being managed by Matt Staines and there are great plans already in place for 2021 and Matt's appointment has rightly been very well received by members.

The R5 committee was not dismissed. The board had no alternative other than to dissolve the committee as there was no longer a Regional Organiser to report to. Again, it is a matter of regret that this was not explained as clearly as it could have been at the time. Members will understand that 2020 was a particularly challenging year for the Club with an inability to hold a series of key events. The Board and the Clubhouse team worked hard to create and deliver new online events, new online racing and online Regional and Register events.

Financially, the Club's Finance Director, Chris Collard who was appointed in July 2020, has instigated a thorough review of processes to improve efficiency. The Club has never been in such a strong financial position and now has cash reserves of

almost £865k due to the work expended on membership retention by the board, Clubhouse and RO/RS team.

Members will recognise that matters such as grievance issues and commercially sensitive Board decisions are sensitive because they involve personnel issues which cannot be shared with a membership of 22,000 for reasons of confidentiality.

The Directors take their legal responsibilities extremely seriously and members can be reassured that all Board decisions are made in the utmost good faith. A new grievance procedure has been developed to ensure that issues are dealt with properly and expeditiously.

So far as the publication of Board minutes is concerned, there have been some real practical difficulties encountered in 2020 due to the worldwide pandemic which has impacted us all. The Board has met more frequently than ever before but most meetings have taken place virtually as decisions often needed to be made quickly due to ever changing Covid restrictions. One of the first tasks of any formal Board meeting is to formally approve the minutes of the last meeting. This must be done before the minutes can be published. As there is often a couple of months between meetings, delays in this regard are inevitable and the current Board is no different to its predecessors in this regard. All minutes up to October 2020 have been published in accordance with standard practice. The Board will strive to ensure that Minutes are published as quickly as they can be and wholly supports principles of transparency.

The board is already composed of experienced, qualified and motivated directors. After the resignation in December of our Chair, Marketing and Strategy Director, a new Chair was elected and Richard Watling was co-opted as our Marketing and Partnerships Director. Richard is an honorary member of the Club having served 15 years as an official, with nearly five years previous experience on the Board, and a long relationship with Porsche both in the UK and Germany. Changes to other board roles were made to focus the revised structure on key issues including Human Resources and Communications. The Board follows a well-developed strategy and plan which has been presented at every AGM since 2016 and which was published in Porsche Post over a number of issues.

Whilst acknowledging with the benefit of hindsight that the Region 5 situation could have been communicated better, the Board believes that that the requisitioners' allegations are vexatious and wholly unfounded. Their remedy is disproportionate. Dismissal of the Board would be damaging to the reputation of the Club with Porsche, potential members, our key commercial partners and would very much act against the interests of members.

Director elections for four of the positions are presently being held in the normal way when all members can vote with all available methods, which is the right and proper way to handle any questions of individual suitability. Challenges to Board

competence can be made at the Annual General meeting. Attempts to dismiss the Board in the middle of an election when four board roles are already being voted for will confuse members and frustrate the proper election.

**Who are the people who wish to take over as Club Directors?**

Nick Hine, Peter Bull, Brendan Daly, Alan Armstrong, Alan Bartlett, Kenny Robinson and Peter Thomas.

**Who would be the Finance Director?**

This has not yet been disclosed. The Club's Articles make it clear that the Finance Director should be a qualified accountant.

**Who would be the new Company Secretary?**

This has not been disclosed.

**How long would the new Directors be appointed for?**

Only until the Club's Annual General Meeting on 18<sup>th</sup> April 2021.

**How do Directors normally get elected?**

Directors normally have to be proposed and nominated for a specific role and submit a 250 word background which is published in Porsche Post. Members then elect Directors either by postal vote or, if not contested, on a show of hands at the Annual General Meeting.

**When is the Club's Annual General Meeting?**

Sunday 18<sup>th</sup> April.

**Will any new Directors be appointed at that meeting?**

Yes, four of the Board's current roles are already set for election or re-election. Full details have appeared in the latest edition of Porsche Post beginning the traditional nominations process.