

BYLAWS OF THE NEVADA CRAFT BREWERS ASSOCIATION

ARTICLE I: NAME, MISSION, AND BUSINESS ADDRESS

Section 1. Name

The name of this corporation is the Nevada Craft Brewers Association (the "Association"). The Association is a nonprofit corporation organized under the laws of the State of Nevada.

Section 2. Mission of Organization

- a. The Nevada Craft Brewers Association exists to promote the development of the craft beer culture throughout Nevada. to promote and support Nevada's breweries and brewpubs, create an open line of communication between brewers and associated members, and be an advocate for more modern beer laws in the State of Nevada.
- b. The Association is organized and operated exclusively for nonprofit purposes.

Section 3. Office

The principal office of the Association shall be located at 3101 North Tenaya Way, Las Vegas, Nevada 89128. The Association may also have offices at other places within or outside of Nevada, as the Board may from time to time determine or the business of the Association may require.

ARTICLE II – MEMBERSHIP

Section 1. Qualification for Membership

Membership will be open to any individual, partnership, corporation, or other entity who meets one of the Classes of Membership described in Section 2 below. Each Membership shall be non-transferrable.

Section 2. Classes of Membership

- a. Craft Brewery Member. Any person or entity owning a facility that (i) is actively engaged in production of beer ("Brewery") in Nevada ; (ii) holds a valid Brewer's Notice as issued by the Alcohol and Tobacco Tax and Trade Bureau; (iii) has an annual beer production of less than six (6) million barrels; (iv) is known to be operating in conformity with good business practices and all codes and enforcement regulations of the local, state, and federal governments may

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become a Craft Brewery Member of the Association, and (v) and holds a valid brewery or brewpub license from the Nevada Department of Taxation. For Association purposes, each Craft Brewery Member shall designate one person as its representative. Only the designated representative of the Craft Brewery Member may vote on Association Matters. Each member shall have only one vote on Association matters. If there is more than one person or entity that owns a Brewery, only the one holding a majority ownership interest is eligible as a Craft Brewery Member. Breweries within Nevada that are linked through common ownership, common brands, names and other affiliations shall be considered an Affiliated Group and shall be aggregated for purposes of Craft Brewery Membership. Determination of an Affiliated Group shall be completely at the discretion of the Board of Directors. A contract brewer who does not own a majority interest in a Brewery in Nevada is not eligible to be a Craft Brewery Member.

- b. Eligibility for Officer Elections. Designated representatives from each Craft Brewery member are eligible to be elected or appointed to Association officer positions. In addition, a Craft Brewery Member may have a second representative serve as an elected or appointed officer or director of the Association, but second member would only be eligible to vote on Board of Director matters.
- c. Other Membership Classes. The Board of Directors shall determine other non-voting membership classes. Such classes may include, but are not limited to, Retailer, Contract Brewery Brand, Distributor & Wholesaler Members, Allied Service/Industry Members, Brewery-in-Planning Members, Associate Brewery, Home Brewers, and Enthusiast & Club Members.

Section 3. Obligation of Membership

All Members shall be obligated:

- a. To pay all fees and dues as required by the Association, which shall be set by the Majority Vote (>50%) of the Board of Directors. Dues for Association membership will be payable in an amount set by the Board of Directors. Members shall pay annual dues for the forthcoming calendar year on or before July 1st of each year.
- b. To comply with Associations Bylaws, any rules and regulations set forth by the Association, and all applicable federal and state laws, regulations, rules, or requirements.

Section 4. Duration of Membership and Resignation

Any member may, by giving written notice of such intention, withdraw from membership. Such notice shall be presented to the Board of Directors at their next

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succeeding meeting. Withdrawals shall be effective upon fulfillment of all obligations to the date of withdrawal. All rights, privileges, and interest of a member in or to the Association shall cease on the termination of membership. There will be no refund of dues.

Section 5. Suspension and Expulsion

Any membership may be suspended or terminated for the following reasons:

- a. Violation of Bylaws;
- b. Violation of any lawful rule or regulation duly adopted by the Association;
- c. Failure to pay membership dues; and
- d. Any other conduct prejudicial to the interest of the Association.

Membership may be suspended or terminated for cause by a majority vote of the full Board of Directors. For any cause other than nonpayment of dues, a vote for expulsion or suspension shall occur ONLY after the member complained against has been advised of the complaint so lodged and has been given reasonable opportunity for defense; and such member, if suspended or expelled, may appeal from the decision of the Board to the Annual Business Meeting of the Association, providing that notice of intent to appeal is provided to the President at least thirty (30) days in advance of the meeting.

Article III – MEETINGS OF MEMBERS

Section 1. General Membership Meetings

- a. A minimum of two (2) General Membership Meetings will be held annually. The second General Membership meeting shall be the Annual Membership Meeting. At the Annual Membership Meeting, Members will receive reports from the officers and committees, will elect officers and Directors as necessary, and will transact any other business that may arise.
- b. A minimum of one (1) General Membership Meeting shall be scheduled and held in Southern Nevada each year.
- c. A minimum of one (1) General Membership Meeting shall be scheduled and held in Northern Nevada each year.

Section 2. Special Membership Meetings

Special Membership Meetings may either be called by the President, or by two or more Directors, at any time.

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person who is entitled to be present and to vote at a meeting of the members.

ARTICLE IV – BOARD OF DIRECTORS

Section 1. Board of Directors

The governing body of the Association will be its Board of Directors (the “Board”). The Board will consist of at least five (5) and not more than seven (7) Directors. Officers or employees of Craft Brewery members may be eligible to serve as an officer or director of the Association. Each elected officer of the Association will be a Director of the Association. An individual Craft Brewery Member may have up to two representatives elected as officers or directors.

Section 2. Term

The term of office for the Directors will be two (2) years. The original terms of office may differ from this as to establish a staggered election cycle. Terms of office will begin in January.

Section 3. Duties of the Board of Directors

The duty of the Board of Directors is to further the mission and purposes of the Association. The Board will exercise general control and supervision over the activities of the Association and its committees.

Section 4: Powers of the Board of Directors

Without prejudice to its general powers, the Board of Directors, in addition to the powers by the Bylaws specifically vested in the Board of Directors, shall have the following powers:

- a. General supervision over the activities and affairs of the Association;
- b. Have charge of funds and property of the Association, and may designate a depository for the Association’s funds and may invest them in such a manner as shall be deemed in the best interests of the Association;
- c. To approve the appointments made by the President of all standing committee

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- chairmen and members thereof; and, to review and approve, modify or reject the reports of all such committees;
- d. To prescribe the number of members of all standing and special committees and their purpose, powers and responsibilities;
 - e. To review at the annual membership meeting the purpose, powers, responsibilities, effectiveness and continued need of all standing and special committees;
 - f. To approve the appointment of all Special Committees;
 - g. To investigate infractions of these Bylaws and insure strict compliance with them by all members of the Association;
 - h. To suspend or revoke the membership of any member for breach of any obligation set forth in these Bylaws;
 - i. To approve applicants into membership in the Association as provided in these Bylaws;
 - j. To adopt an annual budget and insure that the expenditures of the Association shall be made in accordance with such budget;
 - k. To establish the dues schedule for each class of membership in the Association;
 - l. To approve the time and place of all meetings of the Association and the Board of Directors; and,
 - m. To select the Officers of the Association in case of officer vacancy.

Section 4. Removal of Directors

Any Director may be removed from office for good cause upon the written affirmative vote of two-thirds of the voting Board of Directors. Good cause includes, but is not limited to, failure of the Director to perform and comply with established Board policies or the commission of any act detrimental to the reputation or against the best interests of the Association. Upon removal of any Director, the office will become vacant until a successor is appointed by the Board of Directors or elected by the Members at a special meeting or Annual Meeting to serve the remaining portion of the term.

Section 5. Board Meetings

- a. Place of Board Meetings. Meetings of the Board may be held at any place in or outside of the State of Nevada, as specified by the Notice of the meeting. Meetings may also be held by conference telephone call, e-mail, or facsimile.
- b. Notice of Board Meetings. Notice of meetings of the Board will be sent at least three (3) and not more than thirty (30) days prior to the date set for the meeting. Notice may be sent by e-mail or regular U.S. Mail.
- c. Who may call Board Meetings. The President or a majority of the Directors

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- may call a meeting of the Board.
- d. Who may attend Board Meetings. By invitation of the Board, non-Members and non-Director Members of the Association may attend Board meetings when agenda items to be discussed affect their areas of responsibility.
 - e. Quorum. A majority of Directors (>50%) will constitute a quorum. If a quorum is present when the meetings is convened, but certain Directors withdraw from the meeting before adjournment, leaving fewer Directors than required for a quorum, the remaining Directors may continue to do business, making decisions by vote of a majority of the quorum established at the start of the meeting.
 - f. Decisions of the Board. The decision of the majority of the Directors (>50%) at a meeting at which a quorum is present will be the decision of the Board.
 - g. Unanimous Written Consent. Any action that could be taken at any Board meeting may be taken instead by a unanimous written or electronic consent signed by each person who would be entitled to be present and to vote at a Board meeting.

ARTICLE V – OFFICERS

Section 1. Officers

The officers of the Association shall be the President, Vice-President, Secretary, and Treasurer. Each officer will also serve as a Director. Only a Craft Brewery Member or the appointed representative of a Craft Brewery Member are eligible to hold office.

Section 2: Duties of the President

The President shall be chief officer of the Association. It shall be the duty of the President:

- a. To see that the Bylaws and the Rules and Regulations of the Association are adhered to and enforced and to report any infractions thereof to the Board of Directors.
- b. To cause meetings to be called as provided in these Bylaws and to preside at all regular and special meetings of the Association and the Board of Directors;
- c. To sign all Certificates of Membership and all documents and contracts of material importance to the Association's business;
- d. To appoint all standing committee chairmen and members thereof subject to the approval of the Board of Directors;
- e. To appoint all Special Committees subject to the approval of the Board of Directors;
- f. To represent the Association at all functions, meetings, or business and social affairs as authorized by the Board of Directors; and,

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- g. To perform all other duties usually incident to the office or assigned by the Board of Directors.

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Section 3: Duties of the Vice President

It shall be the duty of the Vice President:

- a. To act in the President's place and stead for the transaction of business of the Association in the President's absence, or
- b. To assume the duties of the President in the event of a vacancy in the office of President, or the disability of the President, for the remainder of the term, or until a new President shall have been regularly selected by the Board of Directors; and,
- c. To perform such other duties as the Board of Directors may impose.

Section 4: Duties of the Treasurer

It shall be the duty of the Treasurer:

- a. To serve as the primary officer responsible for the financial affairs of the Association.
- b. To serve as a member of any Budget and/or Finance Committee;
- c. To render a full and complete statement of all accounts and financial affairs of the Association to the general membership at the regular general meetings and to the Board of Directors or Executive Committee whenever the members thereof may require it; and
- d. To perform such other duties as the Board of Directors may impose.

Section 5: Duties of the Secretary

It shall be the duty of the Secretary:

- a. To maintain the books and records of the Association, present the minutes of previous meetings whenever required, receive and maintain all incoming correspondence, and prepare all outgoing correspondence for the approval or signature of the President; and
- b. To perform such other duties as the Board of Directors may impose.

Section 6: Duties of the Legislative Affairs Officer

It shall be the duty of the Legislative Affairs Officer:

- a. To coordinate the legislative affairs of the Association; and

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b. To perform such other duties as the Board of Directors may impose.

Section 7: Compensation

All officers and directors shall not receive any compensation for their services. The Board of Directors may hire staff to perform duties on behalf of the Association, to be paid out of the funds of the Association.

Section 8. Term of Office

The term of office for each officer is two (2) years.

Section 9. Limitations on Terms

No person may be elected to the same office for more than three (3) consecutive terms.

Section 10. Removal

Any officer may be removed by a majority vote of Directors voting at a special meeting called for that purpose. The Board and the affected officer must give fourteen (14) days' notice of the special meeting.

Section 11. Vacancies

The Board of Directors may appoint any Member to fill a vacancy in any office by a majority vote (>50%) of the Board of Directors. Such appointed officer's term will expire at the next Annual Membership Meeting.

ARTICLE VIII – ELECTIONS

Section 1. Nomination of Officers and Directors

Any Member may nominate a person, including himself or herself, for the office of President, Vice-President, Secretary, or Treasurer or for Director. Nominations must

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be made at least fifteen (15) days and not more than thirty (30) days before the final General Membership Meeting of the calendar year.

Section 2. Election of Officers and Directors

The President, Vice-President, Secretary, Treasurer, Legislative Affairs Officer and Director(s) will be elected by a majority vote (>50%) of the Craft Brewery Members of the Association in an election called for that purpose at the Final General Membership Meeting of the calendar year. Newly elected officers and Directors will begin their terms of office on the first day of January following the election.

Section 3: Informalities and/or Irregularities

All informalities and/or irregularities in the matter of voting, credentials, and method of ascertaining those present shall be deemed waived if not objection is made at the time of the election in question.

ARTICLE VI – COMMITTEES

Section 1. Authority to Appoint Committees

The Board of Directors may propose and approve committees as necessary to assist in furthering the mission and purposes of the Association. The members of a committee need not be Members of the Association.

Section 2: Meetings

Members of the Board of Directors shall have the right to attend any committee meeting.

Section 3: Sunset Clause

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At the Annual Meeting of the Board of Directors all committees shall be reviewed in terms of their purpose, powers, responsibilities, effectiveness, and continued need.

ARTICLE VII – FINANCIAL MATTERS

Section 1. Authority to Commit Funds

With the approval of the Board of Directors, the President, Vice-President, Secretary, Treasurer or Legislative Affairs Officer may commit funds of the Association.

Section 2. Use of Funds.

The Association shall use its funds only to accomplish the objectives and purposes specified in these Bylaws and no part of said funds shall inure, or be distributed, to members of the Association.

Section 3: Fiscal Year

The fiscal year of the Association shall be the calendar year.

ARTICLE VIII – GOVERNING LAW

Except as otherwise provided by the Articles of Incorporation or the Bylaws of the Association, the affairs of the Association will be governed pursuant to the applicable provisions of the Nevada Revised Statutes and Nevada common law.

ARTICLE IX – BYLAWS

Section 1: Adoption, Amendment and Repeal

These Bylaws may be amended or repealed, or new Bylaws may be adopted, at any membership meeting of the Association by a resolution adopted by a majority (>50%) of the Active Members permitted to vote. No notice need be given of any action concerning these Bylaws prior to any such meeting, if the proposed amendment, repeal, or adoption of new Bylaws, is one of necessity arising at such meeting and is in furtherance of the legitimate aims of the Association.

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Section 2. Interpretation

The Board of Directors' reasonable interpretation of the Bylaws will be considered the correct interpretation when reached by majority vote.

Section 3. Implementation

These Bylaws will become effective immediately upon adoption.

ARTICLE X – INDEMNIFICATION

The Association shall indemnify and hold harmless any director, officer, employee or agent of the Association for liability incurred by such person in the exercise of his duties with respect to the Association to the extent permitted by Nevada law.

ARTICLE XI-DISSOLUTION

The Association may be dissolved upon the majority vote (>50%) of those Members permitted to vote on such a matter by these Bylaws. On dissolution of the Association, all assets, if any, remaining shall be distributed to one or more qualified organizations that are exempted by the provisions of section 501(c)(3) or section 501(c)(6) of the Internal Revenue Code and have the same or similar objectives or purposes as the Association.