



North Jordan Irrigation Company

• Established 1880 •

PO Box 26764
Salt Lake City, UT 84126-0764

BY-LAWS of North Jordan Irrigation Company

BYLAW 1

STOCKHOLDERS

Section 1 ANNUAL MEETING. The annual meeting of the members (stockholders) of the North Jordan Irrigation Company (the "Corporation") will be held in Salt Lake County, Utah, at a time and place set by the Board of Directors on the last Monday in January of each year for the purpose of electing directors of the Corporation, and for the transaction of such other business as may be brought forth in the meeting.

Section 2 NOTICE OF MEETING. Notice of the annual or any special meeting shall be delivered at least ten days before the date of the meeting, either personally or by mail, by or at the direction of any of the officers of the Corporation, or the officers or persons calling the meeting, to each member entitled to vote at such a meeting. The notice shall state the place, day, hour, and purpose or purposes for which the meeting is called. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 3 SPECIAL MEETINGS. Special meetings of members may be called by the President, the Board of Directors, or any other members or groups of members having the right to cast at least one-third of the votes entitled to be cast at such a meeting.

Section 4 NOTICE OF MEETING UNNECESSARY WHEN ALL STOCKHOLDERS PRESENT. No notice need be given of any regular or special meeting of the members at which all of the outstanding capital stock of the Corporation is represented either in person or by proxy.

Section 5 VOTING. At all meetings, thereof, the members may vote in person or by proxy, and all questions except those which are regulated by statute shall be determined by a majority vote of the shares constituting a quorum at the meeting. Each member whose assessments and other fees and obligations to the Corporation are current shall be allowed to vote on the basis of shares ownership. Each share shall entitle a member to one vote; each fractional share shall entitle a member to such a fractional share of one vote. Voting may be performed either in person or by written proxy. Proxy votes must be signed by the share owning member and filed with the secretary. Every question or election thereat, except as may be provided in the Articles of Incorporation, these By-laws, or by the laws of the State of Utah, shall be decided by a majority of the votes cast at any such meeting. There shall be only one "Voting Group" in this Corporation. "Voting group" is defined in the Utah Code Annotated § 16-6a-102 (47)(a) (Supp. 2000). The rules listed below shall govern the right to vote. If there is a situation not governed by the following rules, the right to vote such shares shall be determined by the directors.

5.1. When the record owner shows a lender "as Pledgee of" a member's shares, the member shall be entitled to vote unless by written agreement the member and lender have agreed otherwise and a copy of the written agreement is provided to the Secretary of the Corporation.

5.2. Shares owned in joint tenancy by two (2) or more people may be voted by any one of the persons, or by a single proxy. If no agreement is reached by the joint tenants, the majority in number of the joint tenants control the manner of voting. When the record owners of the share(s) are listed in joint tenancy, and evidence is furnished showing that all of the joint tenants are deceased except one such joint tenant, that surviving joint tenant shall be entitled to the vote of the share(s).

5.3. When the record owner is deceased, the personal representative of the estate of the deceased person shall be entitled to vote the share(s).

5.4. Shares in the name of a corporation or other legal entity shall be voted by the properly authorized officer or agent of the legal entity.

5.5. Written proxies must be submitted to the secretary at least 5 working days before a meeting or vote.

5.6. Written proxies more than 30 days old will not be honored.

5.7. When the record owner has entered into a contract to sell shares, and has not given a proxy to the buyer, and the shares have not been transferred on the records of the Corporation, the seller shall have the right to vote such shares.

5.8. At all meetings of the members, unless otherwise required by Utah law, the outstanding capital shares present in person or by proxy voting at such meetings shall constitute a quorum, and enable the Corporation to conduct and transact all business properly before the meeting.

Section 6 ORDER OF BUSINESS. The following shall be the order of business at all annual meetings of the members unless otherwise directed by the Board of Directors:

6.1. Review of the minutes of the previous meeting and actions thereon.

6.2. Reports of the officers.

6.3. Reports of the committees.

6.4. Unfinished business.

6.5. New business.

6.6. Election of directors.

6.7. Audit report.

BYLAW 2

MEMBERSHIP

Section 1 MEMBERSHIP. Membership in the Corporation shall be as defined in the articles of Incorporation of the Corporation.

Section 2 MEMBER LIST. The Corporation need not maintain a members' list prior to a meeting of the members. The only records the Corporation need make available to members are those records required in Utah Code Annotated § 16-10a-16 (as amended).

BYLAW 3

DIRECTORS

Section 1 TERM OF OFFICE. The term of office of the Board of Directors shall be as provided for in the Articles of Incorporation of the Corporation.

Section 2 VACANCIES. In the case that vacancies occur in the Board of Directors through death, resignation, disqualification or other cause, the remaining directors may elect by affirmative majority vote successors to hold the office for the unexpired portion of the term of the director whose place shall be vacant, and until the election of their successor.

Section 3 REMOVAL. Any director may be removed from office for cause by a majority of votes cast at a regular or special meeting of members. Removal for cause may include malfeasance in office, failure to attend meetings of the Board of Directors, failure to perform the duties of directors, or for any other sufficient cause.

Section 4 REGULAR MEETINGS. A regular meeting of the Board of Directors shall be held immediately after the adjournment of the annual meeting of the stockholders of the Corporation. Regular meetings should also be held on a monthly basis. A schedule of these meetings will be created and voted upon yearly by the board of directors each December during one such regular meeting. Notices of any change to this schedule shall be delivered by the Secretary at least five days before the new meeting date to board members, and any others who are invited to attend. Meetings shall be held at the Jones Dairy (1488 W 4800 S, Taylorsville Utah 84123) unless notice is sent out otherwise by an officer or board member, with approval by the president.

Section 5 SPECIAL MEETINGS. Special meetings of the Board of Directors shall be held at the principal, or branch office of the Corporation whenever called by the President or any two Directors. The Secretary shall give notice of each special meeting by mailing each director at his or her last known post office address or email address at least five days before the day thereof, or by telephone at least two days before the day thereof. Such notice may be waived by any director. When a quorum is present at any meeting of directors, wherever held and however called or notified, the acts of the Board of Directors at such meeting shall be as valid if legally called and notice thereof was duly given.

Section 6 QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business.

Section 7 ORDER OF BUSINESS. The Board of Directors may from time to time determine the order of business at their meetings. The usual order of business shall be as follows:

7.1. Review of the minutes of the previous meeting, and action thereon.

7.2. Consideration of communications to the Board.

7.3. Reports of the officers.

7.4. Reports of committees.

7.5. Unfinished business.

7.6. New business.

Section 8 OPERATION AND MAINTENANCE. The board of directors and its superintendent shall be responsible for the operation and maintenance of the Mill Race from its origin at the Jordan River, to the main canal at the Gardner Mill site, and then proceeding northwesterly on the main canal to the point where the "Kennecott Lateral" enters the Riter Canal and to the point where the "Granger Lateral" discharges into the Kearns-Chesterfield Storm Drain. No other lateral ditches which receive water from the main canal will be the responsibility of the board of directors or the superintendent. Stockholders diverting and using their water entitlement from the main canal shall be solely responsible for all operation and maintenance costs and any liability associated with their lateral ditch system. It shall be the obligation of the stockholders of each lateral ditch system to appoint a water master to be responsible for the operation and maintenance of its lateral system. The board of directors or its superintendent shall not permit any water to be diverted into a lateral ditch system until a water master has been selected and reported to the canal superintendent.

Section 9 SPECIAL ASSESSMENTS. The board of directors may issue any special assessment to the stockholders to address any unforeseen or emergency operational or legal issue.

BYLAW 4

OFFICERS

Section 1 ELECTION. The officers of the Corporation shall be elected by ballot at the first annual meeting of the Board of Directors after the annual election of directors, and shall hold office for two years and until their respective successors have been duly elected and qualified. All officers, agents and employees of the Corporation shall be subject to removal at any time by the affirmative vote of a majority of the Board of Directors.

Section 2 POWERS AND DUTIES OF THE PRESIDENT. Subject to the control of the Board of Directors, the President shall have general charge of the affairs of the Corporation. The President shall have supervision over and direction of all officers and employees of the Corporation, and shall see that their duties are properly performed. The President shall sign and execute all authorized bonds, contracts, notes, and other obligations in the name of the Corporation and, with the Secretary, shall sign all share certificates issued by the Corporation. The President shall preside at all meetings of the Board of Directors. At their first meeting after the end of the fiscal year of the Corporation the President shall present to the Board of Directors an annual report of the preceding year's business of the Corporation. The President shall do and perform such other duties as from time to time may be assigned by the Board of Directors.

Section 3 POWERS AND DUTIES OF THE VICE PRESIDENT. In the absence of the President, or in the case of his or her inability to act, the Vice President shall perform the duties of the President, and shall have such other powers and shall perform such other duties as may be assigned by the Board of Directors.

Section 4 POWERS AND DUTIES OF THE SECRETARY. The Secretary shall keep the minutes of all meetings of the Board of Directors and stockholders. The Secretary shall sign, with the President, in the name of the Corporation, all contracts, notes and other obligations authorized by the Board of Directors and, when so ordered by the Board of Directors, the Secretary shall affix the seal of the Corporation thereto. The Secretary shall have charge of all books, documents, and papers properly belonging to his office, and of such other books and papers as the Board of Directors may direct. The Secretary shall, in general, perform all the duties

incident to the office of Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as from time to time may be assigned by the Board of Directors.

Section 5 POWERS AND DUTIES OF THE TREASURER. The Treasurer shall act as the financial agent of the Corporation for the receipt and disbursement of its funds. He or she shall safely keep and account for all monies, goods, and chattels that shall come into his or her hands, and shall deposit such monies and funds in the name of the Corporation in such bank or banks as the Board of Directors may designate. The Treasurer shall keep accurate accounts of all receipts and disbursements, and whenever required by the Board of Directors shall render statements of accounts. The Treasurer shall also do and perform such other duties as may from time to time be assigned by the Board of Directors.

BYLAW 5

STOCK CERTIFICATES AND TRANSFERS

Section 1 RIGHTS OF STOCKHOLDERS. The shares issued by the Corporation are the property of the owner or owners thereof. Upon surrender and cancellation of a share certificate, all rights represented thereby are transferred to the owner or owners of the new certificate or certificates issued in lieu thereof.

Section 2 FORM AND RECORD. All certificates for the shares of the capital stock of the Corporation shall be signed by the President or Vice President, and the Secretary. The certificates shall be consecutively numbered in progression. Each certificate shall show upon its face the name of the person or persons owning the shares represented thereby, the number of shares, and the date of the issue, and that the stock hereby represented is transferable only upon the books of the Corporation and upon surrender of such certificates. A digital database will also be kept with certificate and stockholder information including: certificate number(s), stockholder name(s), phone number(s), addresses, shares, dates of certificate issuance and transfers, and any other information deemed important by the Board of Directors.

Section 3 TRANSFERS. A transfer book known as the “stock register” shall be kept, in which shall be entered the number of each certificate issued, the name of the person or

persons owning the shares represented thereby, the number of such shares, the date of issue of the certificate issued thereof, and a written assignment by the owner or the duly authorized agent of the owner. Upon such surrender and assignment, a new certificate or certificates shall be issued to the assignee as he or she may be entitled, but without such surrender and assignment no transfer of stock shall be recognized by the Corporation, except as provided for in section 5 of this by-law. The Corporation may require any and all information from the individual seeking an assignment of shares in order to ensure that the assigning party is authorized to effectuate said transfer.

Section 4 TRANSFER FEES. A fee of TWENTY-FIVE DOLLARS (\$25.00), or such other amount as may be set by the Board of Directors, shall be assessed for each new certificate issued by the Corporation. No new certificate shall be issued until the transfer fee and other costs approved by the Board of Directors has been paid, or when there is any unpaid assessment outstanding against the shares represented by the certificate to be transferred.

Section 5 LOST CERTIFICATES. If a certificate is lost or destroyed, the Secretary may consult with the board of directors to determine the amount of evidence or proof necessary to approve the issuance of a new certificate. As authorized by the Board of Directors, the Secretary may accept a lost stock affidavit as the sole evidence necessary to issue a new certificate. The Board of Directors may determine, in their sole discretion, to additionally require: (1) a lost stock affidavit together with a corporate surety bond for an amount at least twice the then fair market value of the shares represented by the lost certificate; or (2) compliance with Utah Code Annotated § 70A-8-409.1 (as amended), by publishing written notice of a lost or destroyed certificate at least once a week for three consecutive weeks in at least three (3) conspicuous places within the distribution area of the company. All costs and fees associated with the issuance of a new certificate shall be borne by the requesting shareholder.

Section 6 TERMINATION OR DISSOLUTION. Upon termination or dissolution of the Corporation, the assets of the Corporation remaining after all liabilities and obligations have been paid, satisfied, and discharged or adequate provision has been made for doing so, shall be distributed to the then existing shareholders in proportion to the shares of stock held by each.

BYLAW 6

EVALUATION OF WATER RIGHTS APPLICATIONS

Section 1 CHANGE APPLICATION REQUIREMENTS. No change application or other application affecting the water rights of the Corporation shall be evaluated by the Board of Directors unless the following requirements are met:

1.1. The application reflects the water available per share of stock based on the historical delivery records of the Corporation.

1.2. The application reflects reasonable deductions from the above amount to protect existing stockholders of the Corporation from injury from the change application. All factors which would in any way injure existing stockholders shall be reflected, including, but not limited to, loss of carrier water, increased financial burden on remaining shareholders, and increased inefficiencies in operation of the Corporation's water system.

1.3. The application shall reflect any factors used by the State of Utah Division of Water Rights in evaluating and approving change applications.

1.4. If the application proposes a change in the place of use or nature of use of water, the change application shall identify land to be retired from irrigation. Land to be retired from irrigation shall reflect Division of Water Rights requirements on the area irrigation duty per acre. The land to be retired must either belong to the stockholder requesting the change application, or an agreement acceptable to the Corporation must be presented from another landowner within the service area of the Corporation wherein the other landowner agrees to retire the required acreage from irrigation.

Section 2 ASSESSMENTS. All assessments on the shares being used to make the application shall continue to be paid. In order for the Corporation to see that these assessments will be paid, the following procedure will be followed:

2.1. All applications will be made in the name of the Corporation. The application will reflect that title to the water right is held by the Corporation.

2.2. If an assessment is not paid in a timely fashion, the Corporation may immediately

file a change application that returns the water rights to the position they were in, prior to the change application being made. This right is in addition to any other rights the Corporation may have to enforce its assessments.

Section 3 CHANGE APPLICATION RESTRICTIONS. No application will be approved that will cause any portion of the water diversion, storage, or delivery system of the Corporation, or of any corporation, association, or other entity of which the Corporation is a member, to become subject to:

- 3.1. State or Federal drinking water standards; or
- 3.2. Utah Public Service Commission jurisdiction; or
- 3.3. The Utah Water Quality Act, the Clean Water Act, or regulations promulgated under either such act; or
- 3.4. Requirements based on the Endangered Species Act or regulations promulgated under that act.

Section 4 STOCKHOLDER RESPONSIBILITIES. All costs associated with making the application are to be paid by the stockholder requesting such change application.

- 4.1. Unless otherwise voted upon by the board, a \$100 fee will be collected by the North Jordan Irrigation Company to cover change application costs.
- 4.2. The stockholder requesting the application will sign all agreements necessary to carry out the above provisions before the application will be submitted to the State of Utah, Division of Water Rights.

Section 5 WATER RIGHT ENTITLEMENT. To the extent that the Corporation owns water rights with differing priority dates and/or different points of diversion, the stockholder requesting the application shall not be entitled to specify which water right is to be used in support of an application.

Section 6 APPLICATION CONSIDERATIONS. In reviewing the application, the Corporation shall consider, among other things whether:

- 6.1. An increased cost to the water company or its stockholders results from the proposed change;
- 6.2. The proposed change will interfere with the Corporation's ability to manage and

distribute water for the benefit of all stockholders;

6.3. The proposed applications represent more water than the stockholder's proportionate share of the Corporation's right(s);

6.4. The proposed application would create preferential access to use of particular company water rights to the detriment of other shareholders;

6.5. The proposed change will impair the quantity or quality of water delivered to other stockholders under the existing water rights of the Corporation, including rights to carrier water;

6.6. The proposed application violates a statute, ordinance, regulation, or order of a court of government agency;

6.7. The cumulative effects that the approval of the application may have on other stockholders of the Corporation's operations.

Section 7 DECLINATION OF APPLICATION. In responding to an application, the Corporation shall review the application and investigate the impacts of said application on the Stockholders. If the Corporation is unable to clearly determine the impacts of said application, or if the application fails to meet the requirements described in the bylaw herein, the Corporation shall decline to consent to the application within 120 days of receipt of the application.

BYLAW 7

NON-USE OR LOSS OF WATER

Section 1 BENEFICIAL USE OF WATER. If any stockholder fails to place water to beneficial use and, as a result, becomes subject to a forfeiture and/or abandonment cause related to the non-use of the Corporation's water, the Corporation shall allocate the loss of its water right against the stockholder who failed to place their respective portion of the Corporation's water rights to beneficial use.

BYLAW 8

CASH, NOTES AND BONDS

Section 1 CHECKS. Funds of the Corporation deposited in banks and other depositories to the credit of the Corporation shall be withdrawn from such bank or depository by checks signed by two individuals including the President, Vice President, Secretary, or any other signer, as determined by the Board of Directors.

Section 2 NOTES AND OTHER EVIDENCES OF INDEBTEDNESS. Notes given by the Corporation shall be valid only when authorized by the Board of Directors and Signed by the President or Vice President and attested by the Secretary under the corporate seal.

BYLAW 9

MISCELLANEOUS

Section 1 FISCAL YEAR. The fiscal year of the Corporation shall begin on the first day of January and end on the thirty-first day of December of each year.

Section 2 COMPENSATION. The Directors shall fix the compensation of other officers, agents, and employees of the company, and may fix the value of special service rendered by any Director, President or Vice President.

Section 3 EMPLOYEES. The Board of Directors may hire and/or appoint those employees or agents necessary to carry out the day-to-day operations of the Corporation. This includes, but is not limited to, all necessary water master(s), a secretary, attorneys, accountants, engineers, and bookkeepers.

Section 4 WEIRS. No stockholder or watermaster shall be allowed to take water from a company canal unless it is taken through a weir, pump or siphon previously approved by the Superintendent. Only the Superintendent or a board approved contractor may install outlet gates or weirs on the main canal.

Section 5 CORPORATE SEAL. The seal of the corporation shall be in the following form:
Mechanical seal impression.

Section 6 AMENDMENT OF BY-LAWS. These by-laws may be altered, amended or

repealed at any regular or special meeting of the Board of Directors by an affirmative vote of at least four directors, provided that notice of the intention to change the same shall be stated in the notice of the meeting.

CERTIFICATE OF THE SECRETARY

I, the undersigned, do hereby certify:

1. That I am duly elected and acting secretary of the North Jordan Irrigation Company, a Utah for-profit corporation; and
2. That the foregoing by-laws, comprising thirteen (13) pages including this one, constitute the by-laws of said corporation as duly adopted at the meeting of the Board of Directors of the Corporation, held on the 19th day of December 2016.

Sincerely,

Ryan Robinson

Ryan Robinson,
Secretary of North Jordan Irrigation