



## Values Enforcement

Members of Idaho Distillers Association (“IDA”) agree to be bound by its Statement of Values (“Values”). In the event any member fails to adhere to the IDA Values (“Violating Member”), a Violating Member will be subject to suspension and/or expulsion from IDA. The following is a list of violations that will result in member suspension and/or expulsion from the IDA, subject to a majority vote by Founding Members.

If any member or its employees does any of the following, it will be subject to suspension and/or expulsion from the IDA:

1. Failure to adhere to any federal, state, or local regulations governing distilled spirits;
2. Unethical behavior resulting in unfair competition among members;
3. Libelous or slanderous speech regarding any member or libelous or slanderous speech regarding a member’s distilled product;
4. Deceptive or unethical marketing practices that violate an objective sense of good taste;
5. Deceptive or unethical marketing practices that encourage underage drinking or irresponsible drinking behaviors; and/or
6. Any other unethical behavior that the majority of Founding Members determine is sufficiently objectionable to warrant suspension or expulsion of a violating member.
7. Any dues paid for the year in which suspension or expulsion has occurred will not be refunded by the IDA.

As used in this section, “unethical behavior” will be defined as, “behavior that is morally objectionable to the sensibilities of an ordinary person.”

In the event a Violating Member violates any of the items listed above, the Founding Members will vote to determine whether or not the Violating Member will be suspended and/or expelled from the IDA. A majority vote will be required to suspend and/or expel the Violating Member. In the event of suspension, the Founding Members will determine the timeframe for such suspension as well as the method for ending such suspension. In the event of expulsion, the Violating Member will not be allowed to rejoin the IDA unless and until the majority of all members determine whether to allow reentry into the IDA.

In the event a Founding Member violates any of the items listed above, the remaining Founding Members will vote to determine whether to suspend or expel such Founding Member. The violating Founding Member will not be entitled to vote.