

**EAST FORK BIODIESEL, LLC
MEMBERSHIP UNIT TRANSFER APPLICATION**

A. General Instructions.

1. This Membership Unit Transfer Application is referred to as the transfer application. East Fork Biodiesel, LLC is referred to as East Fork, and any reference to the board is to the Board of Directors of East Fork. The membership units of East Fork are referred to as the membership units. The individual or entity transferring the membership units is referred to as the transferor, and the individual or entity acquiring the membership units is referred to as the transferee. The Articles of Organization dated January 5, 2006 are referred to as the articles. The Operating Agreement dated January 26, 2006 of East Fork, as amended effective May 4, 2006, is referred to as the operating agreement, and the Membership Unit Transfer Policy of East Fork is referred to as the transfer policy. References to "we", "our" or "us" throughout this transfer application refer to East Fork.

2. The transferor and the transferee must complete all of the information required by us in this transfer application, and date, sign and return it to us.

3. Regardless if the transferee is a member of East Fork or not, the transferee must also complete, execute and return to us the Member Signature Page which appears as the last page to this transfer application, referred to as the signature page.

4. The transferor must also complete and endorse the reverse side of the certificate(s) representing the membership units and deliver to us the signed certificate(s). If the transfer is approved, no new certificate will be issued until the former certificate for a like number of membership units has been surrendered and cancelled.

5. Transferor and transferee must deliver each of the original executed documents referenced in Items 2, 3 and 4 of these General Instructions to:

East Fork Biodiesel, LLC
PO Box 21
Algona, Iowa 50511
Attn: Darci Propst

6. All transfers of membership units of East Fork must meet all of the conditions and requirements of the operating agreement and the transfer policy. The board may disapprove or refuse any transfer which does not meet all of those conditions and requirements.

7. The effective date of the proposed transfer of the membership units shall be determined and established by the board as provided in the operating agreement and the transfer policy.

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. Phone Number: _____

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. Phone Number: _____
5. For proposed transferees involving membership units to be transferred before March 31, 2008, please provide a copy of the transferee's Iowa driver's license and most recent Iowa income tax return.

D. **Transfer Information.**

1. Number(s) of the certificate(s) for the membership units: _____
2. Original date of the certificate(s): _____
3. Number of membership units: _____
4. Price per membership unit: _____
5. Total Price: _____

E. **Type of Transfer.** Check the appropriate box (or boxes) to indicate the type of transfer.

- Involuntary transfer to an administrator or trustee by operation of law (death of a joint tenant, intestacy, divorce, bankruptcy, conservatorship).
- Lifetime gift
- To the spouse or descendant(s) of a member of East Fork
Indicate relationship _____
- To others
- Lifetime transfer to a trust
- For the benefit of the spouse or descendant(s) of a member of East Fork.
Indicate relationship _____
- For the benefit of others
- Transfer pursuant to a will or trust of a deceased member of East Fork
- Transfer is to spouse or descendant(s) of the deceased member of East Fork.
Indicate relationship _____
- Transfer is not to spouse or descendant(s) of a deceased member of East Fork.
- Transfer to another member or to a descendant of another member of East Fork or to any entity of which any one or more of the other member of East Fork or any descendant of

the other member of East Fork owns or holds at least 10% of the outstanding voting securities or equity of such entity.

Indicate relationship _____

- Transfer to a descendant of transferor or to any entity of which any one or more of transferor or any descendant of Transferor owns or holds at least 10% of the outstanding voting securities or equity of such entity.

Indicate relationship _____

- Other transfer for value to a third party to be approved by the board.

If the transfer is to a trust, please provide copies of the following pages of the trust instrument: title page, signature page, and the page that identifies the trustee(s) and any pages that reflect subsequent amendments to these pages.

If the transfer is requested **due to a member's death**, please provide a certified copy of the death certificate, letters of appointment of executor or administrator and designation of attorney form.

F. **Additional Transferee Information.** Transferee certifies to us as follows:

1. **Form of Ownership.** Check the appropriate box (one only) to indicate form of ownership. If 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 the signature page)
- Corporation, limited liability company or partnership (corporate resolutions, operating agreement or partnership agreement must be enclosed)
- Trust (title page, signature page, and the page that identifies the trustee(s) and any pages that reflect subsequent amendments to these pages)

Trustee's Name: _____

Trust Date: _____

- Other: Provide detailed information below.

2. **Transferee's Taxpayer Information.** Check the appropriate box if transferee is a nonresident alien, a U.S. citizen residing outside the United States or subject to back-up withholding. If the membership units are held or will be held by a qualified retirement

plan under Section 401(a) of the Internal Revenue Code (e.g., 401(k), profit-sharing plan, money purchase pension plan), you should provide the taxpayer identification number of the account and the social security number of the account holder. A trust should provide the trust's taxpayer identification number. A custodian should provide the minor's social security number. A transferee who is an individual or an IRA should provide the transferee's social security number. Other entities should provide their taxpayer identification number.

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

Transferee's Social Security No. _____

Joint transferee's Social Security No. _____

Taxpayer Identification No. _____

3. **Transferee's Representations and Warranties.**

Transferee represents and warrants to us that transferee:

- a. will acquire the membership units for transferee's own account for investment, and without a view to public distribution or resale and that transferee has no contract, undertaking, agreement or arrangement to sell or otherwise transfer or dispose of any of the membership units or any portion thereof to any other person;
- b. understands that there is no present market for East Fork's membership units, that East Fork's 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 East Fork's membership units, and if such market is established agrees not to transfer the membership units through a matching service facilitating the sale of the membership units that is not approved in advance by us;
- c. has received a copy of the operating agreement and the transfer policy, and understands that transferee and the membership units will be bound by the provisions of the operating agreement and the transfer policy which contain, among other things, provisions that substantially restrict the transfer and liquidity of the membership units;
- d. understands that the membership units are subject to substantial restrictions on transfer under federal and state securities laws and to the restrictions in the operating agreement and the transfer policy and agrees that if the membership units or any part thereof are sold or distributed in the future, transferee will sell or transfer the membership units only in strict accordance with the terms of the operating agreement, the transfer policy and the requirements of the Securities Act of 1933, as amended, and applicable state securities laws;
- e. shall defend, indemnify and hold us harmless from and against any damage, loss, cost, or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any breach of this transfer application and/or the

transfer policy, the improper transfer of any of the membership units from transferor to transferee or from any improper subsequent transfer of any of the membership units by transferee;

- f. understands that we will place a restrictive legend on any certificate representing the membership units containing substantially the following language, as the same may be amended by the board in its sole discretion:

THE TRANSFERABILITY OF THE MEMBERSHIP UNITS REPRESENTED BY THE CERTIFICATE IS RESTRICTED. SUCH MEMBERSHIP UNITS MAY NOT BE SOLD, ASSIGNED, OR TRANSFERRED AND NO ASSIGNEE, VENDEE, TRANSFEREE OR ENDORSEE THEREOF WILL BE RECOGNIZED AS HAVING ACQUIRED ANY SUCH MEMBERSHIP 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 FEDERAL AND STATE LAW AND THE TERMS AND CONDITIONS SET FORTH IN THE OPERATING AGREEMENT OF THE COMPANY, AS AMENDED FROM TIME TO TIME.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, OFFERED FOR SALE OR TRANSFERRED IN THE ABSENCE OF 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. IN ADDITION, THE MEMBERSHIP UNITS REPRESENTED BY THIS CERTIFICATE MAY NOT BE TRANSFERRED WHILE THE COMPANY IS OFFERING SUCH MEMBERSHIP UNITS FOR SALE, AND FOR A PERIOD OF NINE MONTHS FROM THE DATE OF THE LAST SALE BY THE COMPANY OF SUCH MEMBERSHIP UNITS, TO ANY PERSON OR PERSONS RESIDENT OUTSIDE THE STATE OF IOWA.

- g. understands that we may place a stop transfer order with our registrar and stock transfer agent (if any) covering all certificates representing any of the membership units;
- h. does not, and after the transfer of the membership units will not, violate any term or condition of the operating agreement or the transfer policy;
- i. hereby assumes the obligations of transferor under the operating agreement with respect to the membership units; and
- j. has not relied on any representations or warranties of us or any person acting for or on behalf of us in connection with the proposed transfer of the membership units pursuant to this transfer application.

[SIGNATURES ON NEXT PAGE]

Signature of Transferor/Joint Transferor:

The undersigned transferor(s) hereby certifies (certify) that the representations, warranties and other information in this transfer application are true and correct. The undersigned transferor(s) does (do) hereby irrevocably constitute and appoint our officers as attorney-in-fact to transfer the membership units on the books of our 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, warranties and other information in this 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

**APPROVAL OR DISAPPROVAL OF TRANSFER BY
EAST FORK BIODIESEL, LLC**

As permitted in Article IX of the operating agreement and pursuant to the transfer policy, the transfer to transferee is: approved disapproved by the board by action taken on _____, 20____

If the transfer has been approved, the transfer shall be effective on and as of _____, 20____

EAST FORK BIODIESEL, LLC

By: _____

Its: _____

Date: _____

ADDENDUM TO GOVERNING DOCUMENTS
OF
EAST FORK BIODIESEL, LLC

The undersigned ("Transferee") intends to acquire the number of membership units of East Fork Biodiesel, LLC, an Iowa limited liability company (the "LLC"), set forth below the undersigned's signature pursuant to a Unit Transfer Application dated the same date as this Addendum (the "Unit Transfer Application"). This Addendum is given by Transferee pursuant to and in accordance with the requirements of the Operating Agreement of the LLC (as amended, the "Operating Agreement"), the Unit Transfer Policy of the LLC (as amended, the "Unit Transfer Policy") and the Unit Transfer Application.

Transferee acknowledges and agrees that all of the Membership units shall be held by Transferee subject to the terms and conditions of the Operating Agreement and the Unit Transfer Policy, and that if the transfer of the Membership units to Transferee is approved by the LLC, Transferee shall be a party to the Operating Agreement as a "Member", entitled to the rights and subject to the obligations set forth in the Operating Agreement and the Unit Transfer Policy with the same force and effect as though Transferee had executed the Operating Agreement as a signatory party thereto. Transferee also acknowledges that Transferee has read the Operating Agreement and the Unit Transfer Policy and is familiar with and understands all of the terms and conditions of the Operating Agreement and the Unit Transfer Policy.

Transferee also hereby acknowledges that Transferee has read the Articles of Organization of the LLC and is familiar with and understands all of the terms and conditions of the Articles of Organization of the LLC.

This Addendum is given to and for the benefit of the LLC and the LLC's directors and members. Transferee hereby waives notice of acceptance of this Addendum by the LLC and the LLC's directors and members, and acknowledges that this Addendum may be relied upon, and shall be enforceable by, the LLC and by the directors and members of the LLC.

The transfer of the Membership units to Transferee is subject to compliance with the Operating Agreement and the Unit Transfer Policy, including approval by the directors of the LLC. This Addendum and the agreements contained in this Addendum shall become effective only if the transfer of the Membership units to Transferee is approved by the directors of the LLC.

[SIGNATURE BLOCK FOR INDIVIDUALS
OR JOINT-BOTH parties must sign]

[SIGNATURE BLOCK FOR ENTITY]
(Corporation, Partnership, Trust, IRA)

(Signature 2)

(PRINTED Entity Name)

Printed Name 1: _____

By: _____

(Signature 2)

(Printed Authorized Name)

Printed Name 2: _____

Title: _____

Number of Membership units: _____

Number of Membership units: _____

MEMBER SIGNATURE PAGE
ADDENDUM TO THE
OPERATING AGREEMENT
OF EAST FORK BIODIESEL, LLC

The undersigned does hereby warrant, represent, covenant and agree that or to:

- as a condition to becoming a member in East Fork Biodiesel, LLC, known as East Fork, the undersigned has received a copy of the Articles of Organization dated January 5, 2006, known as the Articles, Operating Agreement dated January 26, 2006, as amended effective May 4, 2006, known as the Operating Agreement, and East Fork's Membership Unit Transfer Policy, known as the Transfer Policy;
- be subject to and comply with all terms and conditions of the Articles, Operating Agreement and Transfer Policy, as if the undersigned had signed the Operating Agreement on the original date of the Operating Agreement;
- be bound by all of the provisions of the Articles, Operating Agreement and Transfer Policy from and after the date of signing of this Addendum; and
- that this Addendum may be relied upon, and will be enforceable by, East Fork and by its Board of Directors and Members.

Individuals:

Entities:

 Name of Individual Member (Please Print)

 Name of Entity (Please Print)

 Signature of Individual

 Print Name and Title of Officer

 Date

 Date

 Name of Joint Individual Member (Please Print)

 Signature of Officer

 Signature of Joint Individual Member

 Date

 Date

**Agreed to and Accepted on Behalf of East Fork
 and its Board of Directors and Members:**

EAST FORK BIODIESEL, LLC

By: _____

Its: _____

Date: _____