

EAST KANSAS AGRI-ENERGY, L.L.C.
PRIVATE TRANSFER APPLICATION

A. **General Instructions.** As described in East Kansas Agri-Energy, L.L.C.'s Unit Transfer System Manual, proposed transfers of units in East Kansas Agri-Energy, L.L.C. ("EKAE") that are not being conducted through the Trading Service provided by Variable Investment Advisors, Inc. on AgStockTrade.com must qualify as a "private transfer" under applicable tax and securities laws. EKAE is only permitted to approve a limited number of transfers that are neither made through the Trading Service nor qualify as private transfers. Transfers of units must also comply with other requirements and conditions to transfer provided in EKAE's current Operating Agreement, as amended (the "Operating Agreement"), and policies of the Board of Directors which may be in effect from time to time. Please refer to the Unit Transfer System Manual for additional information relating to transfers of units in EKAE.

1. The person or entity desiring to transfer the units of East Kansas Agri-Energy, L.L.C. ("Transferor") and the person or entity desiring to acquire the units ("Transferee") must complete all respective information required in this Private Transfer Application, and date and sign this Private Transfer Application at page 12.

2. Transferee must complete, sign and date the Member Signature Page of the Operating Agreement included as page 14.

3. Transferor must execute the reverse side of the certificate(s) representing Transferor's units in East Kansas Agri-Energy, L.L.C. that are proposed to be transferred.

4. If applicable (pursuant to Part E below), a Transferor that has granted a security interest to a lender or other lien holder in the units to be transferred must submit the lender's or lien holder's consent to the proposed transfer and the lender or lien holder's transfer instructions.

5. In order to assist EKAE's Board of Directors in determining whether the proposed transfer will qualify as a "private transfer", the Transferor or Transferee, as applicable, must provide the following documents:

- **If the transfer is requested due to a Member's death**, a certified copy of a death certificate, letters of appointment of executor or administrator, and designation of attorney form is required.
- **If the transfer is to a trust**, copies of the following pages in the trust investment must be included: the title page, signature page and page identifying the trustee.
- **If the transfer is to a corporation, partnership or limited liability company**, a corporate resolution and the bylaws, operating agreement or partnership agreement of the entity must be provided.
- **The Transferor and Transferee must also provide such additional information or documents as the Board of Directors may request.**

6. All transfers of Class A or Class B units are conditioned upon the Transferor's election to exchange such Class A or Class B units into Class C units, as well as satisfaction of all other applicable requirements and conditions to transfer contained in EKAE's Operating

Agreement (each such transfer is referred to throughout this application as an "Exchange Conditioned Transfer"). However, a Transferor's proposed transfer of Class A or Class B units to only one Transferee which does not have the effect of increasing the number of holders of Class A or Class B units, as the case may be (referred to herein as a "One-for-One Transfer"), will not constitute Exchange Conditioned Transfer.

7. All Transferors desiring to make a transfer of Class A or Class B units must complete Part G of this Private Transfer Application to determine whether the proposed transfer constitutes an Exchange Conditioned Transfer and, if so, whether the Transferor agrees to complete the exchange of Class A or Class B units for Class C units.

8. Class A, Class B and Class C units have material differences in their respective rights and preferences. A "Summary of Class Distinctions for Exchange Conditioned Transfers" is attached as Exhibit A to this Private Transfer Application. Transferors should carefully review Exhibit A before determining whether to elect to exchange Class A or Class B units for Class C units.

9. All unit transfer requests will be reviewed and considered by EKAE's Board of Directors at such times and at such intervals as may be determined by the Board of Directors in its sole discretion. In the case of a request for an Exchange Conditioned Transfer, if such transfer is approved by the Board of Directors, the exchange of the Class A or Class B units into Class C units and the corresponding transfer of the Class C units to the Transferee will be effected on the same date, unless otherwise determined by the Board of Directors in its sole discretion.

10. The exchange of Class A or Class B units into Class C units in connection with an Exchange Conditioned Transfer will be contingent upon the Board of Directors' approval of the Exchange Conditioned Transfer. If the Exchange Conditioned Transfer is not approved by the Board of Directors in its sole discretion, the Transferor's Class A or Class B units will not be exchanged for Class C units.

11. All units must be transferred in whole-unit increments. Transfers of fractional units are not permitted. Class A and Class B units are exchangeable for Class C units in connection with an Exchange Conditioned Transfer on a one-for-one basis.

12. This Application shall not constitute an offer to sell or the solicitation of an offer to purchase any securities in any jurisdiction in which, or to any person to whom, it would be unlawful to do so.

13. The parties should deliver each of the original executed documents referenced in Items 1, 2, 3, 4 and 5 of these Instructions to:

East Kansas Agri-Energy, L.L.C.
1304 South Main St.
Garnett, KS 66032
(785) 448-2888

B. **Transferor Information.** Please print your individual or entity name and address. Joint owners should provide their respective names.

1. Transferor's Printed Name: _____
2. Title, if applicable: _____
3. Transferor's Address: _____
Street _____
City, State, Zip Code _____
4. Telephone Number _____
5. Is the Transferor a director, officer or Owner of 10% or more of a class of EKAE's outstanding Units? (If yes, please specify) _____

C. **Transferee Information.** Please print your individual or entity name and address. Joint owners should provide their respective names.

1. Transferee's Printed Name: _____
2. Title, if applicable: _____
3. Transferee's Address: _____
Street _____
City, State, Zip Code _____
4. Telephone Number _____
5. Is the Transferor a director, officer or Owner of 10% or more of a class of EKAE's outstanding Units? (If yes, please specify) _____

D. **Transfer Information.**

1. What is the number of the unit certificate(s) to be transferred? _____
2. What is the date on the unit certificate(s)? _____
3. How many units are being transferred*? _____
4. How many units are being retained by the transferor (if any)? _____
5. What is the class of units being transferred (Class A, B or C)?** _____
6. Is the Transferor giving the units away? _____
7. Is the Transferor receiving consideration (in the form of money or otherwise) in exchange for the Units? _____
 - If so, how much (per unit) is the Transferor selling the units? _____
 - If so, what is the total sale price (for all units)? _____

***Class B units may only be transferred in increments of 10 Units.**

***A proposed transfer of Class A units and Class B units will constitute an Exchange Conditioned Transfer, unless it is a One-for-One Transfer. This will require the above described Class A or Class B units to be exchanged for Class C units as a condition to transfer. Please see the instructions under Part A and, if applicable, complete Part G of this Private Transfer Application for Exchange Conditioned Transfers.**

E. **Security Interests.** Transferor and Transferee should check the appropriate box to indicate whether a security interest has been granted in the units to be transferred.

Transferor certifies that (choose one):

- Transferor has not granted to a lender or other lien holder a security interest in the units to be transferred.
- Transferor has granted to a lender or other lien holder a security interest in the units to be transferred, and the lender's or lien holder's consent to transfer and transfer instructions accompany the delivery of this form and the other documents identified in Part A.

Transferee certifies that (choose one):

- Transferee has not granted to a lender or other lien holder a security interest in the units to be transferred.
- Transferee has granted to a lender or other lien holder a security interest in the units to be transferred.

F. **Type of Transfer – Determination of "Private" Transfer Status under Applicable Tax Laws.** Transferor should check the appropriate box (or boxes) to indicate the type of transfer.

- A transfer by gift in which the Transferee's tax basis in the units Transferred is determined by reference to the Transferor's tax basis in the interests transferred. Please specify which of the following is applicable:

- Lifetime Gift

- To a family member of the Transferor.

Indicate relationship: _____

- To others

Indicate relationship: _____

- Lifetime transfer to a trust (not as a result of death)

- For the benefit of the spouse or descendant(s) of a Member of

EKAE. *Indicate relationship* _____

- For the benefit of others.

Indicate relationship _____

- Involuntary transfer by operation of law due to a Member's divorce, bankruptcy, conservatorship, etc. *Please specify applicable circumstances:* _____
- Transfer without consideration between an entity and its owners
- A transfer at a Member's death. Please specify which of the following is applicable:
 - Transfer pursuant to a will or trust of the deceased Member
 - Transfer is to spouse or descendant(s) of the deceased Member.
Indicate relationship _____
 - Transfer is not to spouse or descendants of the deceased Member
Indicate relationship _____
 - Transfer by operation of law due to intestacy of the deceased Member
 - Transfer by operation of law due to death of a joint tenant
- A transfer between members of a family ("Family" is defined as a person's brothers and sisters, whether by whole or half blood, spouse, ancestors and lineal descendants).
Indicate Relationship of Transferee to Transferor: _____
- A transfer involving distributions from a retirement plan qualified under Section 401(a) of the Internal Revenue Code or an individual retirement account
- Block transfer of units representing in the aggregate more than 2% of the total issued and outstanding units in one or more transactions during any 30 day period by a person and any related person. ("Related persons" generally include members of a family, an individual and an entity majority owned by such individual, 2 entities that are majority owned by the same persons, the grantor and fiduciary of a trust, the fiduciary and beneficiary of a trust, and the executor and beneficiary of an estate.)
- A transfer or series of related transfers by one or more Members (acting together) which, in the aggregate, involves the Transfer of fifty percent (50%) or more of the outstanding units
- None of the above apply

Comments: _____

G. Exchange Conditioned Transfers – Determination of Status and Election to Exchange. (To be completed only by Transferors requesting to transfer Class A or Class B units.)

To how many Transferees does the Transferor propose to transfer the Class A or Class B units designated in Part D above? *Transferor should check the appropriate box below:*

- One Transferee.** *The proposed transfer constitutes a One-for-One Transfer that is not conditioned upon the exchange of the Class A or Class B units for Class C units. The Transferor does not need to complete the remainder of this Part G.*

- More than One Transferee.** *The proposed transfer constitutes an Exchange Conditioned Transfer and the approval of such transfer is conditioned upon the Transferor's election to exchange his, her or its Class A or Class B units designated in Part D above for Class C units in EKAE. Transferor should check the appropriate box to indicate whether Transferor elects to make such an exchange:*
 - Yes, the undersigned Transferor elects to exchange the Class A or Class B units designated in Part D above for Class C units of EKAE on a one-for-one basis.** *Transferor understands that there are material differences between the rights and preferences of the Class A or Class B units and the Class C units.*

 - No, the undersigned Transferor declines to elect to exchange the Class A or Class B units designated in Part D above for Class C units of EKAE.** *Transferor understands that the proposed transfer of such Class A or Class B units will be prohibited.*

H. Additional Transferee Information. The Transferee, named above, certifies the following under penalties of perjury:

1. **Form of Ownership.** Check the appropriate box (one only) to indicate form of ownership. If the Transferee is a Custodian, Corporation, Partnership or Trust, please provide the additional information requested.
 - Individual

 - Joint Tenants with Right of Survivorship (Both signatures must appear on page 8)

 - Corporation, Limited Liability Company or Partnership (Corporate Resolutions and Bylaws, Operating Agreement, or Partnership Agreement must be enclosed)

 - Trust (Signature and title pages of Trust Agreement, the page of the Trust Agreement identifying the trustee, and all amendments must be enclosed)

Trustee's Name: _____

Trust Date: _____

- Other: Provide detailed information below.

2. **Transferee's Taxpayer Information.** Check the appropriate box if you are a non-resident alien, a U.S. Citizen residing outside the United States or subject to back-up withholding. KEOGHS should provide the taxpayer identification number of the account and the social security number of the accountholder. Trusts should provide their taxpayer identification number. Custodians should provide the minor's social security number. All individual transferees and IRA transferees should provide their social security number. Other entities should provide their taxpayer identification number.

- Check box if you are a non-resident alien
 Check box if you are a U.S. citizen residing outside of the United States
 Check this box if you are subject to backup withholding

Transferee's Social Security No. _____

Joint Transferee's Social Security No. _____

Taxpayer Identification No. _____

3. **Member Report Address.** If Transferee would like duplicate copies of member reports sent to an address that is different than the address identified in section C, please complete this section.

Address: _____

4. **Representations and Warranties.** You must read and certify your representations and warranties and sign and date this Private Transfer Application.

By signing below, **Transferee and Transferor** represent and warrant to EKAE that he, she or it understands that the transfer proposed in this Private Transfer Application will not become valid and effective unless the Board of Directors of EKAE has approved the transfer.

By signing below, if the transfer proposed in this Private Transfer Application constitutes an Exchange Conditioned Transfer and the Transferor has made an election to exchange Class A or Class B units for Class C units pursuant to Part G above, **Transferor** represents and warrants to EKAE that he, she or it:

- a. understands that by executing this Private Transfer Application, Transferor has elected to exchange his or her Class A or Class B units for Class C units of EKAE on a one-for-one basis if the Exchange Conditioned Transfer is approved;

b. has reviewed and acknowledges receipt of, the "Summary of Class Distinctions for Exchange Conditioned Transfers" from EKAE describing the material differences between the rights of the Class A or Class B units and the Class C units into which they will be exchangeable, as provided in the Operating Agreement;

c. understands the exchange of Transferor's Class A or Class B units is conditioned upon the Board of Directors' approval of such exchange and the transfer requested hereunder, and that no exchange of units shall be consummated in the event the transfer requested hereby is disapproved in the Board's sole discretion; and

d. understands that upon approval of the transfer requested hereby, Transferor's Class A or Class B units designated in Part D above on this Private Transfer Application will be exchanged for an identical number of Class C units of EKAE effective as of the effective date of the transfer requested hereby, and that such units will constitute Class C units upon their transfer to the Transferee.

By signing below, **Transferee** represents and warrants to EKAE that he, she or it:

a. agrees to be bound and governed by the provisions, rules and regulations of the Articles of Organization and Second Amended and Restated Operating Agreement of EKAE and, if applicable, policies of EKAE, all as amended from time to time;

b. intends to acquire the Units for his/her/its own account without a view to public distribution or resale and that he/she/it has no contract, undertaking, agreement or arrangement to sell or otherwise transfer or dispose of any Units or any portion thereof to any other person;

c. understands that there is no present market for EKAE's membership units, that the membership units will not trade on an exchange or automatic quotation system, that no such market is expected to develop in the future and that there are significant restrictions on the transferability of the membership units;

d. has received a copy of the EKAE Operating Agreement and amendments thereto, and understands that the Transferee and the membership units will be bound by the provisions of the Operating Agreement which contains, among other things, provisions that restrict the transfer of membership units;

e. understands that the Units are subject to substantial restrictions on transfer under applicable tax and securities laws, along with restrictions in the EKAE Operating Agreement and amendments thereto, and agrees that if the membership units or any part thereof are sold or distributed in the future, the Transferee shall sell or distribute them pursuant to the terms of the Operating Agreement, and the requirements of the Securities Act of 1933, as amended, and applicable tax and securities laws;

- f. agrees to indemnify and hold EKAE harmless for any damage, loss, cost, or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from the transfer of units from the Transferor to the Transferee or any incorrect information provided in connection with the transfer of units pursuant to this Private Transfer Application;
- g. understands that EKAE will place a restrictive legend on any certificate representing any unit containing substantially the following language as the same may be amended by the Board of Directors of EKAE in their sole discretion:

THE TRANSFERABILITY OF THE UNITS REPRESENTED BY THIS CERTIFICATE IS RESTRICTED. SUCH UNITS MAY NOT BE SOLD, ASSIGNED, OR TRANSFERRED, NOR WILL ANY ASSIGNEE, VENDEE, TRANSFEE, OR ENDORSEE THEREOF BE RECOGNIZED AS HAVING ACQUIRED ANY SUCH UNITS FOR ANY PURPOSES, UNLESS AND TO THE EXTENT SUCH SALE, TRANSFER, HYPOTHECATION, OR ASSIGNMENT IS PERMITTED BY, AND IS COMPLETED IN STRICT ACCORDANCE WITH, APPLICABLE STATE AND FEDERAL LAW AND THE TERMS AND CONDITIONS SET FORTH IN THE COMPANY'S OPERATING AGREEMENT (AS MAY BE AMENDED FROM TIME TO TIME) AND AGREED TO BY EACH MEMBER.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, OFFERED FOR SALE, OR TRANSFERRED IN THE ABSENCE OF EITHER AN EFFECTIVE REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND UNDER APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND UNDER APPLICABLE STATE SECURITIES LAWS.

- h. understands that, to enforce the above legend, EKAE may place a stop transfer order with its registrar and stock transfer agent (if any) covering all certificates representing any of the membership units;
- i. if this Private Transfer Application relates to an Exchange Conditioned Transfer, understands that the units to be received by Transferee upon the approval (if any) of the transfer requested hereby will be Class C units (regardless of the class of units held by the Transferor prior to the completion and/or approval of this Private Transfer Application), which have significantly different rights than Class A and Class B units; and
- j. has reviewed and acknowledges receipt of, the "Summary of Class Distinctions for Exchange Conditioned Transfers" from EKAE describing the material differences between the rights of the Class A or Class B units and the Class C units into which they will be exchangeable, as provided in the Operating Agreement.

[SIGNATURES ON NEXT PAGE]

Signature of Transferor/ Joint Transferor:

The undersigned Transferor(s) hereby certifies (certify) that the representations and warranties in this Private Transfer Application are true and correct. The undersigned Transferor(s) does (do) hereby irrevocably constitute and appoint the officers of East Kansas Agri-Energy, L.L.C. as attorney-in-fact to transfer the said units as the case may be on the books of said company, with full power of substitution in the premises.

Date: _____

Individuals:

Entities:

Name of Individual Transferor (Please Print)

Name of Entity (Please Print)

Signature of Individual

Print Name and Title of Officer

Name of Joint Individual Transferor (Please Print)

Signature of Officer

Signature of Joint Individual Transferor

Signature of Transferee/ Joint Transferee:

The undersigned Transferee(s) hereby certifies (certify) that the representations and warranties in this Private Transfer Application are true and correct.

Date: _____

Individuals:

Entities:

Name of Individual Transferee (Please Print)

Name of Entity (Please Print)

Signature of Individual

Print Name and Title of Officer

Name of Joint Individual Transferee (Please Print)

Signature of Officer

Signature of Joint Individual Transferee

(Use this signature block when the transfer is a "Permitted Transfer" that does not require approval by the Board of Directors pursuant to Section 9.2 of the Second Amended and Restated Operating Agreement)

***ACKNOWLEDGMENT OF TRANSFER BY
EAST KANSAS AGRI-ENERGY, L.L.C.***

East Kansas Agri-Energy, L.L.C. hereby acknowledges the transfer of the above Units to a related party as described in this Private Transfer Application.

Dated this ____ day of _____, 20__.

EAST KANSAS AGRI-ENERGY, L.L.C.

By: _____

Its: _____

(Use this signature block when the transfer is a "Permitted Transfer" that requires approval by the Board of Directors pursuant to Section 9.2 of the Second Amended and Restated Operating Agreement)

***APPROVAL OR DISAPPROVAL OF TRANSFER BY
EAST KANSAS AGRI-ENERGY, L.L.C.***

Pursuant to Section 9.2 of the Second Amended and Restated Operating Agreement of East Kansas Agri-Energy, L.L.C., the transfer to Transferee is: approved disapproved by the Directors by an action taken on _____, 20__.

EAST KANSAS AGRI-ENERGY, L.L.C.

By: _____

Its: _____

MEMBER SIGNATURE PAGE

**ADDENDUM
TO THE
EAST KANSAS AGRI-ENERGY, L.L.C.
OPERATING AGREEMENT**

The undersigned does hereby represent and warrant that the undersigned, as a condition to becoming a Member in East Kansas Agri-Energy, L.L.C. (the "Company"), has received a copy of the Second Amended and Restated Operating Agreement, dated March 1, 2008, and, if applicable, all amendments and modifications thereto, and does hereby agree that the undersigned, along with the other parties to the Second Amended and Restated Operating Agreement, shall be subject to and comply with all terms and conditions of said Second Amended and Restated Operating Agreement in all respects as if the undersigned had executed said Second Amended and Restated Operating Agreement on the original date thereof and that the undersigned is and shall be bound by all of the provisions of said Agreement from and after the date of execution hereof.

Individuals:

Entities:

Name of Individual Transferee (Please Print)

Name of Entity (Please Print)

Signature of Individual

Print Name and Title of Officer

Name of Joint Individual Transferee (Please Print)

Signature of Officer

Signature of Joint Individual Transferee

Date

Date

Agreed and accepted on behalf of the
Company and its Members:

EAST KANSAS AGRI-ENERGY, L.L.C.

By: _____

Its: _____

Date: _____

EXHIBIT A

EAST KANSAS AGRI-ENERGY, L.L.C.

SUMMARY OF CLASS DISTINCTIONS FOR EXCHANGE CONDITIONED TRANSFERS

Pursuant to a Private Transfer Application, the Transferor plans to request or has requested to make a transfer of Class A or Class B units of East Kansas Agri-Energy, L.L.C. ("EKAE", "Company", "our, or "we") which constitutes an "Exchange Conditioned Transfer" (as defined in the Private Transfer Application), meaning that a condition to the approval of the Transferor's proposed transfer of Class A or Class B units is Transferor's election and agreement to exchange such units for Class C units of EKAE on a one-to-one basis. The Transferee will also have to agree to accept Class C units as part of the transfer, if approved. EKAE's Second Amended and Restated Operating Agreement, as amended from time to time ("Operating Agreement"), governs the rights and obligations of, and distinctions between, EKAE's classes of units and all members of EKAE are bound by the terms of the Operating Agreement. Set forth below is a summary of the key distinctions between Class A, Class B and Class C units. Capitalized terms not defined in this summary will have the meanings given to them in the Private Transfer Application.

The Transferor should carefully review EKAE's Operating Agreement in its entirety prior to electing to exchange the Transferor's Class A or Class B units for Class C units in order to fully understand how the rights, obligations and restrictions of the Class A and/or Class B compare to those of the Class C units, which the Transferor will receive in exchange for the Transferor's Class A or Class B units.

The Transferee should also carefully review EKAE's Operating Agreement in its entirety prior to agreeing to complete the transfer and accepting Class C units instead of Class A or Class B units in order to fully understand how the rights, obligations, and restrictions of the Class C units compare to those of the Class A and/or Class B units. Transferee will only be entitled to receive Class C units upon completion of an Exchange Conditioned Transfer, even if the Transferor owns Class A or Class B units prior to the completion of the transfer.

This Summary of Class Distinctions for Exchange Conditioned Transfers shall not constitute an offer to sell or the solicitation of an offer to purchase any securities in any jurisdiction in which, or to any person to whom, it would be unlawful to do so.

Risk Factors

The exchange of Class A or Class B units for Class C units involves risk, as does the acceptance of Class C units in place of Class A or Class B units. Below are several risks that should be considered prior to the Transferor's election to complete the exchange of units or the Transferee's acquisition of Class C units. These are not the only risks that may be involved in electing to exchange Class A or Class B units for Class C units or the acquisition of Class C units.

The rights, restrictions and obligations of the Class A and Class B units are materially distinct from those of the Class C units. The rights, restrictions and obligations of the Class C units differ from those of the Class A and Class B units in respect of voting rights, restrictions on

transfer, and ability to amend our Operating Agreement. These distinctions could materially affect the right to vote on matters brought before the members, including the election of directors, and the right to vote on amendments to the Operating Agreement which could modify a member's relationship with, and a member's rights and obligations to, the Company and other members. A Transferee electing to purchase units in an Exchange-Conditioned Transfer will only acquire Class C units, which have significantly fewer rights than Class C.

The rights, restrictions and obligations of the Class C units may adversely affect their transferability. The transfer restrictions applicable to Class C units differ from those applicable to Class A and Class B units. However, a unitholder's ability to sell or otherwise transfer Class C units may also be adversely affected due to the fact that Class C units have significantly fewer voting rights and rights to approve Operating Agreement amendments than do Class A or Class B units, which may make Class C units less attractive to potential transferees of Class C units. There can be no assurance that a proposed transferee will agree to acquire Class C units in place of Class A or Class B units. If a transferee is unwilling to acquire Class C units, then a holder of Class C units may be unable to transfer or otherwise dispose of the holder's Class C units.

The rights, restrictions and obligations of the Class C units may adversely affect their value. The value of the Class C units may be negatively impacted due to the fact that the Class C units do not have rights to elect directors and have very limited rights to approve certain Operating Agreement amendments. The Class C units have significantly less rights than those of the Class A and Class B units. These distinctions may cause prospective purchasers, if any, of Class C units to determine that the Class C units are less valuable than Class A or Class B units.

Description of Units Classes

Below is a summary of the main rights and restrictions applicable to each of EKAE's three classes of units – Class A, Class B and Class. *This summary is qualified in its entirety by reference to the full text of the Operating Agreement.*

Terms of the Class A Units

Voting Rights

Members owning Class A units are entitled to vote their Class A units in the election of directors and on all matters for which unit holder approval is required under EKAE's Operating Agreement or Kansas law, including without limitation, with respect to:

- EKAE's merger, consolidation, exchange or other disposition of substantially all of its property;
- the issuance of membership units at a price of less than \$500 per unit;
- the issuance of more than 40,000 units;
- causing the Company to acquire any equity or debt securities of any director or any of its affiliates, or otherwise make loans to any director or any of its affiliates;
- cause EKAE to voluntarily take any action that would cause a bankruptcy of the Company;
- dissolution of EKAE; or
- proposed amendments to the Company's Operating Agreement.

Transferability

Class A units may not be transferred except (i) to the transferor's administrator or trustee to whom such Class A units are transferred involuntarily by operation of law; (ii) without consideration to or in trust for descendants of the transferor; or (iii) upon the approval of a majority of the EKAE's board of directors in writing. The board of directors may disallow a transfer of Class A units other than the types specified in (i) and (ii) above in their sole discretion. However, the Board of Directors has the authority to disallow any transfer for the following reasons:

- the transfer would result in the number of Class A unit holders equaling 300 or more, or such other amount as would trigger the Company's reporting obligations under the Securities Exchange Act of 1934;
- the transfer would change certain tax treatments of the Company; or
- the transfer does not satisfy all of the additional conditions to transfer contained in EKAE's Operating Agreement.

Transfers of Class A units are also subject to the Board of Directors' policy regarding Exchange Conditioned Transfers.

Maximum Ownership Limitations for Members and ECP

Under EKAE's Operating Agreement, no member may directly or indirectly own or control more than twenty five percent (25%) of the issued and outstanding units of any class of units at any time, including the Class A units, except that one of EKAE's members, Ethanol Capital Partners, LP ("ECP"), is entitled to own greater than twenty-five percent (25%) of the issued and outstanding Class A units (provided that ECP's maximum percentage of ownership, along with that of any of its affiliates, is limited to ECP's percentage of ownership of the Class A units as of March 1, 2008).

Terms of the Class B Units

Voting Rights

Members owning Class B units are entitled to vote their Class B units only on the election of directors and dissolution of the Company. Class B members are, however, entitled to vote on any amendment to EKAE's Operating Agreement if such amendment would modify the limited liability of the member or alter the membership economic interest of the member.

Transferability

Class B units may only be transferred in blocks of ten units each. Subject to the conditions to transfer contained in EKAE's Operating Agreement, Class B members may transfer their Class B units in blocks of 10 units each, as follows: (i) to the transferor's administrator or trustee to whom such units are transferred involuntarily by operation of law; (ii) without consideration to or in trust for descendants of a member; (iii) to any person approved by a majority of the board of directors in writing; or (iv) to any other member or to any affiliate or related party of another member or the transferor. However, our board of directors has the authority to disallow any transfer if:

- the transfer would result in the number of Class B unit holders of record equaling 500 or more, or such other amount as would trigger the Company's reporting obligations under the Securities Exchange Act of 1934;
- the transfer would change certain tax treatments of the Company; or
- the transfer does not satisfy all of the additional conditions to transfer contained in EKAE's Operating Agreement.

Transfer of Class B units are also subject to the Board of Directors' policy regarding Exchange Conditioned Transfers.

Maximum Ownership

Under EKAE's Operating Agreement, no member may directly or indirectly own or control more than twenty five percent (25%) of the issued and outstanding units of any class of units at any time, including the Class B units.

Terms of the Class C units

Voting Rights

Members owning Class C units are only entitled to vote their Class C units on the dissolution of the Company. Class C members are, however, entitled to vote their Class C units on any amendment to EKAE's Operating Agreement if such amendment would modify the limited liability of the member or alter the membership economic interest of the member.

Transferability

Subject to the conditions to transfer contained in EKAE's Operating Agreement, Class C members may at any time transfer all or a portion of their Class C units to any person approved by a majority of the board of directors in writing. Our board of directors has the authority to disallow transfers if:

- the transfer would result in the number of Class B unit holders of record equaling 500 or more, or such other amount as would trigger the Company's reporting obligations under the Securities Exchange Act of 1934;
- the transfer would change certain tax treatments of the Company; or
- the transfer does not satisfy all of the additional conditions to transfer contained in EKAE's Operating Agreement.

Maximum Ownership

Under EKAE's Operating Agreement, no Member may directly or indirectly own or control more than twenty five percent (25%) of the issued and outstanding units of any class of units at anytime, including the Class C units.

Comparison of Features of Class A, B and C Units

The following table sets forth a comparison of the features of the Class A, B and C units.

	Class A	Class B	Class C
Voting Rights	Entitled to vote on all matters for which unit holder approval is required under our operating agreement or Kansas law.	Entitled to vote on the election of our directors, voluntary dissolution and as may be required by our operating agreement or Kansas law.	Only entitled to vote on voluntary dissolution and as may be required by our operating agreement or Kansas law.
Transfer Rights	Transfers of Class A units will only be allowed pursuant to the restrictions set forth in our operating agreement and tax and securities laws. Our board of directors has the authority to prohibit transfers that will result in 300 or more Class A unit holders of record.	Transfers of Class B units will only be allowed in blocks of 10 units and pursuant to the restrictions set forth in our operating agreement and tax and securities laws. Our board of directors has the authority to prohibit transfers that will result in 500 or more Class B unit holders of record.	Transfers of Class C units will only be allowed pursuant to the restrictions set forth in our operating agreement and tax and securities laws. Our board of directors has the authority to prohibit transfers that will result in 500 or more Class C unit holders of record.
Minimum/Maximum Ownership Requirements	Holders of Class A units may not directly or indirectly own or control more than twenty five percent (25%) of the issued and outstanding units of any class of units at anytime (subject to an exception for one of our members, Ethanol Capital Partners, LP, which is permitted to own more than 25% of the Class A units, provided that its maximum ownership (with its affiliates) is limited to the percentage ownership of a class of units existing as of the Classification Date, as that term is defined in the Operating Agreement).	Holders of Class B units may not directly or indirectly own or control more than twenty five percent (25%) of the issued and outstanding units of any class of units at anytime.	Holders of Class C units may not directly or indirectly own or control more than twenty five percent (25%) of the issued and outstanding units of any class of units at anytime.
Amendments to the Operating Agreement	Holders of Class A units may amend the Company's operating agreement.	Holders of Class B units may not amend the Company's operating agreement. However, Class B members may vote on any amendment to our operating agreement if such amendment would modify the limited liability of the member or	Holders of Class C units may not amend the Company's operating agreement. However, Class C members may vote on any amendment to our operating agreement if such amendment would modify the limited

		alter the membership economic interest of the member.	liability of the member or alter the membership economic interest of the member.
Sharing of Profits and Losses	Holders of the Class A units are entitled to share in the profits and losses of the Company on a pro rata basis.	Holders of the Class B units are entitled to share in the profits and losses of the Company on a pro rata basis.	Holders of the Class C units are entitled to share in the profits and losses of the Company on a pro rata basis.
Distributions	Holders of Class A units are entitled to receive distributions on a pro rata basis of Company cash and property as and when declared by the directors.	Holders of Class B units are entitled to receive distributions on a pro rata basis of Company cash and property as and when declared by the directors.	Holders of Class C units are entitled to receive distributions on a pro rata basis of Company cash and property as and when declared by the directors.
Dissolution	Holders of Class A units are entitled to participate pro rata in the distribution of assets upon the Company's dissolution.	Holders of Class B units are entitled to participate pro rata in the distribution of assets upon the Company's dissolution.	Holders of Class C units are entitled to participate pro rata in the distribution of assets upon the Company's dissolution.
Information Rights	Holders of Class A units are entitled to receive financial reports and to access and copy certain information concerning the Company's business.	Holders of Class B units are entitled to receive financial reports and to access and copy certain information concerning the Company's business.	Holders of Class C units are entitled to receive financial reports and to access and copy certain information concerning the Company's business.

How to Elect to Exchange Units

If a Transferor desires to elect to exchange Class A or Class B units for Class C units, and a Transferee desires to acquire Class C units, as part of an Exchange Conditioned Transfer, then both parties should complete and execute the Private Transfer Application and submit it to the Company along with all other documentation or information identified in the Private Transfer Application or requested by the Company.

Each party will be required to make certain representations and warranties in the Private Transfer Application relating to Exchange Conditioned Transfers. **The Transferor and the Transferee should carefully review the Private Transfer Application, the Operating Agreement, and this Summary of Class Distinctions prior to the completion and execution of the Private Transfer Application and such party's election to exchange or acquire units as part of an Exchange Conditioned Transfer.**

As indicated in the Private Transfer Application, approval of the Exchange Conditioned Transfer will be in the sole discretion of the Company's Board of Directors.