



TO: NEW ENROLLEES

**RE: WERNER ENTERPRISES, INC.
EMPLOYEE STOCK PURCHASE PLAN**

The purpose of the Werner Enterprises, Inc. and subsidiaries (the Company) Employee Stock Purchase Plan (the Plan) is to encourage and enable eligible employees of the Company and its subsidiaries to acquire interests in the Company through the ownership of shares of the Company's common stock. Management believes that employees who participate in the Plan will have a closer identification with the Company by virtue of their ability as stockholders to participate in the Company's growth and earnings. There is no guarantee under the Plan against loss because of fluctuations in the market price of common stock. In seeking the benefits of stock ownership, each employee must also accept the risks.

Highlights of the Plan are as follows:

Eligibility - any person employed by the Company or any designated subsidiary at least 90 days prior to the beginning of the calendar quarter in which that person elects to participate in the Plan and who is employed for at least 20 hours per week on a regular basis shall be eligible.

Payroll deductions - regular payroll deductions from \$10 to \$769 per two-week pay period or \$5 to \$384 per weekly pay period, as designated by each participant, will be applied to purchase Company common stock. Each participant's yearly contribution cannot exceed \$20,000 in any calendar year. Payroll deduction changes may be made no more than two times during each calendar year.

Single annual payment - for the convenience of those individuals who desire to participate in the Plan by making a single annual payment, you may, on or before December 31 in each year, make a single annual payment which is not to exceed the \$20,000 limit. The participant making the single annual payment election may have also participated through payroll deductions during the year so long as the total amount contributed does not exceed the established limits. Payments must be received no later than fifteen (15) days before the end of a calendar quarter to allow for administrative processing.

Company contributions - the Company will contribute an amount equal to 15% of each participant's Plan contributions, which will be applied to each participant's account for stock purchases and to pay taxes.

Plan Administrator (Equiniti Trust Company) - payroll deductions and Company contributions will be forwarded to the Plan Administrator, who will open and maintain an account in the name of each participant and make purchases of Company common stock for those accounts at the end of each calendar quarter at the prevailing market price.

Commissions - the Company will pay the trading commissions and administrative charges for maintaining the participant's account related to purchases of the Company's common stock under the Plan. Trading commissions for all sales of stock must be paid by the participant.

Allocation of purchases - the number of shares purchased by the Plan Administrator will depend upon the total contributions and the market price of the common stock at the time of such purchases. Such purchases shall be allocated by the Plan Administrator, at the average cost thereof, in proportion to the respective amount received for each participant's account. Allocation will be made in full shares and in fractional shares. The employee will immediately acquire full ownership of all full and fractional shares purchased for and allocated to his or her account. The employee may then sell or withdraw these shares at any time.

Dividend reinvestment - cash dividends will be reinvested in the Company's common stock by the Plan Administrator.

Tax consequences - the Company contribution of 15% is treated as personal service income to the participant. The Company will withhold federal income taxes (and state, local and FICA taxes, as applicable) upon the basis of each participant's actual compensation. The Company contribution to the Plan will be net of taxes. Dividends received on participant's shares will also be includible in the participant's gross income for the year for income tax purposes. The Plan Administrator will report to you and the Internal Revenue Service ("IRS"), any dividends paid on Form 1099-Div at year end. For non-U.S. participants receiving U.S. sourced dividends, they will be reported on Form 1042-S.

Termination of employment - upon termination of active employment with the Company, a participant's account with the Plan Administrator must immediately be closed, and the stock and/or net proceeds shall be distributed to the participant as that person elects.

Stock - the Company's common stock trades on the NASDAQ Global Select MarketSM under the symbol "WERN".

In summary, this Plan allows you, the employee, to acquire stock ownership in our Company through regular payroll deductions. Also, the Company will add 15% to your contributions under the Plan, as well as pay all trading commissions and administrative charges related to purchases of the Company's common stock under the Plan.

Eligible employees who may be interested in participating in this Plan should read the Prospectus for further information regarding the Plan. The Plan Prospectus and enrollment information are available on shareowneronline.com. To participate in the Plan employees must complete and submit the appropriate enrollment election during the applicable enrollment period established by the Company.

How to participate and enroll in the Plan during the applicable enrollment period:

1. Go to **shareowneronline.com**
2. Under Manage Your Employee Plan, select **Enroll Online**
3. Select **Enroll/Edit Now!** next to Werner Enterprises then select Review Plan.

Or call EQ Shareowner Services at:

866-230-1974

Once you become a participant, you will automatically be enrolled in subsequent purchase periods, unless you withdraw from the Plan or become ineligible to participate.

Contact Information

Internet

shareowneronline.com

Available 24 hours a day, 7 days a week for access to account information and answers to many common questions and general inquiries.

Email

Go to **shareowneronline.com** and select **Contact Us**.

Telephone

866-230-1974 Toll-Free

651-450-4064 outside the United States

Shareowner Relations Specialists are available Monday through Friday, from 7:00 a.m. to 7:00 p.m. Central Time.

You may also access your account information 24 hours a day, 7 days a week using an automated voice response system.

Written correspondence

EQ Shareowner Services

P.O. Box 64856

St. Paul, MN 55164-0856

Certified and overnight delivery

EQ Shareowner Services

1110 Centre Pointe Curve, Suite 101

Mendota Heights, MN 55120-4100

Derek Leathers
President and Chief Executive Officer

TERMS AND CONDITIONS

I hereby affirm that I have attained the age of majority in the state in which I reside and I agree that the following terms and conditions shall govern the handling of my account by the Plan Administrator under this purchase order.

1. All Provisions of the Constitution, rules and regulations and all customs and usages of the Exchange or marketplace where transactions are executed, as from time to time in effect, shall apply.
2. Periodic payments for my account not to exceed \$769 with a minimum of \$10 per biweekly pay period or not to exceed \$384 with a minimum of \$5 per weekly pay period will be made through payroll deductions by my employer. These amounts can be commingled with payments deducted simultaneously from other employees and remitted to the Plan Administrator with company contributions for investment. Upon purchase of shares by the Plan Administrator, full shares and fractional shares will be allocated to my account on the basis of the average purchase price per share.
3. My pro-rata share of stock dividends and stock splits shall be credited to my account. Cash dividends and proceeds of sale of rights and other distributions received for my account will be reinvested in additional shares of Werner Enterprises, Inc. In the absence of receiving timely instructions from me with respect to tenders and exchanges, you are authorized to tender or exchange my shares whenever in your opinion it would be in my best interest to do so.
4. Trading commissions for purchases made through payroll deductions, under the single annual payment option, and with company contributions will be paid by my employer. The trading commission on reinvested dividends will be paid by my employer. Trading commissions on all sales will be charged to me at the rate prevailing at the Plan Administrator at the time of the transaction.
5. I have the option to revise my payroll deduction within the specified limits or withdraw from the Plan by notifying the Plan Administrator. If I terminate my payroll deduction, the Plan Administrator shall continue to maintain the account for a reasonable period of time unless I elect to close it. I may at any time direct that all or part of my shares be sold or that a certificate for all or part of the full shares held in my account be registered in my name and mailed to me. I understand that the plan can be amended, canceled or discontinued at any time, with immediate effect, by my employer or by the Plan Administrator upon written notice to me.
6. Copies of annual reports, proxy forms and any other material issued to stockholders will be mailed to me provided the balance in my account is one share or more.
7. In the event you are advised of my death or legal incapacity, my account will be terminated as to future purchases and any securities and cash shall be held pending receipt of instructions and supporting documents from my legal representative.

PROSPECTUS

WERNER ENTERPRISES, INC.

EMPLOYEE STOCK PURCHASE PLAN

COMMON STOCK
(\$01 par value)

OFFERED AS SET FORTH HEREIN TO ELIGIBLE EMPLOYEES OF
WERNER ENTERPRISES, INC.
AND ITS SUBSIDIARIES

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is January 1, 1990

As amended November 30, 2010

No person is authorized to give any information or to make any representations other than those contained in this Prospectus, and if given or made, such information or representation must not be relied upon as having been authorized. This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities in any state to any person to whom it is unlawful to make such offer or solicitation in such state. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create an implication that information contained herein is correct as of any time subsequent to the date hereof.

AVAILABLE INFORMATION

The Company is subject to the informational requirements of the Securities Exchange Act of 1934 and in accordance therewith files reports, proxy statements and other information with the Securities and Exchange Commission. Reports, proxy statements and other information filed by the Company is available on the Commission's website, www.sec.gov, or can be inspected and copied at the public reference facilities maintained by the Commission at 100 F Street, N.E., Washington, DC 20549. Copies of such materials can be obtained from the Public Reference Section of the Commission at 100 F Street, N.E., Washington, DC 20549, at prescribed rates.

The Company will provide without charge to each employee receiving this Prospectus, upon written or oral request of the employee, a copy of any and all information that has been incorporated by reference in this Prospectus (not including exhibits unless specifically stated). These requests are to be directed to John J. Steele, Executive Vice President, Treasurer and Chief Financial Officer, Post Office Box 45308, Omaha, Nebraska 68145-0308; telephone number 402-895-6640.

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GENERAL INFORMATION REGARDING PLAN

The stockholders of Werner Enterprises, Inc. approved the Werner Enterprises, Inc. Employee Stock Purchase Plan (the Plan) on June 9, 1987 at their annual meeting. The Board of Directors had approved the Plan at an earlier meeting. Eligible employees will be able to purchase shares of the Company's common stock in the Over-The-Counter market at market prices (current at the time of purchase) through regular payroll deductions. The Company will contribute an amount equal to 15% of the participants' contributions and will also pay the related trading commissions and administrative charges.

Any person employed by the Company or any of its subsidiaries at least 90 days prior to the beginning of the calendar quarter in which that person elects to participate in the Plan and who is customarily employed for at least 20 hours per week on a regular basis shall be eligible to participate in the Plan. Employees owning five percent or more of the Company's common stock are not eligible to participate in the Plan. The Company estimates that approximately 10,000 employees are eligible to participate. Although the Plan has no specific termination date, the Board of Directors has the power to amend or discontinue the Plan at any time. The Company has registered under the Securities Act of 1933, as amended, to allow participation in the Plan sufficient to permit employee participation based on the anticipated number of eligible employees contributing the maximum amount permitted under the Plan for the fiscal year ending February 28, 1990. With respect to the participants who are affiliates of the Company, the common stock will be deemed "restricted securities" under federal securities laws and, therefore, subject to restrictions on resale. The Plan imposes no restrictions on resale.

The Plan is not qualified under Section 401(a) of the Internal Revenue Code of 1986 and is not subject to the Employee Retirement Income Security Act of 1974.

The Company's principal executive offices are located at 14507 Frontier Road, Omaha, Nebraska. The mailing address is Post Office Box 45308, Omaha, Nebraska, 68145-0308, and the telephone number is 402- 895-6640.

TAX CONSEQUENCES

The Company contribution is a deductible expense to the Company and is treated as personal service income to the participant. The Company will withhold federal income taxes (and state, local and F.I.C.A. taxes as applicable) upon the basis of each participant's actual compensation, plus the Company contribution to the Plan. Dividends on all shares purchased for a participant's account under the Plan will be includible in the participant's gross income for income tax purposes for the year the dividend is received by the Plan Administrator or by the participant. The distribution of common stock to participants will not be a taxable event.

WERNER ENTERPRISES, INC.
EMPLOYEE STOCK PURCHASE PLAN

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WERNER ENTERPRISES, INC.
EMPLOYEE STOCK PURCHASE PLAN

1. **Purpose:** The purpose of the Werner Enterprises, Inc. (the Company) Employee Stock Purchase Plan (the Plan) is to encourage and enable eligible employees of the Company and its subsidiaries to acquire interests in the Company through the ownership of shares of the Company's Common Stock. Management believes that employees who participate in the Plan will have a closer identification with the Company by virtue of their ability as stockholders to participate in the Company's growth and earnings. The Plan is also designed to provide motivation for participating employees to remain in the employ of, and to have the incentive to give a greater effort on behalf of, the Company.

2. **Definitions:** The following words shall have the following meaning:

- a. "Company" shall mean Werner Enterprises, Inc., a Nebraska corporation.
- b. "Board of Directors" shall mean the Board of Directors of the Company.
- c. "Common Stock" shall mean the common stock of the Company, par value \$.01 per share.
- d. "Eligible Employee" shall mean any person employed by the Company or any parent or any of its subsidiaries at least 90 days prior to the beginning of the calendar quarter in which that person elects to participate in the Plan and who is customarily employed for at least 20 hours per week on a regular basis. Employees owning five percent or more of the Company's Common Stock are not eligible to participate in the Plan.
- e. "Participant" shall mean an Eligible Employee who has elected to participate in the Plan.
- f. "Option" shall mean the right granted to a Participant to purchase Common Stock under an offering made pursuant to the Plan.
- g. "Purchase Price" shall mean the price for a share of Common Stock pursuant to the Plan, as determined in Section 7 below.
- h. "Purchase Period" shall mean a period of three months based on the Company's fiscal quarters (three months beginning January 1, April 1, July 1, and October 1 of each year).
- i. "Purchase Date" shall mean the next business day after the end of each Purchase Period.
- j. "Plan" shall mean this Werner Enterprises, Inc. Employee Stock Purchase Plan.
- k. "Subsidiary" means any corporation, any limited liability company, any partnership or other legal entity of which Werner Enterprises, Inc., owns, directly or indirectly, more than fifty percent (50%) of the stock or other equity interest entitled to vote on the election of the members of the board of directors or similar governing body.

3. **Administration:** The Plan shall be administered by the Company's Board of Directors. Subject to the provisions of the Plan and with the view to effecting its purpose, the Board of Directors shall have sole authority, in its absolute discretion, to determine all questions of interpretation and application. All decisions and determinations made by the Board of Directors shall be binding and conclusive on all Participants of the Plan and all their legal representatives, heirs and beneficiaries. No member of the Board of Directors shall be liable for any action or determination made by him in good faith.

4. **Company Contributions:** Any Eligible Employee will be able to purchase shares of Common Stock in the Over-The-Counter Market at market prices (current at the time of purchase) through regular payroll deductions. The Company will contribute an amount equal to 15% of each Participant's payroll deductions applied to Plan contributions or other Plan contributions by the Participant under this Plan. The Company has not reserved any shares of Common Stock to be available under the terms of the Plan. The Board of Directors may revoke or amend the Plan at any time. Participation in the Plan is voluntary, and the Company makes no recommendations to employees as to whether they should or should not participate.

5. **Participation in the Plan:** Eligible Employees shall become Participants in the Plan by enrolling with the Plan Administrator at shareowneronline.com or by calling 866-230-1974. Employees should enroll at least two weeks prior to the commencement of a Purchase Period except, that if action must be taken to obtain regulatory approval of implementation of the Plan in one or more jurisdictions and such action has not been completed, with respect to Eligible Employees residing in those jurisdictions, the Board of Directors may permit such Eligible Employees to forward their Elections to Participate at any time during a Purchase Period with payroll deductions commencing no earlier than two weeks following receipt of the Election to Participate by the Company's Employee Stock Purchase Department. Payroll deductions will commence at the beginning of the first Purchase Period following the Company's receipt of the Election to Participate. Participants may withdraw from the Plan at any time or may be withdrawn from the Plan under certain circumstances.

6. **Payroll Deductions:** The funds that will be used to purchase Common Stock under the Plan shall be accumulated by payroll deductions over the quarterly Purchase Period. Deductions may not exceed \$769 per two-week pay period (or \$384 per weekly pay period) and shall not be less than \$10 per two-week pay period (or \$5 per weekly pay period). The Participant's contribution cannot exceed \$20,000 per year. A Participant may change to a new withholding rate at any time. The new rate shall become effective the next Purchase Period if it was submitted at least two weeks before the start of the Purchase Period. Payroll deduction changes may be made no more than two times during each calendar year. Payroll deductions shall commence with the first payroll following the start of a Purchase Period and will continue until altered or terminated by the Participant or as provided in the Plan. For the convenience of those individuals who desire to participate in the Plan by making a single annual payment, Participants may, on or before December 31 in each year, make a single annual payment which is not to exceed the \$20,000 limit. A Participant making the single annual payment election may have also participated through payroll deductions during the year so long as the total amount contributed does not exceed \$20,000 per year.

All payroll deductions made for a Participant shall be credited to his or her payroll deduction account under the Plan. Interest shall accrue on payroll deductions held in a Participant's account at a rate of 5.25%. All payroll deductions received or held by the Plan may be used for any corporate purpose prior to the next Purchase Date. If in any payroll period, for any reason, a Participant has no pay or that person's pay is insufficient (after other authorized deductions) to permit deduction of the payroll deduction for the Plan, the Participant may make that payment in cash before the end of the Purchase Period. If not then made, the Participant shall not be entitled to make the missed installment at a later date.

7. **Method of Operation:** The Company will designate a Plan Administrator to open and maintain an account in the name of each Participant and to make purchases of shares of Common Stock for the accounts of the Participants. The trading commissions and administrative charges for maintaining the Participants' accounts relating to purchases of securities from amounts paid under the Plan by participating employees and from amounts contributed by the Company will be paid by the Company upon receipt of billing from the Plan Administrator.

The Company will deduct funds from each Participant's paycheck as authorized and will, at the close of each calendar quarter, forward the total of the amounts deducted or collected for all Participants, along with the Company's 15% contribution, to the Plan Administrator, together with a list of Participants and the amount allocable to the account of each Participant. Upon receipt of such funds from the Company, the Plan Administrator will, as promptly as practicable, purchase on the Over-The-Counter Market, as Plan Administrator for the Participants, as many shares of the Company's Common Stock, or fractional shares therein, as such funds will permit at the then current market price.

8. **Participant's Account with the Plan Administrator:** The number of shares purchased by the Plan Administrator with funds of the Plan will depend upon the total contributions received and the market price of the Common Stock at the time of such purchases. Such purchases will be allocated by the Plan Administrator, at the average cost thereof, in proportion to the respective amount received for each Participant's account. Allocation will be made in full shares and fractional shares. All purchases will be made in accordance with certain conditions imposed on the Plan Administrator by the Securities and Exchange Commission, the National Association of Securities Dealers and other regulatory agencies.

At the time of purchase, each Participant for whose account funds were received will immediately acquire full ownership of all shares and of any fractional shares purchased for and allocated to his or her account. Unless otherwise requested by the Participant, all shares shall be registered in the name of the Plan nominee and will remain so registered until delivery to the Participant is requested. The Participant may request that a certificate for any or all full shares be delivered to the Participant at any time. Each Participant will be sent a statement following the end of each calendar quarter which will reflect the purchases during that calendar quarter. Although the Participant may not assign nor hypothecate any interest in the Plan as such, upon purchase of shares under the Plan, such shares may be sold, assigned, hypothecated or otherwise dealt with as would be the case with respect to any other shares of Common Stock the Participant might own.

The Participant's account shall be credited with all dividends paid in respect of the full shares and any fractional shares held in his or her account. Cash dividends will be reinvested in Common Stock as promptly as practicable following receipt thereof by the Plan Administrator. Regular trading commissions payable on purchases made with reinvested dividends will be payable by the Company.

Stock dividends or stock splits in respect of shares held in the Participant's account will be credited to the account without charge. Any distributions to holders of Common Stock of other securities or rights to subscribe for additional shares will be sold and the proceeds will be handled in the same manner as cash dividends.

The Participant may instruct the Plan Administrator, at any time to sell any or all of his or her full shares and fractional shares allocable to that person's account. Participants can submit a sell request either online, by telephone or through mail (**see Contact Information**). Upon such sale, a check will be issued for your proceeds, unless you elect to receive the funds by direct deposit into your bank account, less trading commission and any transfer taxes, registration fee or other normal charges which are payable by the Participant. Such instruction to the Plan Administrator or a request for delivery of certificates will not affect the Participant's status under the Plan unless he or she also terminates the payroll deduction authorization.

The Plan Administrator will deliver to each Participant as promptly as practicable, by mail or otherwise, all notices of meetings, proxy statements and other material distributed by the Company to its shareholders. The full shares of stock in each Participant's account will be voted in accordance with the Participant's signed proxy instructions delivered to the Plan Administrator. There will be no charge to the Participant for the Plan Administrator's retention of stock certificates or in connection with notices, proxies or other such material.

The relationship between the Plan Administrator and the Participant shall be the normal relationship of a Plan Administrator and client, and the Company assumes no responsibility in this respect.

9. **Closing Participant's Account:** A Participant who discontinues participation under the Plan by terminating the payroll deduction feature may request the Plan Administrator to maintain his or her account or close it. The Participant may direct that all full and fractional shares in the account be sold and the net proceeds remitted to him or her, or may request that the full shares in the account be delivered along with a check for the net proceeds of the sale of the fractional shares, less the regular trading commission and any transfer taxes, stock registration fee or their normal charges which are payable by the Participant. The employee may subsequently reenter the Plan if so desired. However, an employee may not recommence payroll deductions for a period of six months after he or she has terminated such deductions.

Upon termination of employment with the Company, a Participant's account with the Plan Administrator must be closed, and the stock and/or net proceeds shall be distributed to the Participant as that person elects.

10. **Amendment:** The Company reserves the right to discontinue use of its payroll deduction facilities for this purpose at any time that such action is deemed advisable in its judgment, and it also reserves the right to amend or discontinue the Plan at any time. Any such amendment or termination will not result in the forfeiture of any funds deducted from the salary of or paid by any Participant or contributed by the Company on behalf of any Participant, or of any shares purchased for the participant, or of any dividends or other distribution in respect of such shares, effective before the effective date of the amendment or termination of this Plan.

11. **Nonassignability:** A Participant's option or right to purchase Common Stock under the Plan may not be sold, pledged, assigned or transferred in any manner, other than by will or by the laws of descent and distribution. If this provision is violated, the Participant's right to purchase shall immediately terminate, and the only right remaining thereunder will be to have paid to the person entitled thereto the amount credited to the Participant's payroll deduction account.

12. **Employment Rights:** Nothing in the Plan or in any offering under the Plan shall confer on any employee any right to continue in the employ of this Company or affect in any way the rights of the Company to terminate any individual's employment at any time.

13. **Termination of Employment:** Termination of a Participant's employment for any reason, including retirement or death, or the failure of a Participant to remain in the continuous employ of the Company for at least 20 hours per week, shall result in the immediate cancellation of that person's participation in the Plan. In such event, the payroll deductions in the Participant's account shall be promptly returned to him or her.

14. **Liability of the Company and Board of Directors:** The Company and Board of Directors shall not be liable under the Plan for any acts done in good faith or any omission to act including, without limitation, claims for damages, whether consequential or otherwise, arising out of any delays in processing notices, instructions or transactions with respect to the Plan.

15. **Charges and Deductions:** It is not the intention of the Company to charge or deduct anything against the Participant's vested interest in the Plan. No liens are to be held on any of the funds or securities of Participants under the Plan.

16. **Common Stock:** The Company's authorized capital stock consists of 200,000,000 shares of Common Stock, \$.01 par value. The holders of Common Stock are entitled to dividends and other distributions as and when declared by the Board of Directors from funds legally available therefore. The holders of Common Stock are entitled to one vote for each share held by them and to cumulate votes in the election of directors. Holders of Common Stock have no preemptive rights. All outstanding shares of Common Stock are fully paid and nonassessable. Upon liquidation, dissolution or winding up of the Company, the holder of each share of Common Stock would be entitled to share pro-rata in the distribution of the Company's assets available therefore.

The transfer agent and registrar for the Company's Common Stock is EQ Shareowner Services, Post Office Box 64854, Saint Paul, Minnesota 55164-0854.

17. **Dividend Policy:** The Board of Directors declared the Company's first dividend after the Company's fiscal quarter ended May 31, 1987. It is the intention of the Company's Board of Directors to continue to pay quarterly cash dividends. Subsequent cash dividends will depend upon the financial condition, results of operations and capital commitments of the Company, as well as other factors deemed relevant by the Board of Directors.

18. **Reports:** The Company furnishes holders of its Common Stock an annual report containing audited financial statements.

19. **Governing Law:** This Plan shall be construed in accordance with and governed by the laws of the State of Nebraska. The Board of Directors may make changes in the Plan and may include any terms in any offering under the Plan that may be necessary or desirable, in the opinion of counsel, so that the Plan will comply with the rules and regulations of any governmental authority and so that Participants may be eligible for tax benefits under the Internal Revenue Code of 1986 or the laws of any state.

THERE IS NO GUARANTEE UNDER THE PLAN AGAINST LOSS BECAUSE OF FLUCTUATIONS IN THE MARKET PRICE OF COMMON STOCK. IN SEEKING THE BENEFITS OF SHARE OWNERSHIP, EACH PARTICIPANT MUST ALSO ACCEPT THE RISKS.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The following documents filed with the Securities and Exchange Commission are incorporated by reference into this Prospectus:

- a. The Company's Prospectus dated April 9, 1987, included in the Registration Statement on Form S-1, S.E.C. Registration No. 33-12923, including consolidated financial statements together with the reports of independent certified public accountants thereon for the fiscal year ended February 28, 1987.
- b. The Company's Annual Report on Form 10-K for the fiscal year ended February 28, 1987.
- c. The Company's Annual Proxy Statement to Stockholders dated May 26, 1987.
- d. The Company's Quarterly Report on Form 10-Q for the quarter ended May 31, 1987.
- e. The description of the Company's common stock contained in the Company's Registration Statement on Form 8-A filed June 4, 1986.

All documents subsequently filed by the Company pursuant to Sections 13, 14 or 15(d) of the Securities Exchange Act of 1934, prior to the filing of a post-effective amendment, if any, which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Prospectus and to be a part hereof from the date of filing such documents.

LEGAL MATTERS

The validity of the securities offered hereby, as well as certain other matters, has been passed upon for the Company by Epstein & Leahy, Omaha, Nebraska. In 1989, the firm of Epstein & Leahy was merged into the law firm of Gross & Welch, a professional corporation. Members of the firm of Epstein & Leahy, at the time the Registration Statement relating to such securities was initially filed, owned 3,500 shares of the Company's common stock in the aggregate.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Indemnification of directors and officers of the Company is provided under Article VIII of the Restated Articles of Incorporation of the Company, for judgments, fines, settlements and expenses, including attorney fees incurred in connection with any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitral or investigative, if such director or officer acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable.