

**BYLAWS
OF THE
LODI WINEGRAPE COMMISSION**

Article I

NAME, LEGAL STATUS, LOCATION, DEFINITIONS

1. Name/Legal Status.

The name of this organization shall be the Lodi Winegrape Commission (hereinafter referred to as the "Commission"). The Commission is a California state government agency and statutory corporation, organized under the provisions of Division 22, Chapter 12.7, beginning with Section 74801, of the California Food and Agricultural Code (hereinafter "Commission law") as a local commission in Crush District 11. As used herein, "Crush District 11" shall refer to Crush District #11 in the Annual Grape Crush Report compiled and distributed by the California Department of Food and Agriculture (hereinafter "CDFA").

2. Location.

The principal office of the Commission for its transaction of business shall be located in the county of San Joaquin, State of California. The Commission has full power and authority to establish and change the specific location of the principal office so long as it remains in the State of California, and may establish such other offices as it deems appropriate. Any such change or establishment of other locations shall not be considered an amendment of these Bylaws.

3. Definitions.

All definitions contained in Chapter 12.7 of Division 22 of the California Food and Agricultural Code, as amended from time to time, shall apply to these Bylaws.

Article II

PURPOSES AND OBJECTIVES

1. Scope of Activity.

The Commission shall engage in activities related to the broad fields of market development, marketing research, and production and processing research necessary to achieve the purposes stated herein. Commission activities, powers, and duties may include but are not necessarily limited to the following:

a. The Commission may adopt and from time to time alter, rescind, modify, and amend all proper and necessary bylaws, rules, procedures, and orders for carrying out its

purposes

b. The Commission may enter into contracts for services with public and private agencies which are deemed necessary by the Commission to carry out its purposes.

c. The Commission may appoint its own officers, including a chairperson, one or more vice chairpersons, and other officers it deems necessary. The officers shall have the powers and duties delegated to them by the Commission.

d. The Commission may employ an individual to serve at the pleasure of the Commission ("at-will") as Executive Director, and other personnel and contractors, including accountants and legal counsel, necessary to carry out the Commission's purposes and obligations.

e. The Commission may fix the compensation for all employees and contractors of the Commission.

f. The Commission may appoint committees composed of Commission members, alternates, and members of the public and the industry.

g. The Commission may establish offices, incur expenses, enter into any and all contracts and agreements, create liabilities, and borrow funds in advance of receipt of assessments as may be necessary in the opinion of the Commission for the proper administration and enforcement of its obligations.

h. The Commission shall keep accurate books, records, and accounts of all of its activities, which shall be subject to an annual audit by an auditing firm selected by the Commission with the concurrence of the Secretary of CDFA. A summary of the audit shall be made part of an annual report to all producers, copies of which shall also be submitted to the Legislature and to CDFA. In addition, the Secretary of CDFA may, as he or she determines necessary, conduct or cause to be conducted a fiscal and compliance audit of the Commission.

i. The Commission may engage in market development and market research through plans and programs to enhance the sale of California winegrapes and winegrape products for the purpose of maintaining existing markets and creating new and larger domestic and foreign markets, and to educate and instruct the public with respect to the uses and value of District 11 winegrapes and winegrape products. However, any plans and programs so developed and conducted shall not be directed towards a particular private brand or trade name, although private brands and trade names may be used in wine tastings and other similar programs authorized by the Commission. In addition, the plans and programs of the Commission shall make no use of false or unwarranted claims on behalf of District 11 winegrapes or winegrape products, nor disparage the quality, value, sale, or use of any commodity. The Commission shall not engage in collective bargaining issues, supply control, grades and quality standards, or price setting activities.

j. The Commission may accept contributions of, or match, private, local, state, or federal funds and employ or make contributions of funds to other persons or local, state or federal agencies for purposes of maintaining, promoting, and enhancing the winegrape industry.

k. The Commission may present facts to, and negotiate with, local, state, federal, and foreign agencies on matters that affect the winegrape industry.

l. The Commission may undertake marketing research and research relating to the production and processing of winegrapes, including the development of new winegrape products and uses for these products.

m. The Commission may publish and distribute bulletins or other communications relating to the California winegrape industry.

n. The Commission may establish an assessment rate to defray operating costs of the Commission.

o. The Commission shall establish an annual budget according to accepted accounting practices. The budget shall be concurred in by the Secretary of CDFA prior to disbursement of funds, except for disbursements made for the compensation of employees.

p. The Commission shall submit to the Secretary of CDFA, for his or her concurrence, an annual statement of contemplated activities.

q. The Commission may investigate and prosecute violations of Commission law.

Article III MEMBERS AND ALTERNATES

1. Composition.

The Commission shall be composed of nine (9) winegrape producers and may include an additional public member.

2. Secretary of CDFA.

The Secretary of CDFA shall be a non-voting ex officio member of the Commission. The Secretary of CDFA or his or her representative shall be notified and may attend each meeting of the Commission and any committee meetings of the Commission. However, the Secretary of CDFA or his or her representative is not entitled to attend a closed session of the Commission or a committee of the Commission called for the purpose of discussing potential or actual litigation against CDFA.

3. Producer Members.

A producer member and his or her alternate member shall be a person, or an employee representing a producer, who has a financial interest in producing, or causing to be produced, winegrapes for market. Any producer who produced and marketed winegrapes in District 11 in the preceding marketing season in a quantity of more than 25 tons, and who is in good standing with the Commission (including all reporting and assessment payment obligations), is eligible to serve on the Commission as a producer member.

The qualifications of producer members and alternate members shall be maintained during the entire term of office. No more than one member and his or her alternate member shall be employed by or connected in a proprietary capacity with the same producer. However, producer membership in an agricultural nonprofit cooperative association or trade organization shall not be considered employment or being in a proprietary capacity.

4. Alternate Members.

Each member of the Commission, except the public member and the ex officio members, shall have an alternate member to be elected in the same manner as the member. An alternate member shall, in the absence of the member of whom he or she is an alternate, serve in place of the member on the Commission and have and be able to exercise all the rights, privileges, and powers of the member when serving on the Commission. In the event of death, removal, resignation, or disqualification of a member, the alternate shall serve as a member on the Commission until a successor is elected and has qualified.

5. Public Member.

The public member shall be an individual who has no financial interest in the wine or winegrape industry. The public member shall have all the rights, privileges, and powers of any other member of the Commission.

6. Term of Office.

The term of office for members and alternate members shall be two years or until their successors have been elected and qualified. No member or alternate member shall serve more than four (4) consecutive two-year terms.

The term limit provision above means that no individual may serve more than four (4) consecutive two-year terms as a member without a break in service of at least two (2) full years.

7. Ex Officio Members.

The Secretary of CDFA, and other appropriate individuals as determined by the Commission, shall be ex officio members of the Commission. "Ex officio member" means a nonvoting member of the Commission.

8. Vacancies.

Vacancies of any member or alternate position shall be filled in accordance with the nomination and election procedures established by the Commission with the concurrence of the Secretary of CDFA.

Article IV
OFFICERS AND DUTIES

1. Officers.

The Commission shall elect a Chairperson, a Vice-Chairperson, a Secretary, and a Treasurer from among its members, and delegate to the officers such duties as are determined by the Commission. Alternate members shall not be eligible to be elected as officers of the Commission. Officer elections will be held annually in accordance with procedures determined by the Commission.

2. Term of Office.

Officers elected by the Commission shall serve one (1) year terms, or until new officers are elected. No officer shall serve more than two consecutive one-year terms in any office.

The term limit provision above means that no Commission member shall serve more than two (2) consecutive one-year terms in a given office without a break in service of at least one (1) full year. Election to a different officer position does not count toward the two-term limit and shall be considered a break in service.

3. Chairperson.

The Chairperson shall preside at all meetings of the Commission. The Chairperson shall also be the Chair of the Executive Committee. The Chairperson may serve as a non-voting ex-officio member of all committees on which he or she is not a voting committee member and shall have and perform all of the other powers and duties delegated to him or her by the Commission.

4. Vice-Chairperson.

The Vice-Chairperson shall act as and perform all the duties of the Chairperson in the Chairperson's absence. He or she shall perform additional duties as may be assigned by the Chairperson or the Commission.

5. Secretary.

(i) Book of Minutes. The Secretary shall keep or cause to be kept, at the Commission's principal office or such other place as the Commission may direct, a book of minutes of all meetings, proceedings, and actions of the Commission, and committees. The minutes of meetings shall include the time and place that the meeting was held, how

authorized, the notice given, and the names of those present at the Commission and committee meetings. All agendas, open session minutes, budgets, and audits will be available on the Lodi Winegrape Commission website for the public to review. The Secretary shall keep or cause to be kept, at the principal office a copy of Commission law and the Bylaws, as amended to date.

(ii) Notices and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of the Commission and of its committees required by these Bylaws. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Commission or the Bylaws may prescribe.

(iii) If the Chairperson and Vice-Chairperson are absent or unable to serve, the Secretary shall perform all the duties of the Chairperson. When so acting, the Secretary shall have all powers of and be subject to all restrictions on the Chairperson.

6. Treasurer.

(i) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Commission's properties and transactions. The Treasurer shall send or cause to be given to the commissioners such financial statements and reports as are required to be given by law, by these Bylaws, or by the Commission. The books of account shall be open to inspection by any Commissioner at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Commission with such depositories as the Commission may designate, shall disperse the Commission's funds as the Commission may order, shall render to the Chairperson and the Commission, when requested, an account of all transactions as Treasurer and of the financial condition of the Commission, and shall have such other powers and perform such other duties as the Commission or the Bylaws may prescribe.

Article V

MEETINGS OF COMMISSION

1. Time and place.

Meetings of the Commission shall be held on such dates, times and locations as are designated by the Commission or the Chairperson. The Commission shall meet at least four times each year, or more.

2. Notice of Meetings.

a. Written notice of Commission meetings shall be given to members, alternates, the

Secretary of CDFA, the Commission's legal counsel, and to any other person who requests such notice in writing. Unless otherwise authorized by law, notice of all Commission meetings shall be given at least ten (10) days in advance of the meeting, and shall comply in all other respects with the provisions of the Bagley-Keene Open Meeting Act (California Government Code Sections 11120 et seq.).

b. The notice of all meetings shall include a specific agenda for the meeting, including the items of business to be discussed or voted upon.

3. Order of Business.

The regular order of business of the Commission, unless otherwise determined by the Chairperson, shall be as follows: (1) roll call; (2) approval of minutes of previous meeting; (3) public comment; (4) discussion and/or action on matters on the written agenda; (5) issues and scheduling for next meeting; and (6) adjournment.

4. Attendance.

Any member or alternate, or any committee member, who misses three (3) consecutive Commission meetings or three (3) consecutive committee meetings in a marketing season for any reason automatically loses his or her seat on the Commission or committee unless the Board expressly waives this provision by majority vote¹. Any vacancy created by this section shall be filled by a majority vote of the remaining members of the Commission.

5. Quorum and Voting.

Not less than one-half (1/2) the producer members of the Commission, including alternate members when acting in the place of the members, shall constitute a quorum of the Commission.

The vote of a majority of the members, or alternate members when acting in the place of the members, present at the meeting at which there is a quorum shall constitute the act of the Commission.

6. Closed Sessions of the Commission.

Closed sessions of the Commission may only be held for the limited purposes provided in the Bagley-Keene Open Meeting Act.

Article VI

COMMITTEES

1. Committee composition and appointments.

Except as provided below, the Commission may establish committees composed of any

¹ The Board's waiver of the automatic removal provision can be based on an excuse acceptable to the Board or any other justification deemed appropriate by the Board.

combination of members, alternates, and non-members of the Commission to advise the Commission in carrying out of its purposes and objectives. Unless otherwise specified, the Commission shall be the final authority on all programs, projects, activities, and policies recommended by any committee of the Commission. Any addition or deletion of committees or changes in names of committees shall not be considered an amendment of these bylaws. Except as provided below, the Chairman of the Commission shall appoint the chair of each committee. Each committee chair shall appoint his/her own committee members, subject to ratification by the Board.

Committees appointed by the Commission shall include, but not be limited to, the following:

- (a) Executive Committee
- (b) Finance Committee
- (c) Grower Marketing Committee
- (d) Research/Education/Communication Committee
- (e) Lodi Rules Committee
- (f) Winery Marketing Committee

No individual shall serve as a voting member on more than one committee (except for members of the Executive Committee which may serve on two committees). Each commissioner and alternate must be a voting member of one of the six standing committees.

2. Notice. Written notice of all committee meetings shall be given to committee members, the Secretary of CDFA, the Commission's legal counsel, and to any other person who requests such notice in writing. Unless otherwise authorized by law, notice of all committee meetings shall be given at least ten (10) days in advance of the meeting, and shall comply in all other respects with the provisions of the Bagley-Keene Open Meeting Act (California Government Code Sections 11120 et seq.).

The notice of all meetings shall include a specific agenda for the meeting, including the items of business to be discussed or voted upon.

3. Executive Committee.

The Executive Committee shall consist of the following commissioners/officers: Chairperson, Vice-chairperson, Secretary, and Treasurer.

The Chairperson of the Commission shall serve as Chair of the Executive Committee. The Executive Committee may recommend policy relating to the Commission's purposes and objectives; immediate and long term planning; set annual budget; and overall administration of the Commission. The committee shall work directly with Commission staff in formulating and carrying out programs and activities authorized by the Commission.

The Executive Committee shall have final decision making authority with respect to personnel matters, litigation, and any other issue which requires immediate attention or action between meetings of the Commission. All action taken by the Executive Committee shall be reported to the Commission at its next meeting.

4. Finance Committee

The Finance Committee shall consist of no more than five (5) individuals, including the Treasurer, and shall oversee and monitor the current budget, finance, assessment, exemption, refund, accounting, and audit authorities and responsibilities of the Commission. The Treasurer shall be the chairperson of the Committee. The Committee will consult with the Executive Director and/or contract managers to develop financial policies and to assure these policies are carried out.

5. Grower Marketing Committee

The Grower Marketing Committee shall consist of no more than twelve (12) individuals and shall recommend policy for and monitor execution of the Commission's marketing and promotion program. Shall work with the Executive Director and other commission staff to assure the Commission's marketing and promotion programs are completed.

6. Research/Education/Communication Committee

The Research/Education/Communication Committee shall consist of no more than twelve (12) individuals and shall recommend policy for and monitor execution of the Commission's research, education and communications programs. With regard to Research Projects, the Committee shall recommend projects for funding, recommend funding vehicles, monitor project execution, and communicate results to the industry. Service on this committee by members of the industry, other than members of the Commission, who are committed to winegrape and wine research, is encouraged.

However, no person who is a direct or indirect recipient of Commission research funds may participate in votes or decisions involving projects in which they have a stake. Regarding Education and Communication the Committee shall plan and oversee Commission programs to educate members of the winegrape production industry, the wine industry, and the public about the activities of the Commission and its programs. The Committee is specifically charged with communication to the producer constituency of the Commission through direct and public channels and with the development of programs to assure the producer constituency of the Commission is provided with information to enhance the value of their production.

7. Lodi Rules Committee

The Lodi Rules Committee shall consist of no more than twelve (12) individuals. Service on this Committee by members of the industry, other than members of the Commission, who are committed to the Lodi Rules program, is encouraged. The Committee is charged with reviewing the Lodi Rules program and the Lodi Rules for Sustainable Winegrowing Certification Standards.

8. Winery Marketing Committee

The Winery Marketing Committee shall consist of no more than twelve (12) individuals and shall be charged with the promotion of Lodi wines and wineries. The committee shall develop and direct activities which encourage buyers to visit Lodi tasting rooms

and which build awareness of Lodi wines in the national marketplace. Funding for the committee's activities shall come from industry contributions, event revenue and sponsorships earmarked for such activities.

9. Quorum/Voting. A majority of the voting members of any committee shall constitute a quorum, and the acts of a majority of the voting members present at a meeting at which a quorum is present shall constitute the act or recommendation of the committee.

10. Closed Sessions.

Closed sessions of committees may only be held for the limited purposes provided in the Bagley-Keene Open Meeting Act. A record of topics discussed and any resulting recommendations/decisions shall be presented by the committee to the full Commission at its next meeting.

Article VII EMPLOYEES AND THEIR DUTIES

1. Executive Director.

The Commission may employ a person to serve at the pleasure of the Commission as Executive Director. The Executive Director shall be an at-will employee of the Commission.

2. Other Personnel.

The Commission may contract with or employ other personnel or firms, including but not limited to accountants/auditors and legal counsel, necessary to carry out the activities of the Commission. All employees of the Commission shall be "at-will" employees.

Article VIII MISCELLANEOUS

1. Proprietary Information. All proprietary information obtained by the Commission or the Secretary of CDFA from producers or vintners, and all lists of producers in the possession of the Commission or the Secretary of CDFA are confidential and shall not be disclosed except when required by a court order after a hearing in a judicial proceeding involving this chapter. Information on volume shipments, commodity value, and other related information that is required for reports to governmental agencies, financial reports made to the Commission or aggregate sales and inventory information, and any other information which is requested from the Commission, except individual producer or vintner information, may be disclosed by the Commission.

2. Intellectual Property. All intellectual property prepared or purchased by or on behalf of the Commission, including but not limited to newsletters, website content, educational, promotional, and marketing materials, logos, slogans, service marks, contributor lists, and research results, shall be the exclusive property of the Commission.

Members, alternates, and staff shall not sell, transfer, publish, modify, distribute, or use for their individual purposes, the intellectual property belonging to the Commission without the prior written approval of the full Commission memorialized in a writing signed by the Chairperson.

3. Conflicts of Interest. Commission members, alternates, and committee members must actively seek to avoid situations and activities that create an actual or potential conflict between the individual's personal interests and the interests of the Commission. If a Commission member or committee member believes that a conflict exists relative to a particular issue being considered by the Commission or any committee, he or she shall disclose the conflict to the Commission or committee, as appropriate, and abstain from discussion and voting on the issue.

Both the fact and the appearance of a conflict of interest should be avoided. Commission members, alternates, or committee members who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the Chairperson, who will determine whether disclosure to the Commission or the assistance of legal counsel is required.

All members, alternates and designated persons shall timely file a Form 700 form each year in accordance with the Commission's Conflict of Interest Code as required by the Fair Political Practices Commission.

Article IX

ADOPTION AND AMENDMENT OF BYLAWS

1. Adoption/Amendment.

These bylaws shall be adopted, and may be amended, by a two-thirds (2/3) vote of the Commission at any Commission meeting where a quorum is present.

LODI WINEGRAPE COMMISSION

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Lodi Winegrape Commission, a California state government agency; that the above Bylaws, consisting of 12 typewritten pages including this page, are the Bylaws of the Commission as approved by the Board of Commissioners on April 18, 2019; that they have not been amended or modified since that date; and that they shall be effective on July 1, 2019.

Executed on the _____ day of _____, 2019 at
_____, California.

Signature of Board Secretary

Print name of Board Secretary