

AMENDED AND RESTATED BYLAWS
OF
NEBRASKA DIVISION OF
MIDWEST DAIRY ASSOCIATION
Effective as of April 4, 2017

ARTICLE I: MEMBERS

Section 1. Eligibility of Member-Producers. Any Investing Member of Midwest Dairy Association (the “Association”) (as the term “Investing Member” is defined in the Amended and Restated Bylaws of the Association, dated July 22, 2013, and as may be amended from time to time, the “Association’s Bylaws”) that is resident of Nebraska shall be a member of the Division (each a “Member-Producer”, and, collectively, the “Member-Producers”).

Section 2. Eligibility of First Purchasers. Any Associate Member of the Association (as that term is defined in the Association’s Bylaws) that is a firm, partnership, corporation, limited liability company or cooperative who purchases milk of bovine origin from the Member-Producers shall be a member of the Division (each a “First Purchaser”, and, collectively, the “First Purchasers”).

Section 3. Voting rights. The voting rights of members shall be limited to the First Purchasers’ right to elect the Division board of directors (the “Division Board”).

ARTICLE II: BOARD OF DIRECTORS

Section 1. Management of Division. The affairs of the Division shall be managed by the Division Board.

Section 2. Eligibility. Each director on the Division Board shall be either:

A. a Member-Producer who produces milk of bovine origin and otherwise meets the qualifications of an Investing Member under the Association’s Bylaws, or

B. an individual who is (i) a representative of a Member-Producer that is an individual Member-Producer, a partnership, corporation, limited liability company or cooperative, and (ii) actively involved in the day-to-day operations of such Member-Producer’s dairy production operations (a “Member-Producer Representative”).

Section 3. Number; Selection. The Division Board will have up to eleven (11) voting directors. Directors will be selected by the First Purchasers from among the Member-Producers or Member-Producer Representatives. Each First Purchaser will select a number of directors according to an allocation determined by the Division Board on or prior to December 1 of any given year. The number of directors selected by each First Purchaser will be as set forth in Schedule A hereto. The Division Board, at its discretion, may appoint representatives chosen by First Purchasers to be non-voting ex-officio members. Each First Purchaser may name a non-voting ex-officio member to the Division Board.

Section 4. NDIDB-Affiliated Directors. The chair of Nebraska Dairy Industry Development Board (“NDIDB”) may appoint up to three (3) members of NDIDB to serve as ex-officio non-voting directors on the Division Board (the “NDIDB-Affiliated Directors”). The NDIDB-Affiliated Directors shall serve at the discretion of the chair of NDIDB.

Section 5. NSDA-Affiliated Directors. The chair of Nebraska State Dairy Association (“NSDA”) may appoint up to one (1) member of NSDA to serve as an ex-officio, non-voting director on the Division Board (“NSDA-Affiliated Director”). The NSDA-Affiliated Director shall serve at the discretion of the chair of NSDA.

Section 6. Additional Ex-Officio Directors. The Division Board, at its discretion, may appoint representatives from the University of Nebraska – Lincoln to serve as ex-officio non-voting members.

Section 7. Appointment by the board of directors of Division. The Division Board will appoint persons from among Member-Producers or Member-Producer Representatives within the Division to fill those director positions for which no candidate is selected by First Purchasers. The Division Board will make this selection annually by March 1st.

Section 8. Names and addresses of directors. Each First Purchaser will notify the Division of the names and addresses of its nominated directors by January 15 of each fiscal year.

Section 9. Term. Each director will serve for a term of one year, beginning with the organizational meeting. Each director will serve until a successor is appointed and qualifies, or until he or she otherwise ceases to serve. A director may resign at any time by filing his or her written resignation with the Secretary of the Division.

ARTICLE III: MEETINGS OF THE DIVISION BOARD

Section 1. Annual Meetings. An annual meeting of the Division Board shall be held on any business day not less than 30 days or more than 120 days after the close of the fiscal year and at such time and location designated by the Division Board, for the purpose of electing officers and transacting of such business as may properly come before the meeting; provided, however, that no business with respect to which special notice is required by law shall be transacted at an annual meeting unless such notice shall have been given.

Section 2. Regular Meetings. The regular meetings of the Division Board shall be held as often as necessary for the proper conduct of the business of the Division, at such time and place as may be designated by the Division Board.

Section 3. Special Meetings. Special meetings of the Division Board may be called by the Chair or any one-third (1/3) of all of the directors. Such meetings shall be held at such time and place as may be designated by the Division Board.

Section 4. Notice of Meetings. Written notice of each meeting of the Division Board for which written notice is required, and of each annual meeting, stating the time, place and in the case of a special meeting, the purpose thereof, shall be mailed, postage prepaid, not less than five (5) nor more than thirty (30) days before the meeting, excluding the day of the meeting. Any director may waive notice of a meeting before, at or after the meeting, orally, in writing, or by attendance. Attendance at a meeting is deemed a waiver unless the director objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the director does not participate in the meeting.

Section 5. Quorum; Voting. The presence of a majority of the directors of the Division Board shall constitute a quorum at any meeting thereof, but the directors present at any meeting, although less than a quorum, may act as a committee of the whole or adjourn the meeting from time to time until a quorum is present. At all meetings of the Division Board, each director shall be entitled to cast one (1) vote on any question coming before the meeting. A majority vote of the directors present at any meeting, if there be a quorum, shall be sufficient to transact any business, unless a greater number of votes is required by law or these Amended and Restated Bylaws (the “Bylaws”). Directors may not vote by proxy at a meeting of the Division Board. A director who is present at a meeting of the Division Board when an action is taken is presumed to have assented to the action unless the director votes against the action or is prohibited from voting on the action.

Section 6. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Division Board may be taken without a meeting by written action signed by all directors. The written action shall be effective when signed by the required number of directors, unless a different effective date is provided in the written action.

Section 7. Meetings by Telephone or Other Similar Communications Equipment. Directors may participate in a meeting of the Division Board (or committee appointed thereby) by means of a telephonic conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 8. Compensation. Directors of the Division Board shall be paid a per diem and shall be reimbursed for certain expenses in such amounts as shall be fixed by resolution of the Board of Directors of the Association.

ARTICLE IV: OFFICERS

Section 1. Designation and Tenure. The Division Board at its annual meeting shall elect by and from its number, a Chair, a Vice Chair, a Secretary and a Treasurer. The term of office of such officers shall be one year and until their respective successors are chosen and qualified. The Division Board shall have the power to appoint such other officers as it may deem necessary to transact the business of the Division or to achieve any of its corporate purposes.

Section 2. Chair. The Chair shall preside at all meetings of the Division Board. The Chair may execute on behalf of the Division instruments which may be required or authorized by the Division Board. The Chair, or the Chair’s designee, shall be an ex-officio member of all committees of the Division and shall perform such other duties as are usually incident to the office of Chair.

Section 3. Vice Chair. The Vice Chair shall perform the duties of the Chair in case of the latter’s absence or disability. The execution by the Vice Chair on behalf of the Division of any instrument shall have the same force and effect as if it were executed on behalf of the Division by the Chair.

Section 4. Secretary. The Secretary shall keep accurate minutes of all meetings and shall be custodian of the records, documents and papers of the Division. The Secretary shall provide for the keeping of proper records of all transactions of the Division and shall have and may exercise any and all other powers and duties pertaining by law, regulation or practice to the office of Secretary, or imposed by these Bylaws. The Secretary shall also perform such other duties as may be assigned from time to time by the Division Board or Chair.

Section 5. Treasurer. The Treasurer shall be responsible for safeguarding any assets under the control of the Division. The Treasurer shall communicate financial activities of the Division to the Division Board at its annual meeting, and shall from time to time make such other reports to the Division Board as it may require. The Treasurer shall perform such other duties as may be assigned from time to time by the Division Board or Chair.

Section 6. Special Powers; Delegation of Authority. Any officer may be vested by the Division Board with any power and charged with any duty not contrary to law or inconsistent with the Association's Articles of Incorporation or the Association's Bylaws or these Bylaws. Upon approval by the Division Board, any officer may delegate some or all of the duties or powers of such office to other persons, unless prohibited by the Association's Articles of Incorporation or Bylaws or these Bylaws.

Section 7. Resignation. An officer may resign by giving written notice to the Division Board. Such resignation shall be effective upon delivery of the notice to any officer of the Division unless a later effective date is specified in the notice.

Section 8. Removal. An officer may be removed, with or without cause, by resolution of the Division Board.

ARTICLE V: PERSONNEL

Section 1. Chief Executive Officer. The daily affairs of the Division shall be managed and administered by the Chief Executive Officer of the Association.

Section 2. Other Employees. The Chief Executive Officer of the Association shall provide and direct such personnel as may be needed to carry out the affairs of the Division.

ARTICLE VI: MISCELLANEOUS

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

Section 2 Roberts Rules. *Robert's Rules of Order (Newly Revised 10th Edition)*, by Henry M. Robert III, et. al., or such version of Robert's Rules as the Division Board may approve from time to time, may be used as a guide to the conduct of all meetings held pursuant to these Bylaws, so long as there is no conflict between these Bylaws and such Robert's Rules. In the event of a conflict, the provisions of these Bylaws shall control.

ARTICLE VII: AMENDMENTS

These Bylaws may be altered, amended or repealed and new bylaws may be adopted at any regular or special meeting of the Division Board by affirmative vote of two thirds (2/3) of the Division Board. The Bylaws are not to conflict with law, or the Association's Articles of Incorporation, the Association's Bylaws, or the Association's resolutions or policy. The adoption, alteration, amendment or repeal of these Bylaws requires approval of the Association board of directors to be implemented.

ARTICLE VIII: EFFECTIVE DATE

These bylaws shall become effective on April 4, 2017, and shall remain in effect until amended or repealed.

SCHEDULE A
Division Board Seat Allocation

Voting Members.

1. Associated Milk Producers shall elect two (2) members to the Board.
2. Dairy Farmers of America shall elect six (6) members to the Board.
3. Each of the other first purchasers included in the Nebraska Department of Agriculture's list of Nebraska Milk Purchasers will be entitled to nominate one director for the remaining seats on the Board, and the Division Board shall select up to three (3) such nominees as directors.

Ex-Officio Members.

Each First Purchaser may name a representative to serve as a non-voting ex-officio member of the Division Board.