NEWS FROM NATIONAL

FROM: Wynne Smith, Executive Director
TO: BMW CCA National and Service Officers, Chapter Presidents, Newsletter Editors
DATE: October 25, 2004

MEMBERSHIP STATS as 10/21/2004

<table>
<thead>
<tr>
<th></th>
<th>Full</th>
<th>Associate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Membership</td>
<td>66,966</td>
<td>8,660</td>
<td>75,626</td>
</tr>
<tr>
<td>Last Month's Membership</td>
<td>67,641</td>
<td>8,690</td>
<td>76,331</td>
</tr>
<tr>
<td>Monthly Net Gain (Loss)</td>
<td>-675</td>
<td>-30</td>
<td>-705</td>
</tr>
<tr>
<td>Monthly % Change</td>
<td>-1.00%</td>
<td>-0.35%</td>
<td>-0.92%</td>
</tr>
<tr>
<td>Last Year's Membership</td>
<td>67,641</td>
<td>7,998</td>
<td>74,265</td>
</tr>
<tr>
<td>Annual Net Gain (Loss)</td>
<td>699</td>
<td>662</td>
<td>1,361</td>
</tr>
<tr>
<td>Annual % Change</td>
<td>1.05%</td>
<td>8.28%</td>
<td>1.83%</td>
</tr>
<tr>
<td>New Members, 10/04</td>
<td>907</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewals, 10/04</td>
<td></td>
<td>47.6%</td>
<td></td>
</tr>
<tr>
<td>Roundels Mailed</td>
<td></td>
<td>67,200</td>
<td></td>
</tr>
</tbody>
</table>

MEMBERSHIPS STATS

Well, we're seeing a negative spike the past two months. Not sure precisely what's going on, the surveys we are receiving back from lapsed members are fairly consistent – members have sold their cars, haven't time to read Roundel ... although more than half indicate that '[their] interest in cars has changed'. Stay tuned...

NEWSLETTER EDITOR/ WEBMASTER CONFERENCE May 13-15, 2005

The BMW CCA Newsletter Editor/Webmaster Conference will be held the weekend of May 13 – 15, 2005 in Atlanta, GA.

I know...we told you it was going to be in Providence, and it was, dammit. But, when we switched the weekend, we switched it to the weekend that the Rhode Island School of Design and Brown University are holding their graduations; so the hotel we were working with all of the sudden got real uppity about our needs. We spoke with another hotel, they weren't at all interested in us or our conference. A third hotel I am pretty sure actually yawned as we were trying to negotiate a contract with them. You get the picture. So, Hot-Lanta, here we come.

If you are a Newsletter Editor – you should have been emailed this link to fill out a pre-meeting survey: http://imisw.bmwcca.org/surveys/editors/ If you have not already filled out the survey, please do so.

If you are a Webmaster, you should have been emailed this link to fill out a survey: http://imisw.bmwcca.org/surveys/webmasters/

BMW CCA will reimburse travel expenses as set forth in Section IV of the club’s Operation Manual (pages 1 and 2) for up to two representatives per chapter, being those persons serving as the Chapter Newsletter Editor, and the Chapter Webmaster. Substitute attendees will be considered on a case-by-case basis, just give me a call or send me an email. Hotel room costs (single or double) for two nights will be covered by National. Attendees who drive to the conference will be reimbursed at a rate of $.375 per mile round trip, not to exceed the
lowest 21-day advance airfare, from the closest airport. National will provide luncheon on Saturday and
dinner Saturday evening.

DIRECTORS & OFFICERS LIABILITY INSURANCE

Good news! We have a letter and appurtenant documents set to go out to you as well as some real-life examples
of claims against like organizations. Based on the overwhelmingly affirmative response by the majority of BMW
CCA chapters regarding the need for coverage; during the meeting in Kansas City, October 16th, the BMW CCA
Board voted to make D & O coverage for chapters a minimum requirement. So along with the requirement for
Motorsport Liability coverage, we will now have the requirement for D & O coverage added to the Operations
Manual.

The BMW CCA Board also voted to help defray the cost of the coverage by paying 20% of it, thereby reducing the
burden borne by the chapters for this very important insurance.

RE-CHARTERING CHAPTERS

Many of the chapter files at National do not contain original charter documents for the chapters, and many, if not
most chapters do not possess a charter document. So that we have a common and current chartering baseline
and documents on file to support all our chapters’ existence, we will re-issue charters to our chapters. These will
not be new charters, but rather, replacements. These will be sent to each chapter along with the most current
BMW CCA bylaws. Each chapter will be asked to acknowledge receipt of the charter and provide BMW CCA with
the most recent version of their bylaws.

DRIFTING as a BMW CCA Event

When we obtained coverage for the drifting exhibition at Oktoberfest a member was kind enough to provide me
with a descriptive paragraph for Wisenberg. Basically we represented that drifting would be a slow-speed
autocross with an extremely tight course. However, in reviewing the Oktoberfest event info, Wisenberg has
determined that what we really conducted was not at all a low-speed autocross. That drifting does NOT equal
autocross. Drifting is new and the risk factors are different. If we’d like to press for coverage, we would need to
develop and submit a complete rules package for consideration, but caution is advised as drifting is not
automatically suitable to autocross courses. Wisenberg will not cover drifting events as part of our coverage, nor
do they cover drifting for any other clubs at this time.

ELECTIONS

Positions open are: Treasurer, Secretary, South Atlantic Regional Vice President, North Central Regional Vice
President and Pacific Regional V.P.

Currently there are three positions available on the national Driving Events Committee, as well: South Atlantic
Region, North Central Region and Pacific Region. People have exhibited interest, but I have not received any
nominations yet. Dan Tackett, Lance White and Scott Collins are all definitely retiring of their own volition, so
don’t hold back if you’re afraid of offending them by running.

The Club Racing Advisory Committee also has positions open for election.

Those wishing to help in refining the BMW CCA’s strategic framework: its values, vision, mission and broad goals;
those wishing to help formulate and refine policies that govern our practices should send their nominations,
acceptances, candidacy statements and photographs to be received at the National Office before 5 PM EST

The National Office will be closed November 11th.

In observance of Veterans Day.

best regards,