

WINEGRAPE GROWERS OF AMERICA

BYLAWS

ARTICLE ONE: OFFICES

1.01 Registers Office and Agent. The registered office and registered agent of the Corporation shall be as designated from time to time by the appropriate filing by the Corporation in the office of the Commissioner of the District of Columbia

1.02 Other Offices. The Corporation may also have offices at such other places, both within and without the District of Columbia, as the board of directors may from time to time determine or the business of the Corporation may require.

ARTICLE TWO: MEMBERS

2.01 Eligibility of Members. Any state association or organization representing winegrape growers shall be eligible for membership in the Corporation, limited to one member from each state and the District of Columbia, and shall become a member upon the affirmative vote of at least two-thirds of the board of directors of the Corporation. Membership is not transferable and terminates upon resignation, expulsion, dissolution, bankruptcy, or liquidation of the member and upon dissolution or liquidation of the Corporation. The Corporation shall consist of as many members as the board of directors of the Corporation shall determine from time to time to be appropriate.

2.02 Associate Membership. Any organization representing and/or associated with winegrape growers may be eligible for an associate membership in the Corporation, and shall become an associate member upon affirmative vote of at least two-thirds of the board of directors of the Corporation.

2.03 Annual Dues. The board of directors may establish such annual dues for membership and associate membership and may impose such special assessments on the members and associate members as it deems appropriate.

2.04 Annual Meetings. Except as otherwise provided in Sections 5.03 and 5.04 of these bylaws, an annual meeting of members and associate members of the Corporation and organizations associated with winegrape growers shall be held during each calendar year on such date and at such time as shall be designated from time to time by the board of directors and stated in the notice of the meeting. At such meeting, the members shall elect directors and transact such other business as may properly be brought before the meeting.

2.05 Special Meetings. A special meeting of the members may be called at any time by the president, the secretary, the board of directors or not less than ten percent

of the members entitled to vote at such meeting. Only such business shall be transacted at a special meeting as may be stated or indicated in the notice of such meeting.

2.06 Place of Meetings. The annual meeting of members and organizations representing winegrape growers may be held at any place within or without the District of Columbia designated by the board of directors. Special meetings of members may be held at any place within or without the District of Columbia as may be designated by the person or person calling such special meeting, as provided in Section 2.04 of these bylaws. If no place for such special meeting is designated, such special meeting shall be held at the registered office of the Corporation.

2.07 Notice. Written or printed notice stating the place, day, and hour of each meeting of the members and, in case of a special meeting, the purpose or purposes for which the meeting is called shall be delivered not less than two nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the president, the secretary, or the person calling the meeting, to each member entitled to vote at such meeting.

2.08 Quorum. Members constituting one-half of the members entitled to vote, present in person or represented by proxy, shall constitute a quorum at any meeting of members, except as otherwise provided by law, the articles of incorporation, or these bylaws. If a quorum shall not be present or represented at any meeting of members, a majority of the members entitled to vote at the meeting, who are present in person or represented by proxy, may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present or represented. At a reconvening of an adjourned meeting at which a quorum shall be present or represented, any business maybe transacted which could have been transacted at the original meeting, if a quorum had been present or represented.

2.09 Majority Vote; Withdrawal of Quorum. If a quorum is present in person or represented by proxy at any meeting, the vote of a majority of the members entitled to vote present in person or represented by proxy, shall decide any question brought before such meeting, unless the question is one on which, by express provision of law, the articles of incorporation, or these bylaws, a different vote is required, which even such express provision shall govern and control the decision of such question. The members present at a duly convened meeting may continue to transact business until adjournment, notwithstanding any withdrawal of members which may leave less than a quorum remaining.

2.10 Method of Voting; Proxies. Every member shall be entitled at every meeting of members to one vote on each matter submitted to a vote. At any meeting of members, every member having the right to vote may vote either in person or by a proxy executed in writing by the member or by his duly authorized attorney-in-fact. Each such proxy shall be filed with the secretary of the Corporation before or at the time of the meeting. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. If no date is stated on a proxy, such proxy shall be

presumed to have been executed on the date of the meeting at which it is to be voted. Each proxy shall be revocable unless expressly provided therein to be irrevocable, but in no event shall any proxy be irrevocable for more than 11 months.

2.11 Officers' Duties at Meetings. Unless some other person or persons are elected by a majority of the members present at a meeting, the president of the Corporation shall preside at, and the secretary of the Corporation shall prepare minutes of, each meeting of members.

ARTICLE THREE: DIRECTORS

3.01 Management. The business and affairs of the Corporation shall be managed by the board of directors, subject to the restrictions imposed by law, the articles of incorporation or these bylaws.

3.02 Number; Term; Qualification. The first board of directors shall consist of the number of directors named in the articles of incorporation. Thereafter, the number of directors which shall constitute the entire board of directors shall be equal to the number of members, but shall never be less than three, with each member being represented by one director. Every director will be the designated representative of the member (or such other person who has the authority to commit a member on matters of policy) but need not be resident of the District of Columbia but must be a citizen of the United States.

3.03 Election. At each annual meeting of members, directors shall be elected to replace those directors whose terms expire.

3.04 Decreases in Number. No decrease in the number of directors constituting the entire board of directors shall have the effect of shortening the term of any incumbent director.

3.05 Removal. Any director or directors may be removed, with or without cause, at any meeting of members called expressly for such purpose, by a vote of a majority of members.

3.06 Vacancies; Increases in Number. Any vacancy occurring on the board of directors (by death, resignation, removal, or otherwise) or by an increase in the number of directors constituting the entire board of directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the board of directors. A director elected to fill a vacancy must be the chief executive officer of the member which is no longer represented by a director or such other person who has the authority to commit such member on matters of policy.

3.07 First Meeting. Each newly elected board of directors may hold its first meeting for the purpose of the organization and the transaction of business, if a quorum is

present, immediately after and at the same place as the annual meeting of members, and no notice of such meeting shall be necessary.

3.08 Regular Meetings. Regular meetings of the board of directors may be held without notice at such times and places as may be designated from time to time by resolution of the board of directors and communicated to all directors.

3.09 Special Meeting. Special meetings of the board of directors shall be held whenever called by any director at such place as such director shall designate in the notice of such meeting. The director calling any special meeting shall cause notice of such special meeting to be given to each director at least two days before such special meeting. Neither the business to be transacted at, nor the purpose of, any special meeting of the board of directors need be specified in the notice or waiver of notice of any special meeting.

3.10 Quorum; Majority Vote. At all meetings of the board of directors, one-third of the number of directors fixed in the manner provided in these bylaws shall constitute a quorum for the transaction of the business. If a quorum is not present at a meeting, a majority of the directors present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present. The vote of a majority of the directors present in person at a meeting at which a quorum is in attendance shall be the act of the board of directors, unless the vote of a different number is required by the articles of incorporation or these bylaws.

3.11 Procedure; Minutes. At meetings of the board of directors, business shall be transacted in such order as from time to time the board of directors may determine. The board of directors shall appoint at each meeting a person to preside at the meeting and a person to act as secretary of the meeting. The secretary of the meeting shall prepare minutes of the meeting which shall be delivered to the secretary of the Corporation for placement in the minute books of the Corporation. To amend the minutes of meetings, it will require a two-thirds vote of the board of directors polled by mail or present.

3.11 Compensation. No director may receive a stated salary or other compensation from the Corporation.

ARTICLE FOUR: COMMITTEES

4.01 Designation. The board of directors may, by resolution adopted by a majority of the entire board of directors, designate executive and other committees.

4.02 Number; Qualification; Term. Each committee shall consist of two or more directors. The number of committee members may be increased or decreased from time to time by resolution adopted by a majority of the entire board of directors.

4.03 Authority. Each committee, to the extent provided in the resolution establishing such committees, shall have and may exercise all of the authority of the board of directors in the management of the business and affairs of the Corporation. However, no committee shall have the authority of the board of directors in reference to:

- (a) amending the articles of incorporation;
- (b) approving a plan of merger or consolidation;
- (c) recommending to the members the sale, lease or exchange of all or substantially all of the property and assets of the Corporation other than in the usual and regular course of its business;
- (d) recommending to the members a voluntary dissolution of the Corporation or the revocation thereof;
- (e) amending, altering, or repealing these bylaws or adopting new bylaws;
- (f) filling vacancies in or removing members of the board of directors or of any committee;
- (g) electing or removing officers or committee members;
- (h) fixing the compensation of any committee member;
or
- (i) altering or repealing any resolution of the board of directors which by its terms provides that it shall not be amendable or repealable by any committee.

4.04 Committee Changes. The board of directors shall have the power at any time to fill vacancies in, to change the membership of and to discharge any committee.

4.05 Regular Meetings. Regular meetings of any committee may be held without notice at such times and places as may be designated from time to time by the committee and communicated to all members thereof.

4.06 Special Meeting. Special meetings of any committee may be held whenever called by any committee member at such place as such committee member shall designate in the notice of such meeting. The committee member calling any special meeting shall cause notice of such special meeting to be given to each committee member at least two days before such special meeting. Neither the business to be transacted at, nor the purpose of, any special meeting of any committee need be specified in the notice or waiver of notice or any special meeting.

4.07 Quorum; Majority Vote. At meeting of any committee, a majority of the number of committee members designated by the board of directors shall constitute a quorum for the transaction of business. If a quorum is not present at a meeting of any committee, a majority of the committee members present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present. The act of a majority of the committee members present at any meeting at which a quorum is in attendance shall be the act of the committee, unless the act of a greater number is required by law, the articles of incorporation, or these bylaws.

4.08 Minutes. Each committee shall cause minutes of its proceedings to be prepared and shall report the same to the board of directors upon the request of the board of directors. The minutes of the proceedings of each committee shall be delivered to the secretary of the Corporation for placement in the minute books of the Corporation.

4.09 Compensation. No committee member may receive a stated salary or other compensation.

4.10 Responsibility. The designation of any committee and the delegation of authority to it shall not operate to relieve the board of directors or any director of any responsibility imposed upon it or such director by law.

ARTICLE FIVE: GENERAL PROVISION RELATING TO MEETINGS

5.01 Notice. Whenever by law, the articles of incorporation, or these bylaws notice is required to be given to any member, director, or committee member and no provision is made as to how such notice shall be given, it shall not be construed to mean only personal written or printed notice, but any such notice also may be given: a) in writing, by mail, postage prepaid; (b) by telegram, telex, cable, telecopier, or similar means; or (c) by any other method permitted by law. Any notice required or permitted to be given hereunder (other than personal notice) shall be addressed to such member, director, or committee member at his address as it is appears on the books of the Corporation or at such other place as such member, director, or committee member is known to be at the time notice is mailed or transmitted. Any notice required or permitted to be given by mail shall be deemed to be delivered and given at the time when the same is deposited in the United States mail, postage prepaid. Any notice required or permitted to be given by telegram, telex, cable, telecopier, or similar means shall be deemed to be delivered and given at the time transmitted.

5.02 Waiver of Notice. Whenever by law, the articles of incorporation, or these bylaws, notice is required to be given to any member, director, or committee member, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time notice should have been given, shall be equivalent to the giving of such notice. Attendance of a member, director, or committee member at meeting shall constitute a waiver of notice of such meeting, except where such person

attends for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

5.03 Action Without Meeting by Mail. In lieu of a meeting of members, voting on all matters by members, including the election of directors by the members, may be conducted by mail following the procedures contained in this section. The president shall mail or cause to be mailed to each member a ballot setting forth the matters to be voted on the members. To be effective, ballots must be returned to the president by the date specified on the ballot, or if no date is specified, within two weeks of the date of mailing of the ballot. The ballot shall be returned to the president in a sealed envelope, which may only be opened at a meeting of the board of directors. The board of directors shall, within two weeks of the return date specified on the ballot, or if no date is specified, within four weeks of the date of the mailing of the ballot, conduct a meeting to open the ballots. The members shall be advised of the results of the voting by the president as soon as practicable.

ARTICLE SIX: OFFICERS AND OTHER AGENTS

6.01 Number; Titles; Elections; Term. The Corporation shall have a president, an executive vice president, one or more vice president, an executive vice president, one or more vice presidents, a secretary, a treasurer, and such other officers, assistant officers, and agents as the board of directors may deem desirable. The board of directors shall elect a president, executive vice president, one or more vice presidents, treasurer, and secretary at its first meeting at which a quorum shall be present after the annual meeting of members or whenever a vacancy exists. The board of directors then, or from time to time, may also elect or appoint one or more other officers or agents as it shall deem advisable. Each officer and agent shall hold office for the term for which he is elected or appointed and qualified. Unless otherwise provided in the resolution of the board of directors electing or appointing an officer or agent, his term of office shall extend to and expire at the meeting of the board of directors following the next annual meeting of members or, if earlier, at his death, resignation or removal. Any two or more offices may be held by the same person, except that the president and the secretary shall not be the same person. The president shall not serve for more than two consecutive years.

6.02 Removal. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever, in its judgment, the best interest of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any of the person so removed. Election or appointment of an officer or an agent shall not of itself create contract rights.

6.03 Vacancies. Any vacancy occurring in any office of the Corporation may be filled by the board of directors.

6.04 Authority. Officers shall have such authority and perform such duties in the management of the Corporation as are provided in these bylaws or as may be determined by resolution of the board of directors not inconsistent with these bylaws.

6.05. Expenses; Compensation. Each officer may receive, by resolution of the board of directors, reasonable and necessary business expenses incurred by them, in their capacity as an officer of the Corporation, if such officer submits itemized receipts obtained in connection with such expenditures. No officer may receive a stated salary or other compensation.

6.06 President

6.07 Executive Vice President. The Executive Vice President shall be the chief operating officer of the Corporation and, subject to the supervision of the board of directors, shall have control of the general management of the business and affairs of the Corporation in the ordinary course of its business with all such powers with respect to such business and affairs of the Corporation in the ordinary course of its business with all such powers with respect to such business and affairs as may be reasonably incident to such responsibilities, including, but not limited to: the power to employ, discharge or suspend employees and agents of the Corporation; to fix the compensation of employees and agents; and to suspend, with or without cause, any officer of the Corporation pending final action by the board of directors with respect to continued suspension, removal, or reinstatement of such office. The executive vice president shall see that all orders and resolutions of the board are carried into effect, and shall perform such other duties and have such other authority and powers as the board of directors may from time to time prescribe. The executive vice president must be the chief executive officer of a member of such other person who has the authority to commit such member on matters of policy.

6.08 Treasurer. The treasurer shall have custody of the Corporation's funds and securities, shall keep full and accurate accounts of receipts and disbursements, and shall deposit all monies and valuable effects in the name and to the credit of the Corporation, in such depository or depositories as may be designated by the board of directors. The treasurer shall audit all payrolls and vouchers of the Corporation, receive, audit, and consolidate all operating and financial statements of the Corporation and its various departments, shall supervise the accounting and auditing practices of the Corporation, and shall have charge of matters relating to taxation. The treasurer shall cause an annual audit of the operating and financial statements of the Corporation to be prepared within three months after the end of the Corporation's fiscal year by an independent certified public accountant. A copy of such audit shall be sent to every director, and any member may receive a copy of the audit by written request to the treasurer. The Corporation shall pay all expenses associated with preparing the audit and supplying copies to directors and members. Additionally, the treasurer shall have the power to endorse for deposit, collection, or otherwise, all checks, drafts, notes, bills of exchange, and other commercial paper payable to the Corporation, and to give proper receipts and discharges for all payments to the Corporation. All checks drawn in the name and on the behalf of the Corporation shall be signed by such officers and other

individuals as the board of directors may determine from time to time by resolution. The treasurer shall perform such other duties as may be prescribed by the board of directors or as may be delegated from time to time by the president.

6.09 Secretary. The secretary shall maintain minutes of all meetings of the board of directors, of any committee, and of the members, or consents in lieu of such minutes, in the Corporation's minute books, and shall cause notice of such meetings to be given when requested by any person authorized to call such hearings. The secretary may sign with the president, in the name of the Corporation, all contracts of the Corporation, and affix the seal of the Corporation thereto. The secretary shall perform such other duties as may be prescribed by the board of directors or as may be delegated from time to time by the president.

ARTICLE SEVEN: INDEMNIFICATION

7.01 Indemnification. The officers and directors shall not be liable to the members for any mistake in judgment, except for breach of fiduciary duty, negligence, or misconduct in the performance of duty. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Corporation (except that any member may be liable therefor), and the Corporation 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. The Corporation, against expenses actually and necessarily incurred by him and any amount paid in satisfaction of judgments in connection with any action, suit, or proceeding, whether civil or criminal in nature, in which he is made a party by reason of being or having been such a director, officer, or employee (whether or not a director, officer, or employee at the time such costs or expenses are incurred by or imposed upon him), except in relation to matters as to which he shall be adjudged in such action in suit, or proceeding to be liable for breach of fiduciary duty, negligence, or misconduct in the performance of duty. The Corporation may also reimburse to any director, officer, or employee the reasonable costs of settlement of any such action, suit, or proceeding, if it shall be found by a majority of a committee of the directors not involved in the matter in controversy, whether or not a quorum, that it was in the interests of the Corporation that such settlement be made and that such director, officer, or employee was not guilty of breach of fiduciary duty, negligence, or misconduct. Such rights of indemnification and reimbursement shall not be deemed exclusive of any other rights to which such director, officer or employee may be entitled by law or under any bylaw, agreement, a vote of members, or otherwise. The Corporation may obtain a policy of liability insurance insuring such directors, officers, or employees against the matters provided in this paragraph with an aggregate limit determined from time to time by the board of directors.

ARTICLE EIGHT: MISCELLANEOUS PROVISIONS

8.01 Dividends Prohibited. No dividend shall be paid and no part of the income of the Corporation shall be distributed to its members, directors, or officers. The Corporation may confer benefits upon its members in conformity with its purposes, and upon dissolution or final liquidation, may make distribution to its members, but only as permitted by the District of Columbia Nonprofit Corporation Act.

8.02 Loans to Directors and Officers Prohibited. No loans shall be made by the Corporation to its directors or officers.

8.03 Fiscal Year. The fiscal year of the Corporation shall be fixed by the board of directors, provided that, if such fiscal year is not fixed by the board of directors, it shall be the calendar year.

8.04 Seal. The seal, if any, of the Corporation, shall be in such form as may be approved from time to time by the board of directors.

8.05 Resignation. A director, committee member, officer, or agent may resign by so stating at any meeting of the board of directors, or by giving written notice to the board of directors, the president, or the secretary. Such resignation shall take effect at the time specified therein, or immediately, if no time specified. Unless it specifies otherwise, a resignation is effective without being accepted.

8.06 Amendment. The power and authority to alter, amend, or repeal these bylaws or to adopt new bylaws are vested in the board of directors and it will require a two-thirds vote of the board of directors polled by mail or present, subject to the right of the members to repeal the authority of the board of directors to alter, amend, or repeal these bylaws or to adopt new bylaws.

8.07 Dissolution. In the event of dissolution of the Corporation, after full payment or liquidation of all debts, obligations, and liabilities of the Corporation, each member shall be paid such funds, if any available for distribution on dissolution in the proportion that the total contribution of such member, and any predecessor in interest, for 12 months immediately preceding such dissolution, bears to the total contribution of all members of the Corporation during such 12-month period.

8.08 Invalid Provisions. If any part of these bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as it is possible and reasonable, shall remain valid and operative.

8.09 Heading. The heading used in these bylaws are for convenience only, and do not constitute matter to be construed in the interpretation of these bylaws.

8.10. Confidential Information. Confidential information concerning the business of any member which is submitted by members to the Corporation shall remain confidential, and shall not be revealed or disseminated to other members except as part of the group statistics, unless otherwise made public or except as otherwise as is in conformity with the antitrust laws.