



## MICHIGAN CRAFT DISTILLER'S ASSOCIATION, INC. BYLAWS

**Article 1:** The name of this corporation is the Michigan Craft Distillers Association, Inc., a non-profit Michigan corporation (the "Corporation")

**Article 2:** Purposes of Organization.

The Corporation is organized and operated exclusively for non-profit purposes. The Corporation is organized for the following purposes:

1. To promote the common business interests of persons or entities involved in the trade, business or industry of distilling spirits in Michigan; to represent the Michigan spirits producing and distilling industry as its trade organization dedicated to promoting an environment favorable to the industry; and in furtherance of those purposes, to exercise all the powers permitted to be exercised by a non-profit corporation under the laws of the State of Michigan.
2. To receive and administer funds and to operate a business league within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986 ("IRC"), or comparable provisions of subsequent legislation, and to give funds and property from time to time to other organizations to be used (or held for use) directly in carrying out one or more of such purposes.
3. To acquire, own, dispose of, and deal with real and personal property and interests therein and to apply gifts, grants, bequests and devises and the proceeds thereof in the furtherance of the purposes of the corporation.
4. To do such things and to perform such acts to accomplish its purposes as the board of directors may determine to be appropriate and as are not forbidden by IRC Section 501(c)(6), with all the power conferred upon nonprofit corporations under the laws of the state of Michigan.

**Article 3:** Members

1. **Membership:** Under the Michigan Nonprofit Corporation Act, a corporation organized on a nonstock basis shall be organized upon either a membership basis or a directorship basis. This Corporation is organized on a

directorship basis, and pursuant to Section 305 of the Michigan Nonprofit Corporation Act, shall have Michigan Distillers and/or Michigan Small Distillers, Certified Small Distillers, Associate Members and Enthusiast Members. Dues for membership tiers will be adopted by the Board of Directors based upon the types of membership and will be reviewed annually. As a directorship non-profit corporation, anyone with an active DSP (Distilled Spirits Plant) shall be entitled to vote. All applications for membership and changes in classification of membership are subject to the approval of the Board of Directors.

2. **Definition of Distiller Member:** A Distiller Member is a Michigan based manufacturer of spirits who holds both a Federal Distilled Spirits Plant License in addition to a Michigan Distiller or Small Distiller License. MCDCA will recognize any Distiller Member as a voting member and any member is eligible to be elected to the Board of Directors and may serve as an officer of the Corporation.

3. **Definition of a Certified Small Distiller:** A Certified Small Distiller is a Michigan based manufacturer of spirits holding a Michigan Small Distillers License along with a Michigan Department of Agriculture and Rural Development (MDARD) Qualified Small Distillers Certificate.

4. **Definition of an Associate Member:** Trade people and suppliers doing business with the distilling industry or any individual, partnership, retailer, wholesaler or corporation in an allied industry or endeavor may be admitted as a non-voting Associate member. An Associate will pay minimum dues as set by the Board of Directors. The voting rights of an Associate shall be at the Board level only. An Associate Member is eligible to be elected to the Board of Directors and may serve as an officer of the Corporation.

5. **Definition of an Enthusiast Member:** Enthusiast Members 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.

6. **Resignation:** Any Member in good standing may resign from the Corporation upon delivery of written notice to the Corporation before the effective date of the resignation. The resigning Member is responsible for dues assessed up to the effective date of the resignation.

7. **Expulsion:** A Member may be suspended or expelled from membership by action of the Board of Directors for non-payment of dues, fees or for the violation of any provision of these Bylaws.

#### **Article 4:** Board of Directors

1. **Number, Term, and Qualifications.** The number of Directors shall initially be five (5), in addition to two (2) at large members for a total of 7 Board of Director members. Each Director shall hold office for the term for which he/she is appointed and until his/her successor shall have been appointed and qualified or until his/her resignation or removal. After the initial Board of Directors is appointed, then on a yearly basis the incumbent directors elect the members of the Board of Directors at the annual meeting of the Board of Directors. To ensure continuity and experience on the Board of Directors, the terms of the directors shall be staggered as follows:

- Initial Term Structure:
  - The initial board shall be divided into two groups as evenly as possible.
  - The term of office of the first group shall expire at the second annual meeting of the board members after their election.
  - The term of office of the second group shall expire at the third annual meeting of the board members after their election.
- Subsequent Terms:
  - After the expiration of the initial terms, all Directors shall be elected to serve two-year terms.
- Election and Succession:
  - Elections for board members shall be held at the annual meeting of the board members and Board Members shall be elected from the Voting Members.
  - Each Director shall hold office until the expiration of the term for which they were elected and until their successor has been elected and qualified, or until their earlier resignation or removal.
- Vacancies:
  - Any vacancy occurring on the Board of Directors, including a vacancy created by an increase in the number of Directors, may be filled by the affirmative vote of a majority of the remaining

Directors though less than a quorum of the board.

2. **Qualifications of Directors.** All of the members of the Board of Directors shall be either Certified Craft Distiller Members or Associate Members in good standing of the association.
3. **Regular Meetings.** Regular meetings of the Board of Directors shall be held either with or without notice at such times and such places as any majority of the Directors may by resolution from time to time determine. The Board of Directors will also be responsible for hosting at least three (3) General Membership meetings each year.
  - **Special Meetings.** Special meetings of the Board of Directors shall be held whenever called by the President; or when the President shall be required to call a special meeting upon written request by any Director. Due notice of any special meeting, which may be waived, shall be given by the Secretary, in writing, not later than the day preceding the meeting.
4. **Waiver.** Attendance of a Director at a meeting, in person or by proxy, constitutes a waiver of notice of the meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
5. **Quorum.** A majority of the members of the Board then in office, or of the members of a committee thereof, constitutes a quorum for the transaction of business. A vote of the majority members who are present at a meeting at which a quorum is present constitutes the action of the Board or of the committee.
6. **Vacancies.** A vacancy on the Board of Directors shall be filled by the affirmative vote of a majority of the remaining Directors, though less than a quorum of the Board, but only in accordance with the qualifications set forth in Section 2 above.
7. **Removal.** A Director may only be removed with cause by a vote of a majority of the Directors then in office. If a director is removed, the vacancy on the Board of Directors shall be filled by the remaining Directors pursuant to Section 7, but only in accordance with the qualifications set forth in Section 2.
8. **Action Without a Meeting.** Action may be taken by the Board of Directors or a committee thereof without a meeting if, before or after the action, all members of the Board or of the committee consent thereto in writing. The written consent shall be filed with the minutes of the proceedings of the Board or committee. The consent has the same effect as a vote of the board or committee for all purposes.
9. **Conference Call.** A member of the Board or committee designated by the Board may participate in a meeting by means of a conference call, or virtual meeting or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participating in a meeting pursuant to this method constitutes presence in person at the meeting.
10. **Compensation.** The Executive Director shall receive fair and competitive compensation for their leadership and management of the organization. The compensation package is designed to attract and retain a highly qualified Executive Director who can effectively advance the mission and goals of the organization. The Board of Directors shall determine the Executive Director's compensation based on industry standards, the organization's financial capacity, and the Executive Director's qualifications, experience, and performance.

**Article 5: Presiding Officers**

1. **Designation:** The principal officer of the Corporation shall be the President of the Board of Directors, who shall be elected annually by the Board of Directors from among the Board of Directors.
2. **Compensation:** The Officers of the Corporation shall serve without compensation, except for the Executive Director stated above in Article 4:10.-
3. **President of the Board of Directors:** The President of the Board of Directors shall preside at all meetings of the Board of Directors and perform all duties incident to the office. The President shall see that all orders and resolutions of the Board of Directors are carried out. The President shall at all times represent and act for the Corporation in its relationships with other organizations or groups, and shall, with the advice and consent of the Board of Directors, pass upon and determine all questions of policy and public relations which may arise between

meetings of the Board of Directors. The President shall have authority to delegate to other officers such of his powers as deemed necessary and expedient.

4. **Vice President of the Board of Directors:** The Vice President of the Board of Directors shall perform such duties as may be assigned by the President or Board of Directors and shall preside at all meetings of the Corporation in the absence or disability of the President.

5. **Secretary of the Board of Directors.** The Secretary shall take minutes at each meeting and provide these to the Executive Director within seven (7) days following the meeting, for distribution to the Board of Directors and the General Membership.

6. **Treasurer of the Board of Directors:** The Treasurer shall audit all expenditures made on the behalf of the Corporation and render a statement of condition of finances of the Corporation at each Board of Directors meeting and at the annual general membership meeting.

7. **Executive Director**

A. Duties. The Board of Directors may select and employ an Executive Director who shall be responsible for the general administration of the Corporation's activities. The Executive Director shall be the directing head of the business offices of the Corporation and shall be the keeper of the bylaws and the brand identity of the Corporation.

B. Immediate Supervision: The Executive Director shall work under the immediate direction of the Board of Directors. The Executive Director shall attend meetings of the Board of Directors and the Finance Committee and may receive a seat on the board upon engagement by the Executive Committee. The presiding officer of any of these meetings may request the absence of the Executive Director.

C. Authority. With the approval of the Board of Directors, the Executive Director may sign checks drawn of the funds of the Corporation in payment of the debts and obligations of the Corporation. The Executive Director shall cooperate with the Treasurer in the preparation of all budgets and financial statements presented to the Board of Directors. The Executive Director shall also perform such other duties as may be assigned to him/her by the President or the Board of Directors and shall be compensated for services.

**Article 6:** Amendments

1. **Amendments to the Bylaws.** Amendments to the bylaws must be submitted by a Director, in writing, at least 30 days prior to the board of Directors meeting at which the bylaws will be submitted for a vote of the Board of Directors. To be accepted to the bylaws, any proposed amendment must receive a majority vote of two-thirds of the Board of Directors in attendance and voting at any meeting.

**Article 7:** Seal

1. The corporate seal will have inscribed upon it the name of Michigan Craft Distillers Association, Inc. and such other appropriate language as may be prescribed by the State of Michigan or by the Board of Directors.

2. Use of the Seal or other logos 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 logos.

**Article 8** Committees

1. The Board may create committees as needed, such as fundraising, legislative, technical, finance, etc. The Board President appoints all committee chairs.

2. Finance Committee. The Treasurer is chair of the Finance Committee, which includes at least one other Board member. The Finance Committee is responsible for developing and reviewing fiscal procedures, creating an annual budget, reviewing all expenditures, and preparing and reporting financial statements with the Board. The Board must approve the budget. The fiscal year shall start on July 1 of each year. The financial records of the organization shall be made available to the membership as determined by the Board at the annual meeting.

3. Action may be taken by any committee formed by the Board without a meeting if, before or after the action, all members of the committee consent thereto in writing. The written consent shall be filed with the minutes of the proceedings of the committee. The consent has the same effect as a vote of the committee for all purposes.

**Article 9:** Dues/Membership Fees/Billings

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

2. **Arrears.** Members who fail to pay their dues within 90 days of billing will be considered in arrears and will lose their membership status and privileges. 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 may be required to pay all past dues and fees before consideration, as determined by the Board.

3. **Appropriation of Funds.** Checks may be signed by the President, Vice President, the Treasurer and the Executive Director. Checks over \$500 signed by the Executive Director will need a second signature.

4. **General Sources of Funds.** All the income from dues, assessments, gifts, grants, or gain from the operation of the Corporation shall be for the sole use of the Corporation, and no division shall, 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.

5. **Dissolution.** If the Corporation should be dissolved, no member will receive any portion of its remaining assets or property. Upon dissolution, the balance of any assets or property of the Corporation which remains after all debits or obligations are paid will be distributed to any other nonprofit corporation which has been selected by the Corporation's Board of Directors and has been determined by the Internal Revenue Service to be exempt from federal taxes.

**Article 10:** Contracts, Checks, Deposits and Funds

1. **Contracts.** The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. **Checks, Drafts, Etc.** All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be approved by the Treasurer and the President or a Vice President of the Corporation. The Treasurer and President shall be co-applicants on all bank accounts, with complete access in terms of account numbers and access, both in person and online.

3. **Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

4. **Gifts.** The Board of Directors may accept on behalf of the Corporation any contributions, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

5. **Net Earnings.** No part of the net earnings of the corporation shall be distributed to, or inure to the benefit of, any Director or Officer of the corporation, contributor or private person.

**Article 11** Administrative Provisions

1. **Fiscal Year.** The fiscal year of the Corporation shall start July 1 of each year, unless otherwise established by the Board of Directors.

2. **Distribution of Assets on Dissolution.** Upon the dissolution of the Corporation, after paying or making provisions for the payment of the liabilities of the Corporation, the Board of Directors shall distribute the remaining assets of the Corporation (except assets held upon condition requiring return, transfer or other conveyance in the event of dissolution, which assets shall be returned, transferred or conveyed in accordance with those requirements) to an organization or organizations exempt from federal income tax under Section 501(c)(6) of the Code as designated by the Board of Directors. Any assets not so disposed of, for whatever reason, shall be disposed of by the order of the Circuit Court for the County of Ingham to such organization or organizations as said Court shall select and determine which are tax exempt under Section 501(c)(6) of the Code.

**Article 12** Books and Records

1. **Books and Records.** The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, if any, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members of the Board of Directors. All books and records of the Corporation may be inspected by any member of the Board of Directors, or his agent or attorney, for any proper purpose at any reasonable time.

**Article 13** Indemnification

1. Every Director, Officer or Employee of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees reasonably incurred or imposed upon him or her in connection with any proceedings to which that person may be made a party, or in which he may become involved, by reason of his being or having been a Director, Officer or Employee at the time such expenses are incurred except in cases wherein the Director, Officer or Employee is adjudged guilty or willful misfeasance or malfeasance in the performance of his duties. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director, Officer or Employee may be entitled.

**Adopted July, 18, 2024**

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Jon O'Connor, President

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JP Jerome, Vice President

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Richard Anderson, Secretary

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Nancie Oxley, Treasurer

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Adam Dickerson, Board Director

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Courtney Schut, Executive Director

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