COLORADO ASSOCIATION FOR VITICULTURE AND ENOLOGY

BYLAWS

ARTICLE I. NAME

Section 1. Name. The name of this organization shall be the Colorado Association for Viticulture and Enology, or CAVE, hereinafter referred to as the Association.

Section 2. Organization. The Association is not organized for profit. The Association is registered with the Internal Revenue Service as a 501(C) 6 organization.

ARTICLE II. VISION, MISSION & PURPOSE

Section 1: Vision

That Colorado is recognized as a distinctive, respected, and economically vibrant wine industry and region that belongs on the national and global stage.

Section 2: Mission

To unite, advocate for, and advance Colorado's wine industry by serving as its member-driven voice, connector, and catalyst for sustainable growth.

Section 3: Association Purpose. The purpose of the Association shall be to advance, strengthen, and represent Colorado's wine and grape-growing industry and to support its long-term economic vitality, quality, competitiveness, and reputation.

To further this purpose the Association shall:

1. **Advocate for the Industry.** To represent and advance the interests of Colorado wineries, grape growers, businesses and the broader industry in regulatory, legislative, governmental and public policy matters.

2. Strengthen Colorado Wine Businesses. Provide education, professional development, industry information, research, resources, and opportunities that improve the quality, sustainability, resilience, and economic performance of Colorado wine businesses.

3. Strengthen the Community. Serve as a statewide forum for industry collaboration and the exchange of ideas among wineries, grape growers, wholesalers, retailers, restaurants, hospitality and tourism partners, educators, researchers, government agencies, and other organizations supporting Colorado wine.

4. Advance the Reputation of Colorado Wine. Create and execute initiatives, strategic partnerships, events, educational seminars that create and strengthen awareness, credibility, competitiveness, and reputation of Colorado wine both within Colorado, the region, and nationally.

5. Cultivate Strategic Partnerships. Establish and maintain relationships with public agencies, trade associations, educational institutions, agricultural organizations, tourism organizations, and regional and national partners whose work can contribute to the growth and success of the Colorado wine industry.

6. Secure Resources. Solicit, receive, administer, and distribute grants, contributions, sponsorships, donations, and other resources to further the purposes of the Association.

7. Collaborate with the Colorado Wine Industry Development Board. Work collaboratively with the Colorado Wine Industry Development Board and Colorado department of Agriculture to advance shared industry objectives, align resources where appropriate, and maximize the collective impact of efforts supporting Colorado wine.

ARTICLE III. MEMBERSHIP

Section 1. Winery & Vineyard. Any entity registered as a vineyard and/or winery in the State of

Colorado can be a member within this category. The entity shall have one vote in membership elections. Any owner, officer, director, or employee of the entity may attend CAVE meetings and to enroll in CAVE events, at fees established by the Board of Directors.

Section 2. Industry Partners. Any entity or business that provides products, services, or

expertise that supports the wine industry. Industry Partners have one vote in membership elections. Industry Partners may have up to two (2) persons attend CAVE meetings, and may have any owner, officer, director, or employee attend CAVE events, at fees established by the Board of Directors.

Section 3. Amateur Winemaker. Any individual involved in the non-commercial trade of

winemaking. Amateur winemakers do not have a vote in membership elections. They

may have one (1) person attend CAVE meetings, and may have up to two (2) persons attend CAVE events, at fees established by the Board of Directors.

Section 4. Colorado Wine Ambassador. Any individual that is a wine enthusiast, sommelier,

hospitality professional, media member, or similar adjacent supporter of the

industry that wants to receive membership benefits. There are no voting rights or

privileges to attend meetings. They may have up to two (2) persons attend CAVE events, at fees established by the Board of Directors.

Section 5. Student Membership. Any persons pursuing a degree or certification in enology,

viticulture, or related discipline. There are no voting rights or privileges to attend

meetings. They may have up to one (1) person attend CAVE events, at fees established

by the Board of Directors.

ARTICLE IV. VOTING

Section 1. Voting. All voting concerning the election of Board of Directors members and By-law

revisions shall be conducted by electronic means. Ballots for the vote

will be emailed no less than fifteen (15) days in advance of the scheduled vote count. The vote shall include the Issue(s) to be voted upon, or the election ballot, in concise language. The vote shall link to a secure electronic voting site. Ballots must be received by the Secretary the day before the stated Election Day.

Section 2. Tie Breaker. Breaking a tie vote for the election of Directors can be done by one of

two methods: 1) Flipping a coin – if the candidates agree, the winner of the seat can be

determined by flipping a coin for two-way ties. In a three-way or more tie, the

candidates (if they agree) can either draw straws or draw a name to determine the

winner, or 2) Runoff election – if the candidates do not agree to flip a coin or draw

straws/names, a run-off election needs to be held. Only those candidates who tied for the seat are in the runoff election. Nominations are not reopened for the open seat.

Until the tie is resolved, the other newly elected Directors will immediately begin

serving their terms.

Section 3. Standard voting. Routine voting issues can be completed by show of hands or a

yay/nay vote at regular scheduled meetings.

Section 4. Proxy vote. A proxy vote is acceptable provided it is in writing and in the hands of

the Secretary prior to the meeting, except for purposes of Board of Director and bylaw

revision elections.

Section 5. Pass or fail vote. A pass of fail vote on matters other than organizational changes,

election of Board members or with long-term fiscal impact on the Association, may be

held at a duly called membership meeting. The outcome shall be determined by the

majority of members voting on a particular matter and present, by person or proxy, at the

membership meeting. The winners of Board elections shall be determined by the numerical ranking of the board candidates in the election. The adoption or rejection of Bylaw revisions, shall be by a simple majority of the cast ballots, in accordance with Article III.

ARTICLE V. MEETINGS

Section 1. Membership Meetings. At least one (1) meeting of the entire membership of

the Association shall be held each fiscal year, at times and places as determined by the

Board of Directors, and may be held in conjunction with educational seminars for the

members. Notice of regular membership meetings described in this Section 1 shall be

given in writing or electronically to each member not later than 30 days prior to the

meeting.

Section 2. Special or additional meetings may be called by the President or majority of the membership. Notice of special or additional membership meetings shall be posted on the Association web site and sent electronically to each member not later than fourteen (14) days prior to the meeting.

Section 3. Bylaw Amendments. Consideration of amendments to the Bylaws and all other Association business shall be voted upon in accord with Article IV of these Bylaws.

Section 4. Quorum. At a membership meeting, noticed to the membership in accord with Section 1, above, those present in person or by proxy shall constitute a quorum for the transaction of business. For electronic elections, the majority of those responding and entitled to cast votes shall constitute a quorum. If a quorum exists, an action is approved when the votes cast in favor exceed the votes cast in the opposition, except where a different voting threshold is expressly required by these bylaws.

Section 5. Electronic Meeting Participation. Participation in meetings may be by electronic means. All persons participating in the meeting must be able to hear each other at the same time. Such participation shall constitute presence in person at the meeting.

ARTICLE VI. DUES

Section 1. Dues of the Association. The dues of the association will be set by the Board of Directors based on the desires and needs of the Association.

Section 2. Dues Assessment. Dues are assessed upon application for membership, and thereafter are assessed on the anniversary date of the membership.

Section 3. Fiscal Year. The fiscal year shall commence on January 1 and shall end on December 31 of each year.

Section 4. Dues Currency. Dues must be current in order to vote on all matters before the Association.

ARTICLE VII. BOARD OF DIRECTORS

Section 1. Duties of the Board. The management of the affairs, business, personnel and interests of the Association shall be vested in a Board of Directors.

Section 2. **Board Composition and Terms.** The Board of Directors shall consist of eleven (11)

voting Directors. The Board shall be structured to reflect the breadth of Colorado's wine industry and may include representation from wineries, grape growers, wholesale \distribution, retail, restaurants and hospitality, tourism, education, and other sectors that support the advancement of Colorado wine. Seven (7) board seats shall be reserved for licensed Colorado wineries or grape growers, while four (4) seats will be reserved for non-winery/grower positions. Directors shall serve staggered three (3) year terms, with approximately one-third of the elected Directors elected each year. A Director may serve no more than two (2) consecutive full terms. After serving two consecutive terms, a Director must remain off the Board for at least one (1) year before becoming eligible for election or appointment to another term. Service as an officer of the Association, including service as President, shall not alter, shorten, or otherwise affect a Director's elected term or voting rights. The Board may invite representatives of the Colorado Wine Industry Development Board or other industry partners to participate in meetings as non-voting liaisons or advisors, as appropriate.

Section 3. Board Vacancies. Vacancies on the Board may be filled for the balance of the term thereof, if less than 12 months, by a majority vote of the Board of Directors. If the remaining time of a Director's term is more than 12 months at the time the vacancy is created, the position should be offered to other unelected Board candidates from the most recent election in order of declining vote count. If the vacancy is not filled by by this method, a vote of the membership shall be required to fill the vacancy, in accord with Article IV. If a board member is elected during such interim period, they will still be eligible for (2) two full board terms thereafter.

Section 4. Meeting Notice. Written notice of the Board's meeting shall be sent to the Board electronically by the Secretary at least fourteen (14) days in advance of each meeting. Special meetings of the Board may be called by the President or a majority of the

Board members for emergency or urgent affairs of CAVE with less than 14 days' notice. The Board of Directors at their regular or special meetings may adjourn into Executive Session on an as-needed basis to discuss personnel matters. Member or vendor guests or staff shall not be present during Executive Sessions.

Section 5. Quorum. A majority of the elected Directors of the Board shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than such a majority is present for a meeting, a majority of the directors present may adjourn the meeting without further notice. If such a meeting is held without a majority of Directors present, the Directors present may hold the meeting as a "committee of the whole." Any actions taken by such committee shall only become effective upon approval by the Board at the next available regular or special meeting.

Section 6. Removal. Directors may be removed by a majority vote of the Association for cause, misfeasance, malfeasance or nonfeasance. Directors may resign from the Board at any time upon written notice to the President.

ARTICLE VIII OFFICERS. BOARD OF DIRECTORS

Section 1. Director Term, Officer Elections. The Board of Directors will elect a minimum of three (3) Officers annually from among the elected Board members to perform the Association functions of President, Vice President, Secretary/ Treasurer. This election of officers shall occur within 30 days following the scheduled vote count to select Directors, as detailed in Article IV, above and must be announced to the Association members within 30 days thereafter. The announcement can be completed electronically, or by mail to the entire membership. The term of the Officers shall be one year. The Officer duties will commence immediately upon election and continue until their successors are elected. The duties and function of each Officer shall be determined by the Board of Directors. Additional Officers may be elected, if needed, by the Board of Directors. The general duties of the Officers follow.

Section 2. President. The President shall preside over all meetings, shall promote the purposes of the Association, enforce observance of the Bylaws, perform duties incidental to the office, and be the primary representative of the Association.

Section 3. Vice President. The Vice President shall perform such duties as may be assigned by the President, and shall preside at meetings in the event of the President's absence.

Section 4. Secretary. The Secretary shall be responsible for minutes of all meetings of the Association. The Secretary shall be responsible for Association correspondence, as well as notifying all members of meetings. All or part of these functions may be performed by Association staff, as the Board of Directors deems appropriate.

Section 5. Treasurer. The Treasurer shall collect dues; give receipts for dues paid, and shall deposit all monies in the name of the Association bank accounts. The Treasurer shall furnish to the Association an annual financial accounting at least once per year, at the regular or special membership meetings. In addition, the Treasurer shall be responsible, in conjunction with Association staff and other Officers, for developing and monitoring Association budgets in accord with the fiscal year. The routine duties of the Treasurer may be performed by Association staff, as deemed appropriate by the Board of Directors, or contracted to an outside, independent vendor. However, either the Treasurer or President, or both, shall supervise any accounting and auditing functions.

Section 6. Meetings. The Board of Directors shall meet at least four (4) times a year and at such other times as deemed necessary by the President. Such meetings may be attended by Directors via electronic means and such attendance will be considered as being present in person for the purposes of determining a quorum.

Section 7. Liaisons & Advisors. The Board of Directors may invite representatives of the Colorado Wine Industry Development Board, former CAVE officers, or other industry partners to participate in Board meetings as non-voting liaisons or advisors when their participation would support the work of the Association. Liaisons and advisors shall not be considered members of the Board of Directors, shall not have voting rights, and shall not be counted for purposes of determining a quorum.

Section 8. Meeting Guests. Members of the Association or persons invited by the Board may attend or participate in Board meetings, but shall not vote.

Section 9. Agreements. The Board of Directors may negotiate agreements, enter into contracts with individuals or groups, and authorize payment of fees for services rendered to the Association and/or the Association's interests. It may authorize the employment of individuals not members of the Association to perform services for the Association, and establish compensation, conditions and requirements for such employment or services. At the board's request, it shall have the right to review and authorize all expenditures.

Section 10. Indemnification and Insurance. To the fullest extent permitted by applicable law,

the Association shall indemnify its Directors, officers, committee members, employees, and other persons acting on behalf of the Association against liabilities and expenses incurred as a result of actions taken in good faith within the scope of their duties on behalf of the Association. The Association may purchase and maintain insurance, including Directors and Officers liability insurance, to protect the Association and persons serving on its behalf against such liabilities and expenses.

Section 11. Delegation. The Board of Directors may delegate specific or general authority to any of the officers, directors or committees when necessary for the orderly and prompt performance of its functions.

Section 12. Fund Raising. The Board of Directors is responsible for raising adequate funding to support the Purposes of the Association, by determining dues for membership, subject to approval by members under Article VI above; shall organize and conduct fund raising events, which shall consist of at least one Wine Festival annually. Other events, including those not specifically for fund raising, may be added or deleted from the Association’s calendar at the discretion of the Board. It is the intent of the Association that members will participate in or help plan and conduct fund raising events.

Section 13. Staffing. The Board of Directors is responsible for the hiring and retention of adequate, qualified, full or part-time staff positions, or qualified vendors, to carry out the Purposes of the Association, along with Board responsibilities, including any book keeping duties or event promotions, as needed. If an Association member is hired as a full or part-time employee, or contractor, they shall be compensated at no more than market rates. Board members shall not be employees or vendors. Board members may be contractors under special circumstances, approved by the Board of Directors. The Board shall have the right to review and authorize all expenditures.

Section 14. Outside Professional Expertise. The Board of Directors is responsible for the retention of outside legal counsel, financial accounting or audit services on an as needed basis to advise the Association regarding legal and financial matters. Other experts in marketing, governmental relations, enology, viticulture or other professions related to production and promotion of Colorado wine may be retained on an as-needed basis.

Section 15. Officer Succession. It is the goal of the Association to provide succession of the President by the Vice-President, subject to the annual election of Officers and the electoral terms of the Directors.

Section 16. Director Compensation. The Board of Directors shall not be compensated for

service.

ARTICLE IX. COMMITTEES

Section 1. Association Committees. Committees shall be formed as needed by the Board of Directors.Each committee shall contain at least one member of the Board of Directors. Committees are intended to consist primarily of Association members, may also include volunteers, who are not members of the Association. However, Association non-member volunteers shall not be the majority of the people serving on a particular committee. Committee member terms shall be for one year. The Board of Directors shall re-appoint committees each year.

ARTICLE X. ACCOUNTS

Section 1. Accounting. An adequate accounting system shall be used to provide for proper

and orderly recording of all monetary transactions.

Section 2. Bank Accounts. There shall be established and maintained at least one bank account in the name of the Association.

Section 3. Member Use of Assets. No money or property shall be distributed to the members, but shall be used by the directors for the furtherance of the purposes of the Association.

Section 4. Financial Review. Once every two years a certified accounting firm with no current business ties to the Association will examine the financial records and back-up materials of the Association—e.g. checks, invoices, periodic profit and loss statements, etc. Prior business ties to the Association and any current or prior business ties to Association members shall be disclosed and considered by the Board of Directors as part of the selection process. The report of this examination will be presented to all Board members and then made available to all Association members either by mail or electronically. The Association will pay for the cost of this examination.

Section 5. Signature Procedures. The Board of Directors shall establish signature procedures for funds disbursement to assure timely payment of expenses while retaining oversight of significant expenditures in accord with budgets.

ARTICLE XI.RULES OF ORDER

Section 1. Robert's Rules of Order shall be the official guide for determining questions of order and parliamentary procedures.

Section 2. Discussions and idea-generating parts of any meeting of the Board of Directors

or a committee will be governed by such methods for encouraging discussion as consensus, nominal group technique, brainstorming, etc. Once a motion and a second are made, the presiding official will ask for discussion. If no discussion is forthcoming, the presiding official will call for a vote.

By-Laws Revised:

November 1986

March 1988

October 1988

March 1995

March 1998

April 2000

December 2006

January 2009

December 2009

December 2012

September 2026