BYLAWS

OF

DISTRICT WESTERN NEW YORK
MASTER BREWERS ASSOCIATION OF THE AMERICAS

ARTICLE I
PURPOSE

As set out in this District's (corporation's) Articles of Incorporation, the District has been organized for and shall operate to conduct exclusively charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 as a District of the Master Brewers Association of the Americas, Inc. (hereafter, "MBAA"), engaging in efforts within the geographic region the District's name delineates to:

> *advance, support, promote, and encourage scientific research into brewing malt beverages and related industries and to make the results of that research available to the public through conventions, discussion groups, journals, publications and seminars.*

ARTICLE II
MEMBERSHIP

Section 1. Membership to be non-voting. Pursuant to the District's (corporation's) Articles of Incorporation, the District does not have voting members.

Section 2. Affiliated MBAA Members. The Board shall treat as members of this District those individuals or organizations who have membership in MBAA and whose designated address is within the boundaries of this District's geographic region, so long as those member are in good standing with MBAA and have not violated standards set by this Board (which determination shall be entirely within this Board's jurisdiction).

Section 3. Annual Meeting. As the District has no voting members it is not required to have an annual meeting to report to such members, but shall hold an "annual" or "anniversary" meeting of the District's Board at which the Board of Directors shall meet and conduct business as set out in Article IV.

Section 4. Members' Privileges. Members shall be entitled to receive information about the organization's purposes and activities as determined by the Board from time to time. Members shall also have the right to vote on matters expressly submitted or delegated by the Board of Directors to the members for polling on either a binding or advisory basis, as the Board determines. Members shall also have such additional rights and privileges as may be conferred upon them from time to time by the Board of Directors.

ARTICLE III
BOARD OF DIRECTORS

Section 1. Appointment or election. The Board of Directors of this District shall consist of no fewer than 3 persons nor greater than ten, and subject to such limitation, the number of members of the Board of Directors shall be such as may be designated from time to time by the Board of Directors. The Directors of this District shall be elected by the Board of Directors at each annual or anniversary meeting after polling of members' recommendations for Director election (if same has been undertaken).

Section 2. Ex-Officio and Honorary Directors. The Board of Directors may, from time to time, elect one or more ex officio or honorary directors of this District who shall be advisory members of the Board of Directors of this District. Any such election shall be for such term and based on such criteria as the Board of Directors from time to time deems appropriate. All ex officio and honorary directors shall be non-voting directors of this District.

Section 3. Terms. Except as otherwise provided herein, each director of this District shall be elected to serve for a term of a minimum of one (1) year. A director shall hold office for the term for which he or she was appointed or elected and until the end of the meeting at which her or his successor has been appointed or elected and until such successor has qualified, or until the director's prior death, resignation or removal.

Section 4. Removal and vacancies. Any director may at any time be removed with or without cause by the Board of Directors. Any vacancy occurring because of the death, resignation or removal of a director or because of an increase in the number of members of the Board of Directors shall be filled by the Board of Directors for the unexpired term of such director.

ARTICLE IV
MEETINGS OF THE BOARD OF DIRECTORS

Section 1. Annual/Anniversary Meeting. The annual meeting of the Board of Directors for the purpose of electing directors and officers and transacting such other business as may properly come before the meeting shall be held each year at the time and place, within or without the District's founding jurisdiction (the State of Minnesota), designated from time to time by the Board of Directors.

Section 2. Regular meetings. Regular meetings of the Board of Directors may be held at such time and place as shall from time to time be determined by resolution of the Board. After the time and place of such regular meetings have been so determined, no notice of such regular meetings need be given. Meetings may be held elsewhere, or at alternative times, if the notice of the meeting clearly provides so. Notice of any change in the place or time of holding any regular meeting, or of any adjournment of a regular meeting to reconvene at a different place, shall be given personally, by mail (postage prepaid), telephone, or mode of electronic communication consented to by the Director (for example, e-mail or fax) not less than two days before the meeting, excluding the day of the meeting, to all directors who were absent at the time such action to schedule the meeting was taken.

Section 3. Other Meetings. Other meetings of the Board of Directors may be held at such time and place as are announced at a previous meeting of the Board of Directors. Meetings of the Board of Directors may also be called at any time (a) by the Chair, (b) by the Board of Directors, or (c) upon the written request of two or more members of the Board of Directors. Anyone entitled to call a meeting of the Board of Directors may make a written request to the President to call the meeting, and the President shall give notice of the meeting, setting forth the time, place and purpose thereof, to be held between five and sixty (60) days after receiving the request [notice shall be given personally, by mail (postage prepaid), telephone, or mode of electronic communication consented to by the Director (for example, e-mail or fax)]. If the President fails to give notice of the meeting within seven days from the day on which the request was made, the person or persons who requested the meeting may fix the time and place of the meeting and give notice in the manner hereinafter provided.

Section 4. Notice. Notice of each meeting of the Board of Director for which written notice is required shall be given personally, or by mail (postage prepaid), telephone, or mode of electronic communication consented to by the Director (for example, e-mail or fax)], and except as otherwise noted herein, shall state the time, place and purpose thereof. Unless otherwise stated herein, required notice shall be given no less than five [again this is Statutory default] nor more than thirty days before the meeting, excluding the day of the meeting, to each director at his or her address according to the last available records of this District. Any Director may waive notice of a meeting of the Board before, at or after the meeting, orally, in writing or by attendance. Attendance by a Director at a meeting is a waiver of notice of that meeting, unless the Director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and does not participate in the meeting.

Section 5. Participation by Electronic Means of Communications. A director or committee member may participate in a meeting by any means of communication through which such person, other persons so participating, and all persons physically present at the meeting may simultaneously hear each other during the meeting. Participating in a meeting by that means constitutes presence in person at the meeting. A conference among directors or committee members by any means of communication through which such persons may simultaneously hear each other during the conference is a meeting of the Board of Directors or committee, as the case may be, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

Section 6. Quorum and Voting. The presence of a majority of the members of the Board of Directors then-serving, shall constitute a quorum at any meeting thereof, but the directors present at any meeting, although less than a quorum, may adjourn the meeting from time to time. At all meetings of the Board of Directors, each director shall be entitled to cast one vote on any question coming before the meeting. A majority vote of the directors present at any meeting, if there be a quorum, shall be sufficient to transact any business unless a greater number of votes is required by law or these Bylaws. A director shall not appoint a proxy for himself or herself or vote by proxy at a meeting of the Board of Directors. A director who is present at a meeting of the Board of Directors when an action is taken is presumed to have assented to the action unless the director votes against the action or is prohibited from voting on the action.

Section 7. Remote Action and Written Actions (action without meeting). All meetings of the board may be held by one or more means of remote communication as permitted by the Minnesota Nonprofit Corporation Act. Any action that could be taken at a meeting of the board may be taken by written action signed, or consented to by authenticated electronic communication, by members of the Board. Any action permitted to be taken at a meeting of the directors may be taken by written action signed or consented to by all of the directors entitled to vote on the action. For such action to be effective, upon signature of the last required Director, immediate notice of the action and effective date shall be made to all Directors.

Section 8. Conflicts of Interest. This District shall not enter into any contract or transaction with one or more of its directors, an organization in or of which a director is a director, officer or legal representative or has a material financial interest, or a family member of the director(s), without complying with the provisions of Article VII. In no case shall the corporation permit an "excess benefit transaction" as defined in Section 4958 of the Code. If a contract or transaction would have been permitted under the preceding sentence, failure of the corporation to comply with Article VII shall not invalidate any contract or transaction to which this corporation is a party, although the contract may be voidable under the Minnesota Nonprofit Corporation Act.

ARTICLE V
OFFICERS

Section 1. Officers. The officers of this District shall consist of, at minimum, a Chair, a Vice Chair, a President, a Secretary and a Treasurer. Officers shall be elected by the Board of Directors to serve for terms of one year and until their respective successors are chosen and have qualified. Election of officers shall be made by the Board at its first meeting subsequent to the seating of new Directors elected at the annual or anniversary meeting. Any officer may be removed at any time by the Board of Directors with or without cause. Any vacancy occurring in office shall be filled by the Board of Directors. The same person may hold more than one office at the same time and, except as otherwise provided herein, the officers need not be directors of the District.

Section 2. Chair. The Chair shall preside at all meetings of the Board of Directors which shall be responsible for the general supervision, direction and management of the affairs of this District.

Section 3. Vice Chair. The Vice Chair shall perform the duties of the Chair in case of the latter's absence or disability.

Section 4. President. The President shall have general active management of the business of the District; see that orders and resolutions of the board are carried into effect; may execute on behalf of the District contracts, deeds, conveyances or other instruments in writing which may be required or authorized by the Board of Directors for the proper and necessary transaction of the business of this District; maintain records of and, when necessary, certify proceedings of the board; and perform other duties as may be assigned to him or her from time to time by the Board of Directors.

Section 5. Secretary. The Secretary shall keep the District's records and minutes, be the custodian of the records, documents and papers of this District, fulfill the usual duties required

by such office, and perform such other duties and exercise such other powers as may be assigned to him or her from time to time by the Board of Directors.

Section 6. Treasurer. The Treasurer shall keep accurate financial records for the District and is responsible for maintaining accurate financial records for this corporation and safeguarding the assets of this corporation. He or she shall present a report of this corporation's financial transactions and status to the Board of Directors no less than annually, and shall from time to time make such other reports to the President and the Board of Directors as those parties shall direct or require. The Treasurer shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

ARTICLE VI
COMMITTEES

Section 1. Authority. The Board of Directors may act by and through such committees as may be specified in resolutions adopted by a majority of the members of the Board of Directors. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board of Directors, and shall at all times be subject to the control and direction of the Board of Directors. Committee members need not be Directors.

Section 2. Meetings and Voting. Meetings of each committee may be held at such time and place as are announced at a previous meeting of the committee. Meetings of any committee may also be called at any time by the chairperson of the committee or by the Chair on at least five days' notice by mail, or two days' oral notice by telephone or in person. Notice shall be given personally, by mail (postage prepaid), telephone, or mode of electronic communication consented to by the Director (for example, e-mail or fax). Appearance at a meeting is deemed to be a waiver of notice unless the committee member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the committee member does not participate in the meeting. At all meetings of a committee of this corporation each member thereof shall be entitled to cast one vote on any question coming before such meeting. The presence of a majority of the membership of any committee of this corporation shall constitute a quorum at any meeting thereof, but the members of a committee present at any such meeting, although less than a quorum, may adjourn the meeting from time to time. A majority vote of the members of a committee of this corporation present at any meeting thereof, if there be a quorum, shall be sufficient for the transaction of the business of such committee. Any action that could be taken at a committee meeting may be taken by written action signed by all members of the committee.

ARTICLE VII
AMENDMENTS TO ORGANIZATIONAL DOCUMENTS

The Board of Directors may propose amendment to the Articles of Incorporation or these Bylaws by adopting a resolution setting forth the amendment by a vote of the majority of all directors then-seated. Proper notice of the proposed amendment or repeal must precede the Board meeting at which the amendment will be considered and must include the substance of the proposed amendment. Proposed amendments must be approved by MBAA and thus their effective date will be that set by that organization's Board.

ARTICLE VIII
CONFLICT OF INTEREST

Section 1. Director conflicts of interest. This corporation shall not enter into any contract or transaction with (a) one or more of its directors, officers, or a member of the immediate family of its director or officer, (b) a director or officer of a related organization, or a member of the immediate family of a director or officer of a related organization (within the meaning of *Minnesota Statutes*, section 317A.011, subd. 18), or (c) an organization in or of which the corporation's director or officer, or member of the immediate family of its director or officer, is a director, officer, legal representative or has a material financial interest; unless the material facts as to the contract or transaction and as to the interest of the director(s) or officer(s) are fully disclosed or known to the Board of Directors, and the Board of Directors authorizes, approves, or ratifies the contract or transaction in good faith by the affirmative vote of a majority of the directors (not counting any vote that the interested director or officer might otherwise have, and not counting the interested director or officer in determining the presence of a quorum.) As set out in Article IV, Section 7, failure to comply with this Section shall not automatically invalidate any contract or transaction to which this corporation is a party.

Section 2. Conflicts of interest: definitions. For purposes of the prior section, "immediate family" encompasses the following individuals: spouses, domestic-partners-in-fact, parents, children, children's spouses or children's domestic-partners-in-fact, siblings, or spouses or domestic-partners-in-fact of siblings. "Domestic-partner-in-fact" is used with respect to those designated as the intended life partner of an individual or otherwise identified as being related to that individual through intended long term ties of love, affection, responsibility, and commitment common to those undertaken in marriages recognized by the State, regardless of whether such relationship is defined by or otherwise recognized by any governmental authority. Per the Minnesota Nonprofit Corporation Act, a "material financial interest" encompasses, but is not limited to, an individual's relationship to an organization with respect to which rights of the individual exist, whether or not yet vested, for payment of dividends, profit-sharing, compensation, reimbursement of expenses, repayment of obligations or other liabilities, from the organization, but for purposes of the prior section "material financial interest" does not include fixing the compensation of the director or fixing the compensation of another director as a director, officer, employee, or agent of the corporation, even though the first director is also receiving compensation from the corporation.

Section 3. Conflict of interest policy. The need for a conflict of interest policy that staff members, officers, and Directors shall adhere to is established by the immediately two preceding Sections of this Article. Such policy shall be established and annually reviewed by the Board of Directors. At a minimum, such policy shall require the certification by all individuals who are subject to it that they have read the policy and agree to abide by it, and along with same, shall provide on at least an annual basis to the Secretary of this corporation a list of all organizations and individuals who comprise their "immediate family" or with whom they have a "material financial interest" as such terms are defined in the preceding Article's Section 2, except that in the case of immediate family, a threshold of "materiality" for what comprises a "material financial interest" shall be set by the Board.

Section 4. Insurance. This corporation may, to the full extent permitted by applicable law from time to time in effect, purchase and maintain insurance on behalf of any person who is or was a

director, officer, employee, or member of a committee of this corporation against any liability asserted against such person and incurred by such person in any such capacity.

ARTICLE IX
INDEMNIFICATION

Section 1. Indemnification. To the full extent permitted by any applicable law, and subject to the procedural limitations noted in Section 3, following, this corporation shall indemnify each person made or threatened to be made a party to any threatened, pending or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of this District, by reason of the former or present capacity of the person as:

(a) a director, officer, employee or member of a committee of this District, or

(b) a director, officer, partner, trustee, employee or agent of another organization or employee benefit plan, who while a director, officer or employee of this District, is or was serving the other corporation at the request of this District or whose duties as a director, officer or employee of this District involve or involved such service to the other corporation

against judgments, penalties, fines (including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan), settlements, and reasonable attorneys' fees and disbursements, incurred by the person in connection with the proceeding, in line with the standards enumerated in Section 2, herein.

Indemnification provided by this section shall continue as to a person who has ceased to be a director, officer, employee or committee member, shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this section. Any indemnification realized other than under this section shall apply as a credit against any indemnification provided by this section.

Section 2. Standards. Indemnification is mandatory, if, with respect to the acts or omissions of the person complained of in the proceeding, the person:

2.1 has not been indemnified by another organization or employee benefit plan for the same liability described in the preceding paragraph with respect to the same acts or omissions;

2.2 acted in good faith;

2.3 received no improper personal benefit and section 317A.255 of *Minnesota Statutes*, as now enacted or hereinafter amended, regarding conflicts of interest, has been satisfied;

2.4 in the case of a criminal proceeding, did not have reasonable cause to believe the conduct was unlawful; and

2.5 in the case of acts or omissions occurring by a director, officer, employee, or member of a committee of this District acting in such official capacity, reasonably believed that the conduct was in the best interests of this District, or in the case of acts or omissions occurring by a director, officer, employee, or member of a committee of this District who is or was serving another organization at the request of this District, or whose duties as a director, officer, employee, or member of a committee of this District involve or involved such service to another organization, reasonably believed that the conduct was not opposed to the best interests of this District.

Section 3. Indemnification: Eligibility, advances, and ancillary recovery. Any indemnification realized other than under this Article shall apply as a credit against the indemnification provided herein.

3.1 Determination of eligibility for indemnification payments or advances shall be made in accord with section 317A.521, subd. 6 of *Minnesota Statutes*, as now enacted or hereinafter amended. In essence, same provides that whether a person is entitled to payment or reimbursement of expenses in advance of the final disposition of the relevant proceedings shall be made:

3.1.1 by the board by a majority of a quorum; directors who are at the time parties to the proceeding are not counted for determining a majority or the presence of a quorum;
3.1.2 if a quorum under 3.1.1 cannot be obtained, by a majority of a committee of the board, consisting solely of two or more directors not at the time parties to the proceeding, duly designated to act in the matter by a majority of the full board including directors who are parties;
3.1.3 if a determination is not made under 3.1.1 or 3.1.2, by special legal counsel, selected either by a majority of the board or a committee by vote constituted under 3.1. 1 or 3.1.2, respectively, or, if the requisite quorum of the full board cannot be obtained and the committee cannot be established, by a majority of the full board including directors who are parties;
3.1.4 if a determination is not made under 3.1-3.3 preceding, by the members with voting rights, other than members who are parties to the proceeding; or
3.1.5 if an adverse determination is made under 3.1.1-3.1.4 preceding, or 3.2 following, or if no determination is made within 60 days after the termination of a proceeding or after a request for an advance of expenses, by a court in this state, which may be the court in which the proceeding involving the person's liability took place, upon application of the person and notice the court requires.

3.2 With respect to a person who is not, and was not at the time of the acts or omissions complained of in the proceedings, a director, officer, or person having, directly or indirectly, the power to direct or cause the direction of the management or policies of the District, the determination whether indemnification of this person is required because the criteria in Section 1 of this Article has been satisfied and whether this person is entitled to payment or reimbursement of expenses in advance of the final disposition of a proceeding under section 317A.521, subd. 3 of *Minnesota Statutes* may be made by an annually appointed committee of the board, having at least one member who is a director (said committee shall report at least annually to the board concerning its actions.)