

Chris Pawlowicz  
President  
BMW Clubs Canada

May 8, 2018

Dear Mr. President

Re: Suspension of Trillium Chapter

Trillium Chapter is in receipt of your letter dated April 19, 2018 notifying us of the passed motion to suspend BMW Clubs Canada Trillium Chapter for a period of one year effective immediately.

In accordance with Clubs Canada bylaws 4.03, Trillium Chapter hereby presents written submission in appeal of the decision rendered by the National Directors. The points of suspension are addressed as follows:

1. *Refusing to comply with the by-laws of BMW Clubs Canada regarding purchasing insurance from BMW Clubs Canada insurance carrier for event insurance as per 3.05(h).*

Trillium Chapter has been in compliance with by-law 3.05(h) until the 2017 AGM when the National Board removed the clause "or, alternately, to arrange similar or better insurance coverage..."

As BMWCC is a club of clubs, there should be no mandate for member clubs to subscribe to any insurance other than that for Director and Officers.

Being an Ontario chapter means that there are considerations that clubs in other provincial jurisdictions may not face. Ontario is the worst province for auto insurance due to higher frequency of claims, lawsuits, and injuries. As such, Trillium needs an insurance solution that meets our local needs.

Trillium's primary objective has always been to ensure that our events have the best and most comprehensive coverage. Since 2007, Trillium has used ASN Insurance to provide our event insurance, which we have found to consistently provide better coverage for our members than that offered by BMWCC. Our investigations for the best coverage options were supported by the conclusions of a lawyer specializing in insurance matters who reviewed our event insurance coverage options.

Accordingly, we continued to use ASN insurance which provides the level of coverage better suited to our event needs and at a lower premium which is more in line with our business needs.

At the BMWCC AGM in April, it was maintained by the Executive that Trillium's opting to use a different insurer has had a detrimental impact on Clubs Canada. In order for Trillium to answer and respond to your charge that our use of a more comprehensive and less expensive insurance policy has done damage to Clubs Canada, we ask that Clubs Canada provide any and all documentation it possesses to support this charge.

In turn we ask that Clubs Canada consider the damage that could be done to Trillium in the event that the Clubs Canada policy was insufficient to cover our greater liability. Should it be determined that Clubs Canada has no proof of this charge we ask that it be dropped.

In addition, a significant portion of Trillium's income comes from CASC sponsored/associated events, where it is mandatory for Trillium to hold ASN coverage. To be forced to use only BMWCC insurance would result in economic damage to Trillium for which we would have to seek compensation.

- 2. Advertising and stating as fact that Trillium has obtained club membership with BMW CCA, including a modified logo, when no such affiliation is currently legal or valid and no such logo is legal or valid, contravening section 3.05(b)(c).*

Trillium continues to maintain primary affiliation with BMWCC and displays the approved logo. Trillium has established secondary affiliation with BMWCCA in accordance with the tenants of *Secondary Affiliation* as established at International Council in 2016, the rules and bylaws of BMWCCA and with the approval of 97% of Trillium's members who voted on the motion in November 2017.

- 3. Requiring that all Trillium members agree to individual membership in BMW CCA when Bylaw 3.07 make no such requirement and threatening expulsion from the club unless the member complies.*

In accordance with BMWCC Bylaw 3.07, Trillium welcomes all members regardless of vehicle ownership/make/model or not. Trillium has not threatened any member with expulsion for any reason and requests that BMWCC provide written proof of such a slanderous charge.

All active members are recorded first as Trillium members, and then reported to BMW CCA for secondary membership. All members are aware of and have agreed to this process.

- 4. Continuing to discuss and plan changes to the club structure with BMW CCA bypassing Clubs Canada President contrary to 7.02(i).*

There is no contravention of BMWCC Bylaw 7.02. Trillium has made no petitions to seek changes or additional services from BMWCC since the arbitration ruling in 2017. Under Bylaw 2.03, BMWCC is a club of clubs and does not provide any nationally-centric services. Overseeing the day-to-day operations and strategic direction of the club remains solely the responsibility of Trillium.

- 5. Continuing to misrepresent and refusing to accept the arbitration decision from 2017, specifically making false claims against the president of Clubs Canada Chris Pawlowicz, the chair of International Council David de Bruyn, and the arbiter Ian Verhulp, with no basis in fact.*

Trillium did accept the arbitration decision in 2017 and has made no further petitions to BMWCC for additional services or proportional voting since then.

We request that you provide written examples of the false claims you have made reference to so that we may address them specifically.

It could be disputed though that any misrepresentation in the arbitration was on the part of the Arbitrator himself. Trillium was given to understand that the arbitrator had comprehensive experience in arbitration. We were very surprised to be levied with a bill for legal fees from the Arbitrator for engaging the services of another party. Trillium never agreed to paying such legal fees

and has repeatedly petitioned Clubs Canada to reimburse Trillium accordingly. To date, our refund request has been ignored by Clubs Canada.

As per Bylaw 4.03(d), Trillium awaits the decision of the appeal from BMWCC within 20 days.

Sincerely,

Eileen Arnaud

President, Trillium Chapter

Cc: Trillium Board of Directors

Cc: Frank Patek, Executive Director BMWCCA