

BYLAWS OF THE CORPORATION

**[Insert Name of Entity]**

[**Insert State and type of entity per state law; non-profit trade association, etc**]

ARTICLE I

**Board of Directors**

Section 1. GENERAL POWERS

The [**INSERT NAME OF ENTITY**] (the “Guild” or the “Corporation”) is governed by its duly elected Board of Directors (the “Board”).

Section 2. NUMBER

The Board will consist of at least three (3) and no more than nine (9) board members, including Ex Officio Directors, as may be determined from time to time by resolution of the Board of Directors.

Section 3. CLASSIFICATION OF DIRECTORS

The Board consists of “Designated Directors” and at least two (2) “Ex Officio Directors.”

A. With respect to Designated Directors, the following provisions apply:

[i] The Designated Directors will be elected from the Voting Members.

[ii] The Designated Directors represent [**Insert director representation; e.g. based on their respective locations**].

B. The Ex Officio Directors will be appointed by the Board.

Section 4. ELECTION; TERM; TENURE

A. With respect to Designated Directors, the following provisions apply:

[i] Other than the appointed Initial Directors, Designated Directors will be elected by the Voting Members from eligible nominees every two (2) years at a meeting of the Voting Members. The first election will take place [**INSERT**].

[ii] The incorporator of the Corporation will appoint the Initial Directors.

[iii] A majority vote of the Voting Members present at the election meeting will be required to elect each Designated Director.

[iv] Voting Members unable to attend the general membership meeting may vote by written ballot. Ballots may be mailed, faxed, emailed or otherwise delivered to the Corporation and will be accepted up to five o'clock p.m. (5:00), in the time zone of the location where the meeting will take place, on the day prior to the meeting.

[v] Nominations will be submitted to the membership at least thirty (30) days in advance of the meeting. Directors of the Board are individual representatives of the member organizations and not the member entities themselves. There will be no more than one (1) individual representative nominated per distilling organization.

[vi] Any Voting Member has the right to nominate a candidate, including himself/herself, by notifying the Corporation at least thirty (30) days before the election.

B. The Ex Officio Directors will be appointed to the Board and each will serve in accordance with the terms and conditions set forth in an employment contract or similar agreement of the parties.

Section 5. REMOVAL OF DIRECTORS

A. With respect to Designated Directors, the following provisions apply:

[i] Removal of any Designated Director is automatic if that Designated Director misses three (3) consecutive meetings of the Board, unless a leave of absence is approved by resolution or by a majority of the Board present at any regular or special meeting. A Designated Director may not designate another person to represent him/her at meetings of the Board, and may not transfer his/her office to another person. Upon removal of a Designated Director for missing three (3) consecutive meetings without a leave of absence, the Board will notify the Nominating Committee that such position is vacant and will remain vacant until the nomination and election of a new Designated Director.

[ii] Designated Directors otherwise may be removed, with or without cause, by a majority vote of the Board at any regular or special meeting of the Board. Following such removal, the Board will notify the Nominating Committee that such position is vacant and will remain vacant until the election of a new Designated Director.

B. Removal of any Ex Officio Director is automatic if that director is removed as an Officer of the Corporation.

Section 6. MEETINGS OF THE BOARD OF DIRECTORS

A. Annual Meetings. The Board will meet at least once a year in [**Insert State**]. The President of the Board will establish the exact time and place for this meeting.

B. Regular Meetings. The Board will hold regular meetings on a monthly basis, either in person, via conference call or online.

C. Special Meetings. Special meetings of the Board may be called by, or at the request of, the President of the Corporation, the Chairman of the Board, or any two (2) members of the Board of Directors.

D. Quorum and Voting. Two-thirds of the Board constitutes a quorum. At any meeting for which a quorum is present, a majority vote of the directors present is required to approve any action presented to the Board of Directors for approval. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board consent in writing.

E. Meetings and Notice of Meetings. Written notice must be given of the meeting date, time, and place at least fifteen (15) days prior to any Annual or Regular meeting. With respect to Special meetings, written notice must be given of the meeting date, time, place as well as the purpose or purposes for which the special meeting is called to each director at least seven (7) days prior to the special meeting. These meetings may be convened as conference calls via telephone or online. Written notice can be delivered electronically via e-mail or other effective medium of communication.

ARTICLE II

**Committees**

Section 1. EXECUTIVE COMMITTEE

The Board of Directors may, by a majority vote of its members, designate an Executive Committee consisting of Ex Officio Directors and Designated Directors and may delegate to such committee the powers and authority designated by the Board in the management of the business and affairs of the Corporation to the extent permitted by law. By a majority vote of its members, the Board may at any time revoke or modify any or all of the Executive Committee authority so delegated. The Executive Committee keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

Section 2. FINANCE COMMITTEE

The Board of Directors may, by a majority vote of its members, designate a Finance Committee consisting of at least three (3) Ex Officio Directors and Designated Directors and may delegate to such Committee the powers and authority designated by the Board in monitoring and maintaining the finances of the Corporation to the extent permitted by law. Board members may be voted onto the Finance Committee after a period of one (1) year on the Board of Directors and serve for a period of one (1) year. The Finance Committee’s responsibility is to monitor the financial systems of the Corporation and to report to the Board at each Board meeting the financial status of the Corporation.

Section 3. NOMINATING COMMITTEE

The Board of Directors may, by a majority vote of its members, designate a Nominating Committee consisting of at least three (3) Ex Officio Directors and Designated Directors and may delegate to such committee the powers and authority designated by the Board in the nomination of Officers and new Board members. The Nominating Committee convenes in November of each year or as necessary at the request of the Board of Directors, and nominates Officers of the Board for the next calendar year and nominates new Designated Director candidates for election by the Voting Members prior to the Annual meeting. The Nominating Committee will employ reasonable efforts to ensure that Designated Director candidates meet the qualifications set forth above and represent the geographic and size diversity of the Corporation members.

Section 4. STEERING COMMITTEE

The Board of Directors may, by a majority vote of its members, designate a Steering Committee consisting of at least one (1) Board member and one representative from each current Title Sponsor. The term of any Title Sponsor on the Steering Committee cannot exceed the term of the Title Sponsorship, as determined by the Board.

Section 5. AGRICULTURAL COMMITTEE [**Example of possible committee**]

The Board of Directors may, by a majority vote of its members, designate an Agricultural Committee consisting of at least two (2) Corporation members and may delegate to such committee the powers and authority designated by the Board. Said Committee will work to developing and maintaining relationships with legislators, advocates and private businesses and farmers concerned with the development of [**Insert State**] agricultural markets as they relate to increasing the supply and availability of [**Insert State**]-grown produce for use as raw material for [**Insert State**] distilleries. The Agriculture committee will keep regular minutes of its proceedings and report the same to the Board from time to time as the Board may require.

Section 6. OTHER COMMITTEES

The Board of Directors may establish such other committees as desired from time to time, such Other Committees to be designated by resolution of the Board of Directors.

Section 7. MEETING AND ACTION OF COMMITTEES

Meeting of committees will be noticed and held in accordance with the provisions of these Article I (6) herein. Two-thirds of the members of each committee constitute a quorum. At any meeting for which a quorum is present, a majority vote of the committee members present is required to approve any action presented to the committee for approval. Any action required or permitted to be taken at any meeting of any committee may be taken without a meeting if all members of the committee consent thereto in writing.

ARTICLE III

**Officers**

Section 1. OFFICERS

The Officers of the Corporation are the President, Vice President, and Treasurer.

Section 2. ELECTION AND TERM OF OFFICE

Each Officer of the Corporation will be a member of the Board of Directors.

Section 3. DUTIES OF OFFICERS OF THE CORPORATION

Each Officer has the duties ordinarily attending the office he/she holds and such other duties as the Board of Directors may designate.

A. President*.* The President will be a duly elected Voting Member of the Board of Directors who will be elected to office by a majority vote of the Board of Directors.

B. Vice President*.* The Vice President will be a duly elected Voting Member of the Board of Directors who will be elected to office by a majority vote of the Board of Directors and will be empowered to carry out the President’s duties in the event that, for any reason, the President is unable to perform them.

C. Secretary/Treasurer. The Secretary/Treasurer will be a duly elected Voting Member of the Board of Directors who will be elected to office by a majority vote of the Board of Directors and will keep an account of all moneys received and expended for use by the Corporation. The Secretary/Treasurer will make a report of the financial position of the Corporation when called upon to do so at the meetings of the Board of Directors.

D. Ex Officio Directors*.* The Ex Officio Directors serve at the pleasure of the Board in accordance with such arrangements and agreements as the Board and the Ex Officio Directors may negotiate. The Ex Officio Directors will provide each Director with written notice of meetings as provided in these Bylaws, and keep required records of all proceedings of the Board of Directors.

Section 4. RESIGNATION AND REMOVAL

An Officer of the Corporation may resign his/her office by giving written notice to the Board of Directors. The acceptance of such resignation by the Board of Directors will not be necessary to make it effective. If the Officer is employed under an Employment Agreement, such resignation makes the existing Employment Agreement null and void. Any Officer of the Corporation may be removed whenever the Board of Directors, by a majority vote constituting a quorum, deems that the interest of the Corporation will best be served by such removal.

Section 5. OFFICERS’ LIABILITY

Any Officer of the corporation acting under the direction of the Board of Directors will incur no personal liability and will be held harmless for any actions taken on behalf of the Corporation.

ARTICLE IV

**Contracts, Checks, Deposits**

Section 1. CONTRACTS

The Board of Directors may authorize any Officer or Officers of the Corporation to enter into any contract, except an Employment Agreement for an Officer of the Corporation, or execute and deliver any instrument in the name of and on behalf of the Corporation.

Section 2. CHECKS, DRAFTS, NOTES, ETC.

All checks, drafts, notes, etc., will be signed and executed on behalf of the Corporation by an authorized agent of the Corporation designated by the Board.

Section 3. DEPOSITS

All funds of the Corporation will be deposited to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. GIFTS

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

Section 5. FUNDS

A. Annual. Dues/Membership fees of members of the Corporation will be paid annually in such amounts and on such terms as determined from time to time by the Board of Directors.

B. Arrears. Members who fail to pay their dues within thirty (30) days of the initial billing will be notified in writing. If payment is not made within sixty (60) days of the initial billing, that member will receive an ‘intent of termination’ notice and lose the privilege of voting. If payment is not received within ninety (90) days of initial billing, that member will be dropped from the rolls and thereupon forfeit all rights and privileges of membership. The terminated member is responsible for dues assessed up to the effective date of termination. The Board of Directors may by rule prescribe procedures for extending the timely payment of dues and continuation of membership privileges upon request of a member for good cause shown. Organizations wishing to rejoin the Corporation will be required to pay all past dues and fees before consideration.

C. Appropriation of Funds. Checks may be signed by the President, Vice President, Treasurer and the Executive Director (each a “Signatory”). Checks over $500 signed by the Executive Director require prior approval or a second signature of a Signatory.

D. All the income from dues, assessments, gifts, or gain from the operation of the Corporation are for the sole use of the Corporation, and no distribution will, at any time, be made to any member, except in reasonable payment of services rendered by any member to the Corporation at the request of the Board of Directors.

ARTICLE V

**Members**

Section 1. CLASSES OF MEMBERSHIP

There are Voting Members and Non-Voting Members.

[a] Voting Members will be Craft Distillers holding federally granted Distilled Spirits Plant licenses (“DSP’s”) as defined below:

[i] Voting Members consist of Craft Distillers whose annual production of distilled spirits from all sources does not exceed 100,000 proof gallons removed from bond.

[ii] A DSP may not be a Voting Member if the ownership of the Plant is another distillery whose combined annual production of distilled spirits from all sources exceeds 100,000 proof gallons.

[b] Non-Voting Members may be any individual or entity wishing to become a member of the organization.

Section 2. VOTING

A. With respect to the Voting Members, the following provisions apply:

[i] Voting Members in good standing have the right to elect Designated Directors and to vote on all other matters brought before the Voting Members by the Board of Directors.

[ii] Each Voting Member will be entitled to one (1) vote on each matter submitted to a vote of the Voting Members.

[iii] One-thirdof the Voting Members constitute a quorum. The majority vote of the Voting Members present at any meeting at which a quorum is present will be the act of the Voting Members. Designated Directors will be elected by a plurality of the votes of the Voting Members present at the annual meeting, provided that a quorum is present.

B. Non-Voting Members have no voting rights. Classifications of non-voting members is as follows:

[i] Associate Member: Trade people and suppliers doing business with the distilling industry or any individual, partnership or corporation in an allied industry or endeavor may be admitted as a non-voting Associate Member. An Associate Member will pay minimum dues as set by the Board of Directors. There are no voting rights for Associate Members. An Associate Member is not eligible to be elected to the Board of Directors.

[ii]Enthusiast Member: Spirit enthusiasts may be admitted as a non- voting Enthusiast Member. An Enthusiast Member will pay minimum dues as set by the Board of Directors. There are no voting rights for Enthusiast Members. An Enthusiast Member is not eligible to be elected to the Board of Directors.

Section 3. MEETINGS OF THE VOTING MEMBERS

The Members will meet at least once annually to elect Designated Directors at such time and place as determined by the Board of Directors.

Section 4. SEAL

The corporate seal will have inscribed upon it the name of the **[Insert Entity**] and such other appropriate language as may be prescribed by the State of [**Insert State**] or by the Board of Directors. Use of the Seal or other intellectual property created by the Corporation will be subject to qualifications deemed appropriate by the Board of Directors. Specific permission is required when using such seals or intellectual property.

ARTICLE VI

**Indemnification**

Section 1. INDEMNIFICATION

The corporation indemnifies anyone who may serve at any time as an officer, director, or member of the Corporation from any liability regarding the Corporation and the business of the Corporation, unless the person fraudulently and intentionally violated the law or maliciously conducted acts to damage or defraud the Corporation, or as otherwise provided under the applicable State law. The indemnification inures to the benefit of heirs, executors and administrators of entitled to this indemnification. The indemnification of any individual may be withdrawn by a majority vote of the Board at its general session, or by a special meeting called by the President pursuant to the terms and conditions of such meetings set forth in these Bylaws.

ARTICLE VII

**Amendments**

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by a two-thirds vote of the full Board of Directors, provided the Directors are given twenty (20) days written notice of the proposed amendment prior to a vote. Bylaws made by the Board of Directors may be altered or repealed by the Voting Members.

ARTICLE VIII

**Dissolution**

This Corporation may be dissolved at any time by a two-thirds vote of the full Board of Directors to approve a Plan of Dissolution, which must be in accordance with applicable laws and statutes.