



Certificate of Incorporation & Bylaws

July 2021

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CERTIFICATE OF INCORPORATION

Know all men by these presents, that:

J. E. RAFN

JOHN W. HARDY

EARLE WRIGHT

CHARLES B. BUSCHER

do hereby certify that they associate themselves to establish, make and form an incorporate association under and in accordance with the constitution and laws of the State of Wyoming for the purposes and in the manner hereinafter set forth; and further do certify that the provisions hereof are, and are hereby constituted, the Articles of Incorporation of said Association.

ARTICLE I

The corporate name of the association hereby established is
NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION, INC.

ARTICLE II

The purpose and objectives of this Association shall be to promote and encourage frank, open and ethical practices concerning the control, purchases and/or sale of alcohol beverages and to cooperate with all State and Federal agencies concerned with the control, sale and taxation of alcohol beverages in order to improve the states' system of control and distribution of alcohol beverages by cooperation and free flow of information between the various members and by regular meetings or conferences of the various members of this Association.

ARTICLE III

The term of existence of this corporation shall be perpetual.

ARTICLE IV

This corporation is not organized for direct gain to itself and is, therefore, established without stock.

ARTICLE V

The concerns and business affairs of said Association shall be managed by a Board of Directors of not less than fifteen (15) nor more than thirty-one (31) in number, and during its first corporate year, or until their successors are duly elected and qualified, said Directors shall be as follows:

John W. Hardy, Chair, Virginia
Harrell Hammonds, Alabama
Fred Charlton, Idaho
William P. Housel, Iowa
Ralph A. Gallagher, Maine
Frank Blackford, Michigan
J. E. Rafn, Montana
William A. Styles, New Hampshire
Thomas W. Allen, North Carolina
Robert B. Brupansky, Ohio
Hugh Kirkpatrick, Oregon
Patrick E. Kerwin, Pennsylvania
Paul V. Kelly, Utah
Paul G. Harlow, Vermont
Warren Wright, Virginia
Don G. Abel, Washington
E. Gaujmot Bias, West Virginia
Everett T. Copenhaver, Wyoming
James F. Ervin, Montgomery County, Maryland

(Directors elected September 30, 1957, when the incorporation of the NABCA was approved.)

ARTICLE VI

The purpose for which this corporation is formed shall be pursued in the City of Cheyenne in Laramie County, Wyoming, and in such other places in the United States or its territories or possessions as the Officers and Directors may decide.

ARTICLE VII

This corporation assumes to itself and shall and does possess all powers, rights, privileges and franchise granted to and conferred upon corporations of like character by the laws of the State of Wyoming, which are necessary or appropriate to enable it to carry out the purpose for which it is formed, including the right to take and hold by purchase, gift, devise or bequest, money, bonds, notes or choses in action. The corporation shall and does possess the right to issue publications and papers.

ARTICLE VIII

Management and regulation of the property and affairs of said Association, and the officers and members and the manner and selection thereof, shall be fixed and provided by Bylaws which provide for the expulsion of members.

ARTICLE IX

The Corporation shall have a common seal, having on its circumference the words, "NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION, INC." and in the center the words, "Corporate Seal."

ARTICLE X

Annual and special meetings of said corporation will be formed, convened and conducted at such times in such manner as the Bylaws of the corporation shall provide.

IN WITNESS WHEREOF, we have hereunto set our hands and seal in duplicate.

APPROVED: September 30, 1957

/s/ J. E. Rafn

/s/ John W. Hardy

/s/ Earl Wright

/s/ Charles B. Buscher

BYLAWS

ARTICLE I - MISSION

Section 1 - The mission of the National Alcohol Beverage Control Association (NABCA) is to support member jurisdictions in their efforts to protect public health and safety and ensure responsible and efficient systems for beverage alcohol distribution and sales.

Section 2 - In carrying out its mission, the Association has the following general objectives:

- A. Resources - Provide resources and research on regulatory, operational, policy and public health issues to member jurisdictions and other organizations.
- B. Systems and Data - Create and distribute member jurisdiction sales, inventory and pricing data for governmental entities, industry, public health, and other organizations.
- C. Relationships - Cultivate relationships between member jurisdictions, governmental entities, public health, industry, media and other organizations to encourage and facilitate communication and collaboration.

Section 3 - Value Statement. The Association is dedicated to bringing integrity, ethics and values to the entire beverage alcohol regulatory and distribution system.

Section 4: Vision Statement - The Association's vision is to be a global leader with resources and expertise in alcohol policy, regulatory and operational practices and market information and analytics. The Association strives to have a talented, dedicated and diverse workforce, which uses state of the art technology to achieve its mission. The Association aggressively recruits new members, customers and partners to strengthen its influence and sustainability.

ARTICLE II - MEMBERSHIP

Section 1 - Membership in the Association may be granted to any governmental entity responsible for controlling and selling, either at wholesale or retail, alcohol beverages within its jurisdiction, and to any person, firm or organization supplying products for use or resale by such governmental entities. Notwithstanding the provisions of Section 2 A. of this Article, other members will be admitted by a majority vote of the Board of Directors, following recommendation by the Governance Committee. The Board may reject any applicant or cancel a

membership if, in the reasonable opinion of the Board, the applicant or member is engaging in unsuitable practices.

Section 2 - Voting Members of the Association shall consist of the following:

- A. **Board Members** - All United States: State, Territorial, County or Municipal or City government agencies responsible for controlling and selling, either at wholesale or retail, alcohol beverages within their respective jurisdictions. In the event that more than one such entity exists in a State or Territory which itself is not eligible for membership as a Voting Member, only one may be admitted as a Voting Member, and it shall be the largest such entity in terms of annual sales volume for the preceding year.

Section 3 - Other members of the Association may consist of the general categories as set forth herein. All such members may be permitted to attend open conferences of the Association and receive all information, including statistical information, not specifically reserved for Voting Members. The Governance Committee shall develop and maintain a Membership and Dues Catalog that lists all non-voting membership categories, sub-categories and membership dues. The Membership and Dues Catalog must be approved by the full Board as well as any changes to the Catalog thereafter.

ARTICLE III - ANNUAL FEES AND/OR SERVICE CHARGES

Section 1 - Annual fees and/or service charges for the several classes of membership shall be determined by the Board of Directors.

Section 2 - All such fees and/or service charges shall be payable thirty (30) days after date of billing.

Section 3 - Any Member who fails to pay such fees and/or service charges for a period of ninety (90) days after the due date, may be suspended or have its membership terminated by a majority vote of the Board of Directors.

Section 4 - Any Other Member who fails to pay such fees and/or service charges when due shall be notified of such delinquency by the President & CEO and if such charges are not paid within thirty (30) days after receipt of said notice, the membership of such Other Member shall be automatically terminated.

ARTICLE IV - CONFERENCES

Section 1 - There shall be a conference of the Association each year designated as the Annual Conference. In so far as possible, the conference shall be held prior to the start of the Association's fiscal year.

Section 2 - The Board of Directors of the Association is authorized to call any special meeting or conference of the Association which shall be deemed necessary, and the time and the place of such meeting or conference shall be designated by the Board. There shall be at least fifteen (15) days notice of said meeting or conference mailed by the Office of the President & CEO to each member notifying it of such special meeting or conference and designating the time, place and agenda of such special meeting or conference.

ARTICLE V - VOTING

Section 1 - Each Voting Member shall be entitled to one (1) vote during any regular or special conference or committee meeting. Such vote shall be cast by the elected member of the Board of Directors or by the committee member, as the case may be. In the event that more than one representative of a Voting Member is a member of the committee or attending a regular or special conference and a disagreement arises between or among such representatives, then the action of the majority of such representatives shall govern. In the further event that no such majority is possible, then no vote shall be cast by or on behalf of such Voting Member.

Section 2 - Voting by Mail: Whenever in the judgment of the Chair any question shall arise which he/she considers should be put to a vote of the Voting Members, and when he/she deems it inexpedient to call a special meeting or conference for such purpose, the Chair may, unless otherwise required by these Bylaws, submit such a question to the Voting Members through the Office of the President & CEO in writing by mail for vote and decision, and the question thus presented shall be determined according to a majority vote received by mail within fifteen (15) days after date of mailing.

Section 3 - Voting by Proxy: Voting by proxy shall be permitted at any NABCA regular conference, special meeting or conference, or regular or special meeting of the Board of Directors.

The proxy shall be in written form and shall be given only to a Board Member, Commissioner, Chief Executive Officer or other representative of the Voting Member.

Section 4 - Voting Electronically: A Board Member may vote electronically if they attend any meeting by teleconference, webinar or other electronic medium. Technology must be used that allows all meeting attendees to hear each other at the same time, obtain the floor, speak in debate, submit motions, vote and otherwise participate as if the Board Members were present in person.

ARTICLE VI - OFFICERS

Section 1 - The Officers of the Association shall be a Chair, Chair-Elect, and President & CEO. The Association shall have no Secretary or Treasurer position.

Section 2 - The Chair and Chair-Elect, at the time of their election, shall have served a minimum of one (1) year as either a Board Member, Commissioner, or Chief Executive Officer of a Voting Member. No Voting Member shall fill any more than one of the foregoing offices at any one time.

Section 3 - The Chair-Elect shall be elected by the Board of Directors from the membership of the Board at the Board of Directors meeting that immediately precedes the annual conference for a term of one (1) year commencing at the next annual conference. At the conclusion of the Chair's term, the Chair-Elect shall automatically assume the office of Chair. The Chair and Chair-Elect shall remain as members of the Board of Directors, as the representatives of their respective jurisdictions. The Chair and Chair-Elect may serve more than one (1) full term, but may not serve such terms consecutively. If the Chair-Elect advances to the position of Chair due to a vacancy in that office, the term thus served shall not constitute a full term.

Section 4 - In the event the Chair ceases to be a Board Member, Commissioner or Chief Executive Officer of a Voting Member in good standing during his/her term of office, the Chair-Elect shall fill the resulting vacancy. In the event the Chair-Elect ceases to be a Board Member, Commissioner or Chief Executive Officer of a Voting Member in good standing, or advances to the office of Chair during his/her term of office, the Governance Committee shall propose a candidate to fill the vacancy. The election shall be conducted at the next regular Board meeting.

Section 5 - The President & CEO shall be appointed by the Board of Directors and shall serve at the pleasure of such Board.

ARTICLE VII - DUTIES OF THE OFFICERS

Section 1 - The Chair shall preside over all annual conferences and meetings of the Board of Directors. He/she shall appoint the Chairperson and members of all committees of the Association except as otherwise specified herein, and shall have the authority to designate, from time to time, those who are to serve as representatives of the Association. He/she shall also appoint Trustees for the Association's Employee Retirement Plan, as set forth in Article XI herein. He/she shall serve as an ex-officio member of all committees. The Chair may call a special meeting or conference of the Board of Directors at any time he/she deems necessary.

Section 2 - The Chair-Elect shall succeed the Chair in the event of a vacancy in the office of Chair, and shall act as Chair in the absence of the Chair.

Section 3 - The President & CEO shall have the direct responsibility for the collection, disbursement and safekeeping of the Association's funds. He/she shall maintain records of receipts and expenditures and submit quarterly reports to the Board of Directors. The President & CEO shall issue all vouchers prior to the disbursement of any funds. The Finance Committee shall have direct oversight of the President & CEO in the discharge of his/her duties under this Section.

The President & CEO shall keep the records of all meetings and conferences of the Association, the Board of Directors, and all committees and shall be custodian of the permanent records of the Association. He/she shall submit the minutes of each meeting or conference for approval of the respective voting members of the association, the Board of Directors or the committee for which said minutes were drafted. He/she shall confer with the Finance Committee and shall prepare a proposed budget for the Association for each fiscal year and shall mail copies of said proposed budget to members of the Board of Directors for their consideration when they adopt the annual budget at the meeting of the Board of Directors at the time of the annual conference of the Association. He/she shall be an ex-officio member, without a vote, of the Board of Directors. He/she shall obtain and disseminate information and data concerning all matters in which the Members have mutual interest. He/she shall supervise and manage the Association's headquarters.

He/she shall have the authority to employ or discharge all office staff necessary in the functioning of such operations and, subject to the approval of the Board of Directors, shall set all salaries.

He/she shall recommend to the Board of Directors such persons, firms or corporations as may be necessary to furnish professional and special services, provided that no such person, firm or corporation shall be employed without the specific authorization of the Board of Directors.

He/she shall perform all other duties referred by the Chair and the Board of Directors.

ARTICLE VIII - BOARD OF DIRECTORS

Section 1 - The Board of Directors shall consist of one (1) representative of each Voting Member who shall be appointed by the Voting Member and shall serve at the pleasure of the Voting Member. At the time of his/her appointment, each Director shall be a Board Member, Commissioner or Chief Executive Officer of a Voting

Member. A Voting Member shall notify the Association in writing of any change in its representative to the Board of Directors.

In the event any Director ceases to be a Board Member, Commissioner or Chief Executive Officer of a Voting Member in good standing during his/her term of office, his/her office in the Association shall thereupon become vacant and be filled by the Voting Member.

Section 2 - The Chair shall also serve as Chairperson of the Board of Directors.

Section 3 - Two-thirds of the Board of Directors shall constitute a quorum at business meetings or conferences, provided that a notice of the meeting or conference shall have been mailed to each Member of the Board by the Office of the President & CEO at least fifteen (15) days prior to the date of the meeting or conference.

Section 4 - The Chair, Chair-Elect and Immediate Past Chair (if still a Board Member, Commissioner or Chief Executive Officer of a Voting Member) shall be Members of the Board of Directors as the representatives of their respective jurisdictions, but the Chair shall be permitted to vote only to break a tie vote.

Section 5 - The Board of Directors shall meet at the time of the annual conference of the Association and shall adopt an annual budget for the Association for the fiscal year beginning July 1 and ending June 30.

Section 6 - The Board of Directors shall employ the President & CEO and fix his/her salary. The Board of Directors may review the employment of personnel of the Association and their remuneration.

Section 7 - Neither the Board of Directors nor any of its individual members shall be financially liable for any of the acts of the Board, taken jointly or individually, in carrying out their prescribed duties.

ARTICLE IX - STEERING COMMITTEE

Section 1 - There shall be a Steering Committee, comprised of the Immediate Past Chair, the Chair, the Chair-Elect and all past Chairs still serving on the Board of Directors. It shall be the job of the Steering Committee to advise the President & CEO on matters of policy between meetings of the Board of Directors and, in the absence of the Board, take action thereon. The Steering Committee shall annually review the performance and salary and benefits package of the President & CEO and make recommendations for change to the Board of Directors.

All matters approved by the Steering Committee shall be reported at the next meeting of the Board of Directors.

Section 2 - The Steering Committee shall neither take nor authorize action or policy which is in violation of a Board-approved resolution or of an activity specifically reserved to the Board by these Bylaws.

Section 3 - The Chairman of the Steering Committee shall be the NABCA Board Chair.

Section 4 - Notwithstanding Section 1 of this Article, the Steering Committee shall consist of no less than five (5) members. Should the number of members of the Steering Committee fall below five, the NABCA Board Chair shall have the authority to appoint a member or members from the current NABCA Board of Directors to the Steering Committee. The Board Member(s) appointed to the Steering Committee under this Section shall serve on an interim basis, only until such time as a Board Member becomes eligible under Section 1 of this Article.

ARTICLE X - COMMITTEES

Section 1 - There shall be the following Standing Committees:

A. Governance Committee

- (1) The Governance Committee shall propose a nominee for Chair-Elect of the Association at the Board of Directors meeting immediately preceding the Annual Conference. Additional nominations for Chair-Elect may be made by any Director from the floor at the time of the election for Chair-Elect.
- (2) The Governance Committee shall review the Association's Articles of Incorporation, Bylaws and Policy/Operations Manual and make recommendations for changes to the Board of Directors.
- (3) The Governance Committee shall review applications for non-voting membership in the Association and shall make recommendations thereon to the Board of Directors. The Governance Committee shall review the membership dues structure and qualifications on a periodic basis and shall make recommendations for any changes to the Board of Directors.
- (4) The Governance Committee shall review the membership dues structure and qualifications on a periodic basis and shall develop and maintain a Membership and Dues Catalog that lists all membership categories, sub-categories and membership dues. The Membership and Dues Catalog must be approved by the full Board as well as any changes to the Catalog thereafter.

- (5) The Governance Committee shall investigate all matters dealing with ethics or fair practices concerning organizations with which the Association's members do business and shall report its findings to the Board of Directors. The office of the President & CEO shall assist the Committee in such investigation, if requested to do so.

B. Finance Committee

- (1) The Finance Committee shall be comprised of the Immediate Past Chair, the Chair-Elect and seven (7) members of the Board of Directors appointed by the Chair.
- (2) The Finance Committee shall employ a certified public accounting firm from the Washington, DC metropolitan area to audit the Association's books, receive the CPA reports and disseminate them to members of the Board of Directors. The payment of the CPA shall be budgeted and paid for by the Association.
- (3) The Finance Committee shall review the accounting and operating procedures of the Association and make recommendations for changes to the Board of Directors.
- (4) The Finance Committee shall serve in a financial advisory capacity to the Association staff and Board of Directors and shall make financial recommendations to the Board of Directors.
- (5) The Finance Committee shall oversee that the Association maintains appropriate levels of business liability insurance.
- (6) The Finance Committee shall meet annually with the Chair and the President & CEO to develop a budget for the Association for the upcoming fiscal year. In conjunction with budget preparations, the Finance Committee shall review salary adjustments, pension plan contributions and capital asset purchases.
- (7) The Finance Committee shall have the direct responsibility for insuring that the duties required by the President & CEO in Article VII. Section 3 are fully and accurately performed with regard to the collection, disbursement and safekeeping of the Association's funds. The Finance Committee shall have full oversight of all records, receipts and expenditures maintained by the President & CEO in the performance of his/her duties under Article VII - Section 3.

- (8) The Finance Committee shall review annually the Association's Accounting Policy and Procedures. Any recommended changes to the Accounting Policy and Procedures shall be reported by the Finance Committee to the Board of Directors for official action.

C. Public Affairs Committee

- (1) The Public Affairs Committee shall recommend and promote projects, materials, seminars and other activities that fulfill the Association's mission statement and general objectives as they relate to education and advocacy.
- (2) The Public Affairs Committee shall periodically review the educational materials on hand at the Association to insure their usefulness, accuracy and suitability in the current environment.
- (3) The Public Affairs Committee shall review all contribution requests from outside organizations and recommend to the Board of Directors approval for those deemed appropriate and consistent with the Association's mission.

D. Internal Affairs Committee

- (1) The Internal Affairs Committee shall periodically review the organizational chart, salary grid, job descriptions and employee benefits, and shall make recommendations for change to the Board of Directors.
- (2) The Internal Affairs Committee shall periodically review matters pertaining to the Association's headquarters office such as leasing, location and maintenance.
- (3) The Internal Affairs Committee shall act as an appeal board for Association employees who feel the need to comment or complain about Association supervision.
- (4) The Internal Affairs Committee shall review the business and social program of the annual conference for recommendations to the Board of Directors.
- (5) The Internal Affairs Committee shall propose and periodically review all conference and board meeting policies and guidelines, goals and objectives, and make recommendations for change to the Board of Directors.
- (6) The Internal Affairs Committee shall review site selections from staff for conferences and board meetings, and present recommendations to the Board of Directors.

- (7) The Internal Affairs Committee shall review the Association's Strategic Plan and the Association's programs and goals.
- E. Except as otherwise provided, all Standing Committees shall consist of nine (9) members chosen from the Board of Directors by the Chair, who shall also select the Chairperson and Vice Chairperson of each Standing Committee. The Chair shall be an ex-officio member of each Standing Committee.
 - F. Each member of a Standing Committee shall serve a term of one (1) year, coincident with the term of the Chair.
 - G. The Chair of the Association may direct the Chairperson of any Standing Committee to call special meetings or conferences at any time he/she deems necessary.
 - H. The Chairperson of each Standing Committee may appoint such subcommittees as he/she deems necessary. In the absence of the Chairperson, the Vice Chairperson shall preside over the Committee.
 - I. The Chair shall appoint any other committees necessary to carry out the purposes and activities of this Association.
 - J. No person shall serve as a member of a committee after he/she ceases to be a member in good standing of the alcohol beverage agency or association thereof of his/her political entity.

Section 2 - There shall be the following Advisory Committees:

A. Products and Procedures Committee

- (1) The Products and Procedures Committee shall include a maximum of one (1) representative of each Voting member to be appointed by the member's representative on the Board of Directors.
- (2) The Chair shall appoint the Chairperson of the Products and Procedures Committee from the Association's Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Products and Procedures Committee shall perform those activities which are assigned by the Chair and the Board of Directors.

B. Education Committee

- (1) The Education Committee shall include a maximum of one (1) representative of each Voting member to be appointed by the member's representative on the Board of Directors.
- (2) The Chair shall appoint the Chairperson of the Education Committee from the Association's Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Education Committee shall perform those activities which are assigned by the Chair and the Board of Directors.

C. Regulatory Committee

- (1) The Regulatory Committee shall include a maximum of one (1) representative of each Voting Member to be appointed by the member's representative on the Board of Directors.
- (2) The Chair shall appoint the Chairperson of the Regulatory Committee from the Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Regulatory Committee shall perform those activities which are assigned by the Chair and the Board of Directors.

D. Information Technology Committee

- (1) The Information Technology Committee shall include a maximum of one (1) representative of each Voting Member to be appointed by the member's representative on the Board of Directors.
- (2) The Chair shall appoint the Chairperson of the Information Technology Committee from the Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Information Technology Committee shall perform those activities which are assigned by the Chair and the Board of Directors.

E. Distribution Center Logistics Committee

- (1) The Distribution Center Logistics Committee shall include a maximum of one (1) representative of each Voting Member to be appointed by the member's representative on the Board of Directors.

- (2) The Chair shall appoint the Chairperson of the Distribution Center Logistics Committee from the Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Distribution Center Logistics Committee shall perform those activities which are assigned by the Chair and the Board of Directors.

F. Communications Committee

- (1) The Communications Committee shall include a maximum of one (1) representative of each Voting member to be appointed by the member's representative on the Board of Directors.
- (2) The Chair shall appoint the Chairperson of the Communications Committee from the Association's Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Communications Committee shall perform those activities which are assigned by the Chair and the Board of Directors.

G. Brokers Advisory Committee

- (1) The Brokers Advisory Committee shall represent the interests of the Association's broker members and serve as a forum to communicate those interests to the NABCA Board of Directors.
- (2) The Brokers Advisory Committee shall consist of six (6) broker members, each serving a three-year term (which terms shall be staggered).
- (3) The NABCA Board Chair shall appoint the members and the Chairperson of the Brokers Advisory Committee.
- (4) The Committee shall meet at least once a year to review and discuss policy and operational issues of mutual concern.
- (5) The Brokers Advisory Committee is strictly prohibited from negotiating on behalf of, or otherwise binding the Association without expressed permission of the Board of Directors.

H. Industry Advisory Committee

- (1) The Industry Advisory Committee shall advise the Association on issues and matters of interest among the Association's supplier members and serve as a forum to communicate those interests to the NABCA Board of Directors. The Committee shall periodically meet with the NABCA Board of Directors to review and discuss policy and operational issues of mutual concern. The

Committee shall also act as an informational resource concerning industry operations and consumer/market trends. The Committee shall provide a report to NABCA's supplier members after each meeting.

- (2) The Industry Advisory Committee shall consist of fifteen (15) supplier members, each of whom must be a member of NABCA during their term of service on the Committee. Members of the Committee shall be appointed by the NABCA Board of Directors for three (3) year terms. In the event of a tie among applicants, NABCA's Steering Committee will break the tie. In the event of vacancies, NABCA's Steering Committee will elect by a majority vote a NABCA supplier member to serve on the Industry Advisory Committee for the balance of the vacant term. Any member of the Industry Advisory Committee may be removed by a majority vote of the NABCA Board of Directors for conduct deemed by the Board to be detrimental to NABCA or the alcohol beverage industry. Before removal, a Committee member shall be given written notice of the conduct deemed to be detrimental and shall be given an opportunity to cure the conduct and, if desired, present its case to the Board of Directors in a timely fashion.
- (3) In order to serve on the Industry Advisory Committee, a member company must designate an individual who is either an executive officer or one with responsibility for national or at least all control jurisdiction markets. Each company shall also designate one (1) alternate representative who has at least similar company responsibilities. The Chief Executive Officer or the Chief Operating Officer shall be considered an additional alternate unless he is the designated representative.
- (4) The Industry Advisory Committee shall choose from among its members a Chair and a Vice-Chair and shall notify NABCA of its selections. The Chair and Vice-Chair shall serve a term of three (3) years. The Chair and Vice-Chair shall be eligible for re-election. A position will be vacated if the individual elected ceases to be employed by the company he/she was representing at the time of election, or if the company is no longer a member of the Industry Advisory Committee or of NABCA. In the event of a vacancy, the Industry Advisory Committee shall elect a replacement to fill the balance of the unexpired term.
- (5) The Industry Advisory Committee may adopt its own rules of operation, not inconsistent with these Bylaws. The rules of the Committee must be approved by the Association's Governance Committee. All decisions of the Committee shall be by majority vote. Each member company shall

have one (1) vote on all matters to come before the Industry Advisory Committee.

- (6) The Industry Advisory Committee is strictly prohibited from negotiating on behalf of, or otherwise binding the Association without expressed permission of the Board of Directors.

I. Public Health Advisory Committee

This Public Health Advisory Committee is the organizing document for the NABCA Public Health Advisory Committee.

- (1) The Public Health Advisory Committee shall serve as a forum for communication between the NABCA Board of Directors and the public health sector on legislative, regulatory, educational, and other matters of mutual concern regarding alcohol issues and policy. This communication is meant to provide the NABCA Board of Directors with knowledge and insight from a variety of experts on current issues and policies which may impact the NABCA or its members respective agencies.
- (2) The Public Health Advisory Committee shall consist of seven (7) individuals with different public health perspectives. Members of the Public Health Advisory Committee shall be selected for three (3) year terms (which terms shall be staggered) by the President & CEO with final approval by the NABCA Board Chair. If a position becomes vacant, the President & CEO, with consent from the NABCA Board Chair, will appoint an individual to serve out the remaining term of the departing individual.
- (3) In order to serve on the Public Health Advisory Committee, all individuals will be asked to attend one or two meetings a year. Additionally, members will be asked to participate on conference calls throughout the year as needed. Also, NABCA may request written advisory position papers from Public Health Advisory Committee members on specific alcohol policy matters. The NABCA Board of Directors will not publish the positions or opinions of Public Health Advisory Committee members without permission from the member(s). Public Health Advisory Committee members will not publish NABCA's positions or policies without receiving written approval/consent from the NABCA Board of Directors.

J. Retail Operations Committee

- (1) The Retail Operations Committee shall include a maximum of one (1) representative of each Voting member to be appointed by the member's representative on the Board of Directors.

- (2) The Chair shall appoint the Chairperson of the Retail Operations Committee from the Association's Board of Directors. The Chair shall also appoint a Vice Chairperson, who need not be a member of the Board of Directors.
- (3) The Retail Operations Committee shall perform those activities which are assigned by the Chair and the Board of Directors.
- K. Unless otherwise specified in this Section, each member of an Advisory Committee shall serve a term of one (1) year, coincident with the term of the NABCA Board Chair.
- L. Unless otherwise specified in this Section, any member of an Advisory Committee may be removed by a majority vote of the NABCA Board of Directors for conduct deemed by the Board to be detrimental to NABCA.
- M. With Board approval, the Chairperson of each Advisory Committee may appoint such subcommittees as she/he deems necessary. Members of such subcommittee may or may not be members of the Advisory Committee. All subcommittees established under this section exist at the sole discretion of the Board and may be dissolved by the Board with or without cause

ARTICLE XI - TRUSTEES OF EMPLOYMENT RETIREMENT PLANS

Section 1 - The Association's employee retirement plans (including non-qualified deferred compensation plans) shall be governed by five (5) Trustees, who shall be appointed by the NABCA Board Chair. The appointment of a Trustee's term shall be staggered with the other Trustees, so that all members are not selected at the same time.

Section 2 - Trustees shall at all times be members of the Association's Board of Directors. If, at any time, a Trustee shall cease to be a member of the Board for any reason, the Trustee shall automatically and immediately cease to be a Trustee.

Section 3 - Subject to Section 2 above, Trustees shall serve a term of five (5) years; provided, however, that whenever a vacancy arises other than through the expiration of a Trustee's five-year term, the successor Trustee shall serve for the remainder of the vacating Trustee's designated five-year term.

Section 4 - The Chairperson of the Trustees shall be appointed for a one (1) year term by the NABCA Board Chair. If a vacancy arises in the Chairperson of the Trustees during an existing one-year term, the NABCA Board Chair shall appoint a successor Chairperson of the Trustees to serve for the remainder of such one-year term.

Section 5 – Notwithstanding the provisions above, Trustees may resign from their positions as Trustees, and Trustees may be removed from their positions as Trustees, in accordance with the governing documents of the applicable retirement plan(s).

ARTICLE XII - REMOVAL FROM OFFICE

Section 1 - A two-thirds (2/3) vote of all members of the Board of Directors eligible to vote may remove or suspend any officer or committee member or members for good cause shown, and the Board of Directors may by two-thirds (2/3) vote of all members suspend or remove any Voting or Non-Voting Member for good cause shown.

ARTICLE XIII - INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1 - The Association shall indemnify every Officer and Director of the Association against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any Officer or Director in connection with any action, suit or other proceeding (including the settlement of any such suit or other proceeding if approved by the Board of Directors of the Association) to which he/she may be made a party by reason of being or having been an Officer or Director of the Association whether or not such person is an Officer or Director at the time such expenses are incurred. The Officers and Directors of the Association shall not be liable to the members of the Association for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct, or bad faith. The Officers and Directors of the Association shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any Officer or Director of the Association or former Officer or Director of the Association may be entitled.

ARTICLE XIV - DISPOSITION OF ASSETS

Section 1 - In the event this Association shall be dissolved voluntarily, or involuntarily, or for any reason ceases to function, the assets of the Association shall be equally distributed among the States which have been represented as Voting Members in good standing for at least two (2) calendar years immediately preceding such dissolution.

ARTICLE XV - AMENDMENTS

Section 1 - These Bylaws may be amended at any meeting of the Board of Directors by vote of the majority of the Directors present, provided a notice of such meeting describing the proposed amendment or amendments to be voted upon shall have been mailed by the Office of the President & CEO at least fifteen (15) days prior to said meeting and there exists at the time of the vote a quorum of the Board present as defined in Article VIII, Section 3 of the Bylaws.

ARTICLE XVI - RULES OF ORDER

Section 1 - Robert's Rules of Order shall govern the procedure at any regular or special meeting or conference.

ARTICLE XVII - DEFINITIONS

Section 1 - The terms "mail" "mailed" or "mailing" shall mean delivery by any of the following: U.S. Postal Service; Commercial Delivery Service; Electronic Mail; Facsimile.

**DATES OF ADOPTION AND CHANGES TO NABCA CERTIFICATE OF
INCORPORATION AND BYLAWS APPROVED**

20th Annual Meeting - Philadelphia, Pennsylvania.....Sheraton Hotel, September 30, 1957

AMENDED

22nd Mid-Year Meeting - New York, New York May 14, 1958
23rd Annual Meeting - Miami Beach, Florida November 16, 1960
25th Annual Meeting - Miami Beach, Florida May 30, 1962
25th Mid-Year Conference - Portland, Oregon November 14, 1962
26th Annual Conference - New York, New York May 1, 1963
28th Mid-Year Conference - San Juan, Puerto Rico November 3, 1965
29th Annual Conference - San Francisco, California May 18, 1966
29th Mid-Year Conference - Phoenix, Arizona November 16, 1966
30th Mid-Year Conference - New Orleans, Louisiana November 17, 1967
34th Annual Conference - New York, New York April 28, 1971
37th Annual Conference - Miami Beach, Florida April 8, 1974
40th Annual Conference - Miami Beach, Florida May 17, 1977
43rd Annual Conference - Seattle, Washington May 20, 1980
44th Annual Conference - Bal Harbour, Florida May 19, 1981
45th Annual Conference - Phoenix, Arizona May 11, 1982
46th Annual Conference - Bal Harbour, Florida May 17, 1983
47th Annual Conference - Las Vegas, Nevada May 29, 1984
48th Annual Conference - Bal Harbour, Florida May 22, 1985
50th Annual Conference - Bal Harbour, Florida May 20, 1987
51st Annual Conference - Bal Harbour, Florida May 24, 1988
53rd Annual Conference - Phoenix, Arizona May 22, 1990
54th Annual Conference - Bal Harbour, Florida May 14, 1991
57th Annual Conference - San Diego, California May 17, 1994
58th Annual Conference - Bal Harbour, Florida May 16, 1995
59th Annual Conference - Bal Harbour, Florida May 21, 1996
Board of Directors Meeting - Stevenson, Washington September 18, 1996
60th Annual Conference - Palm Springs, California May 15, 1997
61st Annual Conference - Marco Island, Florida May 30, 1998
62nd Annual Conference - Palm Springs, California May 15, 1999
64th Annual Conference - Palm Springs, California May 19, 2001
65th Annual Conference - Marco Island, Florida May 18, 2002
66th Annual Conference - Palm Springs, California May 17, 2003

Dates of Adoption and Changes to NABCA Certificate of Incorporation and Bylaws Approved, cont.

Board of Directors Meeting – Aventura, Florida	January 8, 2005
68th Annual Conference - Phoenix, Arizona	May 13, 2005
Board of Directors Meeting – Stowe, Vermont.	September 13, 2005
Board of Directors Meeting – San Diego, California	January 7, 2006
Board of Directors Meeting - Ft. Myers, Florida	January 6, 2007
Board of Directors Meeting - Pinehurst, North Carolina	September 15, 2007
Board of Directors Meeting - Tucson, Arizona	January 5, 2008
Board of Directors Meeting - Mackinac Island, Michigan	September 13, 2008
Board of Directors Meeting - Miami, Florida	January 7, 2009
Board of Directors Meeting - Seattle, Washington	September 15, 2009
Board of Directors Meeting - Naples, Florida.	January 5, 2010
Board of Directors Meeting - Salt Lake, Utah	September 14, 2010
Board of Directors Meeting - Naples, Florida.	January 8, 2011
Board of Directors Meeting - Annapolis, Maryland	September 20, 2011
Board of Directors Meeting - Scottsdale, Arizona.	January 7, 2012
Board of Directors Meeting - Couer d’Alene, Idaho	September 22, 2012
Board of Directors Meeting - Miami Beach, Florida	January 8, 2013
Board of Directors Meeting - La Quinta, California	January 7, 2014
Board of Directors Meeting - Marco Island, Florida	May 20, 2014
Board of Directors Meeting - Sun River, Oregon	September 15, 2014
Board of Directors Meeting - Sanibel, Florida	January 9, 2015
Board of Directors Meeting - Phoenix, Arizona	May 18, 2015
Board of Directors Meeting - Tucson, Arizona	January 9, 2016
Board of Directors Meeting - Plymouth, Michigan	September 19, 2016
Board of Directors Meeting - Miami, Florida	January 8, 2017
Board of Directors Meeting - Farmington, Pennsylvania	September 19, 2017
Board of Directors Meeting - Indian Wells, California	January 8, 2018
Board of Directors Meeting - Phoenix, Arizona	May 21, 2018
Board of Directors Meeting - Jackson Hole, Wyoming	September 19, 2018
Board of Directors Meeting - Sarasota, Florida	January 7, 2019
Board of Directors Meeting - Marco Island, Florida	May 20, 2019
Board of Directors Meeting - Cary, NC	September 16, 2019
Board of Directors Meeting - San Diego, California	January 8, 2020
Board of Directors Meeting - Virtual Conference	May 20, 2020
Board of Directors Meeting - Virtual Conference	May 20, 2020

CODE OF ETHICS

The American People, with full awareness that the alcohol beverage business is sensitive to abuses, have determined to conduct it themselves in 19 control jurisdictions and to entrust it to private enterprise in the remainder. In each instance, the operation is a public trust which demands unswerving devotion to the highest ideals prevailing in the business, industrial and commercial world. To fulfill that trust, we, the members of the National Alcohol Beverage Control Association, pledge ourselves to uphold the following principals:

We Recognize that we are performing a public service which must be given priority over our own respective interests and we shall strive unceasingly to earn the public's respect during each and every stage of our operation.

We Resolutely Oppose the sale or delivery of any alcohol beverage to persons who have not yet attained the legal drinking age.

We Urge strict compliance with all laws and regulations applicable to the conduct of our business in each State, County, Municipality, Town and Village, even though there may be different approved practices in other States, Counties, Municipalities, Towns and Villages.

We Advocate emphasis on moderation for those qualified adult consumers who can and do legally patronize the business we conduct.

We Consider it our duty to keep the public continually informed on the conduct of each phase of our business and on prospective changes which may be advocated by representatives of government, industry, trade associations and others.

We Condemn irresponsible public statements which unfairly reflect on the reputation of those who conduct our business and on the industry which supplies them.

We Recommend unceasing individual and collective efforts to forestall or offset criticism of the business of which we are a part and which is conducted only where it has received the approval of the local citizenry.

We Reaffirm our determination to adhere to standards of conduct which automatically refute any aspersions which may be cast upon alcoholic beverages, or upon those who consume them in moderation, or upon those whose business it is to manufacture, store, distribute and merchandise such products.

We Invite an enlightened American public to join with us in a concerted effort to stamp out illicit traffic in alcohol beverages.

