

**AMENDED AND RESTATED  
BYLAWS  
OF  
KEYA PAHA COMMUNITY PIPELINE, INC.**

**ARTICLE I  
PURPOSE**

The corporation is organized and operated for those purposes set forth in the Articles of Incorporation, including but not limited to, the management, control and operation of a water supply system, known as the Keya Paha Community Pipeline, located south and east of Springview, Nebraska, for the benefit of all members.

**ARTICLE II  
MEMBERS**

Section 1. Classes of Members. The corporation shall have one class of members. Qualifications and rights of members shall be as follows:

(a) Any person that owns, leases or manages land being served by the Keya Paha Community Pipeline shall be eligible for membership; provided that any one person shall only be eligible for one membership, regardless of the number of separate tracts that such person owns, leases or manages; and further provided that only one membership shall be issued for each separated, owned tract of land being served by the Pipeline.

(b) Such other members as the Board of Directors may designate, on such terms and subject to such qualifications as the Board of Directors may determine.

Section 2. Admission of Members. Persons eligible for membership shall file with the Secretary a written application; provided, however, the Board of Directors, as to any eligible applicant, may waive the requirement of a written application.

Section 3. Voting Rights. Each member shall be entitled to one vote on each matter submitted to the vote of the members.

Section 4. Termination of Membership. The Board of Directors, by affirmative vote of two-thirds of all members of the Board may suspend or expel a member for cause, including nonpayment of dues, after an appropriate hearing, and may, by majority vote of those members present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default on the payment of dues for the period fixed in Article VII of these Bylaws.

Section 5. Resignation. Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

Section 6. Reinstatement. Upon written request signed by a former member and filed with the Secretary, the Board of Directors may, by the affirmative vote of two-thirds of the members of

the Board, reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

Section 7. Transfer of Membership. Any membership in the Corporation may be transferred and assigned by a member whose dues are paid in full, to any person who has the requisite qualifications and whose membership is approved by the Board of Directors.

### ARTICLE III MEETINGS OF MEMBERS

Section 1. Annual Meeting. The annual meeting of the members shall be held between March 1 and April 30 of each year as determined at the discretion of the President for the purpose of electing directors, if necessary, and for the transaction of such other business as may come before the meeting. Notice of the annual meeting shall be as provided in Section 4 hereinbelow.

Section 2. Special Meetings. Special meetings of the members may be called by the President, the Board of Directors or by no less than one-fifth of the members having voting rights.

Section 3. Place of Meeting. The Board of Directors may designate any place for the annual meeting or any special meeting of the members and, if no designation is made, the place of the meeting shall be the registered office of the Corporation.

Section 4. Notice of Meetings. Written notice stating the place, day and hour of any meeting of members shall be delivered either personally or by mail to any member entitled to vote at such meeting not less than two weeks nor more than 50 days before the date of such meeting; provided, however, notice of the annual meeting shall be not less than ~~30~~<sup>15</sup> days. In case of a special meeting or when required by statute or by these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of meeting shall be deemed to be delivered when deposited in the United States mail, addressed to the member at such member's address as it appears on the record of the Corporation with postage thereon prepaid.

Section 5. Informal Action by Members. Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if consent in writing, setting forth the actions so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 6. Quorum. The members holding three of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 7. Proxies. At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy.

Section 8. Voting by Mail. Where directors or officers are to be elected by members, such election may be conducted by mail in such manner as the Board of Directors shall determine.

## ARTICLE IV BOARD OF DIRECTORS

Section 1. Powers of the Board. The Board of Directors shall have and may exercise, subject to law, these Bylaws and to the Articles of Incorporation, all of the powers of the Corporation.

Section 2. Number. The affairs of the Corporation shall be managed by a Board of Directors consisting of five (5) members of the Corporation, plus such additional members as the Board may determine from time to time.

Section 3. Election and Term of Office. The Board of Directors shall remain in office until their successors have been elected and qualified. Each director shall be elected for a six (6) year term at each annual meeting of the Board and shall serve until the next annual meeting following their election. In the event of a vacancy, the Board may elect a new member to fill an unexpired term of a director. If a director is elected other than at an annual meeting, the first term of such director's service shall begin on the annual meeting following such director's election.

Section 4. Remuneration. No elected Board member will receive personal remuneration for time or service provided on behalf of the Corporation. This shall not preclude reimbursement for expenses or specific services approved by the Board.

Section 5. Quorum. The majority of directors in office shall constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 6. Annual Meetings. The annual meeting of the Board of Directors shall be held between March 1 and April 30 of each year as determined at the discretion of the President immediately after and at the same place as, the annual meeting of members. At such meeting, the Board shall elect directors to succeed those whose terms have expired, and the Board may also transact such other business as may properly come before it. Notice of the annual meeting shall be as provided in Section 9 hereinbelow.

Section 7. Special Meetings. A special meeting may be called by the President or on written request of any director. The Secretary or other designated officer of the Corporation shall give notice, in the manner specified in Section 9 below, stating the time, place, and purpose of such meeting at least two (2) days prior to the meeting.

Section 8. Telephone or Electronic Communication. Any member may participate in a meeting of the Board by means of conference call or similar communication equipment, by means of which all persons participating in the meeting can hear each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the member or members participating.

Section 9. Notice. Notice of any special meeting of the Board of Directors shall be given at least two (2) days prior thereto by written notice delivered in person or by telephone or sent by mail or telegram to each director at his address as shown by the records of the Corporation;

provided, however, notice of the annual meeting shall be not less than 30 days. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these Bylaws.

Section 10. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except that a unanimous vote of the Board of Directors present at any meeting at which a quorum is present shall be necessary to enlarge the pipeline to serve additional real estate.

Section 11. Regulation of Water Use. The Board of Directors shall have the authority to regulate, by resolution, the amount of water used by any member and to impose penalties for excessive use. The Board of Directors shall also have the authority to regulate the installment of any new water outlets.

Section 12. Vacancies. Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors, shall be filled by the Board of Directors at any regular or special meeting. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 13. Informal Action by Directors. Any action required by law to be taken at a meeting of directors, or any action which may be taken at a meeting of directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

Section 14. Committees. The Board of Directors may establish or discontinue any committee in respect to the management of the affairs of the Corporation. The duties and function of such committees shall be defined and determined by the Board of Directors.

## ARTICLE V OFFICERS OF THE CORPORATION

Section 1. Title. The Officers of the Corporation shall be elected by the Board of Directors and shall consist of a President, one or more Vice-Presidents, as determined from time to time by the Board of Directors, a Secretary, and a Treasurer, and such other officers or assistant officers as deemed appropriate or advisable by the Board of Directors. Any two offices may be held by the same person, except the offices of President and Secretary and President and Vice President.

Section 2. Appointment; Qualifications; Term. The Officers of the Corporation shall be elected annually by the Board of Directors at the Annual Meeting and shall serve until their successors have been elected and qualified, and shall be subject to removal by a majority vote of

the Board of Directors. New offices may be created and filled, and any vacancies may be filled, at any meeting of the Board of Directors.

Section 3. Removal. The directors of the Corporation may, at any regular or special meeting, declare the term of office of any officer or officers at an end and shall elect a new officer or officers who shall, upon their election and qualification, assume the duties of their office.

Section 4. Vacancies. Vacancies occurring in any office by reason of death, resignation or otherwise, may be filled by the Board of Directors at any meeting.

Section 5. President. The President shall preside at all meetings of the Board, shall supervise and control all of the business and affairs of the Corporation, and shall, unless otherwise required by the Board, appoint such committees as shall be authorized by the Board. The President may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Corporation; and in general the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. Any vacancy in the office of President of the Corporation shall be filled by the Board of Directors as promptly as practicable. If, for any reason, it shall become necessary or desirable, because of an extended period of vacancy in the office of President because of any lengthy absence or disability of the President or otherwise, to delegate the duties of the President on an interim basis to an acting President, the Board of Directors shall have the power to appoint an acting President.

Section 6. Vice-President. The Vice-President shall perform such duties as the President shall from time to time direct. In the event of the death, disability, absence or inability of the President to act, the Vice-President, unless an acting President has been appointed, shall perform the duties and exercise the powers of the President.

Section 7. Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board of Directors; shall have charge of the corporate seal, if any, of the Corporation; shall imprint the seal on all documents required to bear same; shall sign all documents requiring the signature of the Secretary; shall serve all notices provided for in these Bylaws or directed to be served by the President or the Board of Directors; shall be charged with the custody of all books, records, and papers of the Corporation; and shall perform such other duties as usually pertain to the office of Secretary or as from time to time may be assigned to him or her by the President or by the Board of Directors. With the consent of the President, the Secretary may delegate any of the aforesaid duties to any responsible person or corporation.

Section 8. Treasurer. The Treasurer shall be responsible for the fiscal management of the Corporation; shall report, or cause to be reported, regular financial statements to the Board of Directors; shall direct that all fiscal affairs be conducted in accordance with the generally accepted standards of accounting for non-profit corporations; shall, if required by the Board of Directors, furnish bond, satisfactory to the Board of Directors, to guarantee faithful discharge of his or her duties; and shall perform such other duties as usually pertain to the office of Treasurer or as from

time to time may be assigned to him or her by the President or by the Board of Directors. Upon dissolution of the Corporation, the Treasurer shall compile a final statement of assets and liabilities and be responsible to present the Board of Directors a procedure to distribute any remaining assets to other non-profit corporations as provided for in the Articles of Incorporation.

## ARTICLE VI CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-President of the Corporation.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

## ARTICLE VII DUES

Section 1. Annual Dues. The Board of Directors shall determine from time to time, the amount of annual dues payable to the Corporation by each member. Each member's dues shall be determined according to the number of outlets being served by the water pipeline. An annual fixed rate, in such amount as determined by the Board of Directors from time to time, shall be charged for each outlet.

Section 2. Payment of Dues. Dues shall be payable without notice on or before the date of the annual meeting of the members of the Corporation.

Section 3. Default and Termination of Membership. When any member shall be in default in the payment of dues for a period of thirty (30) days from the date such dues become payable, such member's water service and membership may thereupon be terminated by the Board of Directors in the manner provided in Article II of these Bylaws.

ARTICLE VIII  
WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Nebraska Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, the waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE IX  
AMENDMENT TO BYLAWS

These Bylaws may be altered, amended or repealed and new Bylaws adopted by the affirmative vote of a majority of the directors present and voting at any regular or special meeting of the Board at which a quorum is present, provided notice of the proposed alteration, amendment or repeal was contained in the notice of such meeting, which must be made at least two (2) days prior to such meeting in the manner specified in Article IV, Section 9.

ARTICLE X  
FISCAL YEAR

The Corporation shall be operated on a fiscal year basis commencing on the first day of January of each and every year.

The undersigned, Secretary of Keya Paha Community Pipeline, Inc., hereby certifies that the foregoing Amended and Restated Bylaws of said corporation were adopted by the Board of Directors on April 19, 1996.

Winifred J. Parker  
Secretary