

MID-MISSOURI ENERGY, INC.
DELIVERY UNIT TRANSFER AGREEMENT AND APPLICATION FORM

(March 2007 Form)

A. General Instructions.

1. This Delivery Unit Transfer Agreement and Application Form (the "TAA Form") has important legal consequences and constitutes a legally binding agreement to sell and purchase delivery units of Mid-Missouri Energy, Inc. between the parties hereto. You should consult with an attorney. By signing this TAA Form, the parties hereto are making important representations and warranties to each other and to Mid-Missouri Energy, Inc. Please read and review this TAA Form carefully.
2. The individual or entity transferring the delivery units of Mid-Missouri Energy, Inc. ("Transferor") and the individual or entity acquiring the units ("Transferee") must complete all respective information required in this TAA Form, and date and sign this TAA Form at page 12. If the Transferor or Transferee is a joint owner, then all joint owners must sign this TAA Form.
3. Transferor must execute the reverse side of the certificate(s) representing Transferor's delivery units in Mid-Missouri Energy, Inc. that will be transferred.
4. If Transferee is not an existing member of Mid-Missouri Energy, Inc., then Transferee must read, review, complete fully, and date and sign the following documents:
 - a. Application for Non-Transferable Membership; and
 - b. Uniform Marketing Agreement.

Also, Transferee shall have received a copy of Mid-Missouri Energy's Articles of Incorporation and Bylaws prior to completing this TAA Form and the foregoing agreements.
5. The parties should deliver each of the original executed documents referenced in Items 1, 3 and 4 of these Instructions no later than the 10th day of the month to:

Mid-Missouri Energy, Inc.
Rural Route 2, Box 5A
Malta Bend, Missouri 65339
6. Mid-Missouri Energy, Inc. is sometimes referred to in this TAA Form as "MME," the "cooperative" or the "company."

- B. Transfer Agreement.** Subject to the terms and conditions set forth herein, Transferor hereby agrees to sell, assign, transfer and convey to Transferee, and Transferee hereby agrees to buy, the number of delivery units of Mid-Missouri Energy, Inc. set forth in Section G. of this TAA Form standing in the name of Transferor on the books and records of Mid-Missouri Energy, Inc., for the purchase price set forth in Section G. of this TAA Form. The parties agree that the effective

date of the transfer shall be the last day of the month in which the Board of Directors of Mid-Missouri Energy, Inc. approves the transfer.

C. Conditions to Sale and Purchase.

1. **Approval by Board of Directors; General Conditions.** Transferor and Transferee understand that the delivery units may not be transferred without the approval of the Board of Directors of Mid-Missouri Energy, Inc., and then only if the conditions set forth in section 11.04 and 11.05 (as applicable) are met. All transfers must be transferred in accordance with the delivery unit transfer policy adopted by the Board of Directors from time to time. No delivery units may be transferred unless any and all indebtedness of the Transferor to Mid-Missouri Energy, Inc. is first paid.
2. **First Right to Purchase.** Transferor and Transferee acknowledge and understand that:
 - a. Under its Bylaws, Mid-Missouri Energy, Inc. has the first right to purchase delivery units offered for sale by a member, such right to be exercised by the Board of Directors on behalf of the cooperative in the Board's discretion;
 - b. Under the Bylaws, this first right to purchase does not apply to transfers without consideration to certain related parties;
 - c. For purposes of the delivery unit transfer policy and this TAA Form, in exercise of its discretion, the Board of Directors has expanded the definition of transfers that will NOT be subject to the cooperative's first right to purchase.
 - d. Accordingly, the following transfers made with or without consideration (such Transferee hereinafter referred to as a "Related Party" and such transfer hereinafter referred to as a "Related Party" transfer) will NOT be subject to the cooperative's first right to purchase:
 - 1) Transfers to the spouse, parent, child or spouse of child, brother or sister, or spouse of a brother or sister of the member (or of a deceased member) who wishes to transfer, and for this purpose child shall include a legally adopted child;
 - 2) Transfers to a general partnership or family farm corporation or other family farm entity in which the member (or deceased member) who wishes to transfer is a partner, shareholder or owner (and no consideration has been recently paid into the entity by a person not otherwise described in subsection d.1) or d.3) or d.4) of this Section C.2 in anticipation of such transfer);
 - 3) Transfers to a trust in which the member (or deceased member) who wishes to transfer is a grantor, trustee, or beneficiary; and
 - 4) Transfers to ancestors or descendants of lineal descent of the member (or deceased member) who are not otherwise described in subsection d.1) of this Section C.2.

- e. Transferee must complete Section F.4. hereof indicating whether Transferee is a Related Party. Both Transferor and Transferee must represent and warrant to Mid-Missouri Energy, Inc. that the transfer qualifies as a Related Party transfer, if applicable.
- f. Any transfer that is not a Related Party transfer described in subsection d. of this Section C.2 shall be subject to the cooperative's first right to purchase the delivery units on the same terms and conditions set forth herein. This TAA Form shall constitute written notice by Transferor of its desire to sell the delivery units on the terms and conditions set forth herein.

D. Additional Terms of Transfer; Transfer to Include “Bundled” Economic Rights.

- 1. Transferor agrees and represents and warrants to Transferee that:
 - a. Transferor has full power and authority to execute and deliver this TAA Form and to perform its obligations hereunder;
 - b. Transferor has good and marketable title to the delivery units being transferred hereunder;
 - c. Neither the execution and delivery of this TAA Form nor the consummation of the transactions contemplated hereby conflicts with, will result in a breach of, or constitutes a default under (upon the giving of notice or lapse of time or both) any agreement, contract, lease, license, instrument or other arrangement to which Transferor is a party or by which Transferor is bound or to which the delivery units are subject; and
 - d. The delivery units being transferred hereunder shall be transferred and delivered to Transferee free and clear of all liens, charges, security interests, and encumbrances.
- 2. Transferee agrees and represents and warrants to Transferor that:
 - a. Transferee has full power and authority to execute and deliver this TAA Form and to perform its obligations hereunder; and
 - b. Neither the execution and delivery of this TAA Form nor the consummation of the transactions contemplated hereby conflicts with, will result in a breach of, or constitutes a default under (upon the giving of notice or lapse of time or both) any agreement, contract, lease, license, instrument or other arrangement to which Transferee is a party or by which Transferor is bound or to which the delivery units are subject;
- 3. Transferee shall pay and deliver the purchase price to Transferor by wire transfer or in other immediately available funds or as otherwise agreed to by the parties at the closing of the purchase and sale transaction at the date and location agreed to by the parties.

4. Transferor and Transferee agree that:
 - a. All delivery obligations with respect to the transferred delivery units prior to the effective date of the transfer are the responsibility of Transferor;
 - b. All delivery obligations with respect to the transferred delivery units on and after the effective date of the transfer are the responsibility of Transferee;
 - c. Any agreements on prepaid pool fees are between Transferor and Transferee and do not involve, obligate or affect Mid-Missouri Energy, Inc. whatsoever; and
 - d. The Board of Directors of Mid-Missouri Energy, Inc. has the right, power and authority to review and modify the cooperative's corn procurement policies including the power and authority to modify or eliminate the cooperative's current policy of paying freight premiums and allowances to members on committed bushels actually delivered to the cooperative.
5. Transferor agrees that the transfer of the delivery units shall include and does hereby include, and that Transferee shall succeed to, any entitlement of the Transferor that is based on patronage of the Transferor (or any predecessor owner of the delivery units), including undistributed patronage dividends with respect to transactions occurring prior to the effective date, written notices of allocation, unit retains and any residual claim to distributions out of capital reserves or in liquidation, dissolution and winding up of the cooperative under its Bylaws, in proportion to and to the extent such entitlements relate to delivery obligations associated with the transferred delivery units. Transferor also agrees that the transfer of the delivery units shall also include and does hereby include any membership fees paid by Transferor to Mid-Missouri Energy that are standing in the name of Transferor on the books and records of Mid-Missouri Energy, if any, and all rights thereto.
6. Transferor and Transferee each understands and agrees that:
 - a. Transferor must report (or has reported as the case may be) as taxable income any patronage dividends distributed with respect to the transferred delivery units for patronage transactions associated with the transferred delivery units for the fiscal year immediately preceding the fiscal year in which the effective date of the transfer occurs;
 - b. Notwithstanding the transfer of entitlements under Section D.5., Transferor shall be entitled to and shall receive any cash patronage dividends distributed with respect to the transferred delivery units for patronage transactions associated with the transferred delivery units for the fiscal year immediately preceding the fiscal year in which the effective date of the transfer occurs, provided such distribution is made within 8 and ½ months of the end of such fiscal year;
 - c. Transferee shall report as taxable income any patronage dividends distributed with respect to the transferred delivery units for patronage transactions associated with the transferred delivery units for the current fiscal year in which the effective date of the transfer occurs, and shall be entitled to receive all patronage dividends distributed with respect thereto;

- d. As a result, the record holder of the transferred delivery units as of September 30 of a fiscal year shall report as taxable income 100% of the patronage dividends distributed for such fiscal year within 8 and ½ months after the end of such fiscal year and shall receive the cash portion of such patronage dividend.

E. **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 _____

F. **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 _____

G. **Transfer Information.**

1. Identify the number(s) of the delivery unit certificate(s) affected: _____
2. Original dates of the delivery unit certificates affected: _____
3. Number of Delivery Units Transferred: _____
4. Purchase Price Per Delivery Unit: _____
5. Total Purchase Price: _____

(NOTE: If the transfer is made without consideration, type or print "N/A" in the space above for numbers 4 and 5)

H. **Type of Transfer.** Transferor and Transferee should 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 Related Party within the definition of subsection d. of Section C.2. hereof

Indicate relationship _____

- To others
- Lifetime transfer to a trust
 - For the benefit of Related Party within the definition of subsection d. of Section C.2. hereof

Indicate relationship _____

- For the benefit of others
- Transfer pursuant to a Will or trust of a deceased member.
 - Transfer is to Related Party within the definition of subsection d. of Section C.2. hereof.

Indicate relationship _____

- Transfer is not to a Related Party of the deceased member.
- Transfer for value to a Related Party within the definition of subsection d. of Section C.2. hereof.
- Transfer for value to a third party who is NOT a Related Party within the definition of subsection d. of Section C.2. hereof

Attention! 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).

Attention! 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.

I. **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 ____)
 - Corporation or Partnership (Corporate Resolutions or Partnership Agreement must be enclosed)
 - Trust (Signature and title pages of Trust Agreement 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. Trusts should provide their taxpayer identification number. Custodians should provide the minor's Social Security Number. All individual transferees should provide their Social Security Number. Other entities should provide their taxpayer identification number. Transferees who are concerned about listing their Social Security Number(s) on this form may provide it to Mid-Missouri Energy, Inc. in the membership application form only.

- 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 Number: _____
Joint Transferee's Social Security Number: _____
Taxpayer Identification Number: _____

J. **Representations and Warranties.** Transferor and Transferee, named above, in order that Mid-Missouri Energy, Inc. may rely thereupon, each hereby represent and warrant to Mid-Missouri Energy, Inc. that the information set forth herein is true and correct and complete in all material respects, including but not limited to the information regarding the purchase price of the delivery units set forth in Section G hereof, and whether the transfer and the Transferee constitute a Related Party transfer and a Related Party, respectively, set forth in Section H hereof. In addition, Transferor and Transferee each hereby represent and warrant to Mid-Missouri Energy, Inc. as follows:

1. **Transferor's Representations and Warranties.** By signing this Delivery Unit Transfer Agreement and Application Form, Transferor represents and warrants to Mid-Missouri Energy, Inc. that he, she or it:
 - a. Has received all financial and other information about Mid-Missouri Energy, Inc. that he, she or it deems necessary or appropriate to form a decision regarding the sale and transfer of delivery units hereunder;
 - b. Has had an opportunity to obtain, and has received, any additional information about Mid-Missouri Energy, Inc., and has had an opportunity to ask such questions of, and receive answers from, Mid-Missouri Energy, Inc. or an authorized agent or representative of Mid-Missouri Energy, Inc., to the extent Transferor deems necessary or appropriate to form a decision regarding the sale and transfer of delivery units hereunder;
 - c. As a result, has sufficient knowledge and information about the business, management, financial affairs and future prospects of Mid-Missouri Energy, Inc. he, she or it deems necessary or appropriate to make a decision regarding the sale and transfer of delivery units hereunder;

- d. Has such knowledge and experience in financial and business matters that he, she or it is capable of evaluating the merits and risks of the purchase and transfer of delivery units hereunder or has obtained, to the extent he, she or it deems necessary, his, her, or its own professional advice with respect to the decision to purchase and transfer delivery units hereunder;
- e. Understands the effect of the bundling provisions and timing of cash patronage dividend provisions of this TAA Form;
- f. Understands and agrees that Mid-Missouri Energy, Inc. has made and makes no representation or warranty to Transferee regarding the fairness or adequacy of the purchase price of the delivery units to be transferred hereunder, and that the negotiation and agreement to transfer the delivery units has been made solely by Transferor without the assistance or involvement of Mid-Missouri Energy, Inc.; and
- g. Agrees to indemnify and hold Mid-Missouri Energy, Inc. harmless for any damages, loss, cost, or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from the transfer of delivery units from Transferor to Transferee.

2. **Transferee's Representations and Warranties.** By signing this Delivery Unit Transfer Agreement and Application Form, Transferee represents and warrants to Mid-Missouri Energy, Inc. that he, she or it:

- a. Has received all financial and other information about Mid-Missouri Energy, Inc. that he, she or it deems necessary or appropriate to form a decision regarding the purchase and transfer of delivery units hereunder;
- b. Has had an opportunity to obtain, and has received, any additional information about Mid-Missouri Energy, Inc., and has had an opportunity to ask such questions of, and receive answers from, Mid-Missouri Energy, Inc. or an authorized agent or representative of Mid-Missouri Energy, Inc., to the extent Transferee deems necessary or appropriate to form a decision regarding the purchase and transfer of delivery units hereunder;
- c. As a result, has sufficient knowledge and information about the business, management, financial affairs and future prospects of Mid-Missouri Energy, Inc. he, she or it deems necessary or appropriate to make a decision regarding the sale and transfer of delivery units hereunder;
- d. Has such knowledge and experience in financial and business matters that he, she or it is capable of evaluating the merits and risks of the sale and transfer of delivery units hereunder or has obtained, to the extent he, she or it deems necessary, his, her, or its own professional advice with respect to the decision to sell and transfer delivery units hereunder;
- e. Understands the effect of the bundling provisions and timing of cash patronage dividend provisions of this TAA Form;

- f. Understands and agrees that Mid-Missouri Energy, Inc. makes no representation or warranty to Transferee regarding the fairness or adequacy of the purchase price of the delivery units to be transferred hereunder, and that the negotiation and agreement to transfer the delivery units has been made solely by Transferee without the assistance or involvement of Mid-Missouri Energy, Inc.;
- g. Understands that an investment in the delivery units of Mid-Missouri Energy, Inc. involves risks, and that the profitability of Mid-Missouri Energy, Inc. can go up or down or that Mid-Missouri Energy, Inc. may lose money for a variety of reasons, most of which are outside of the control of Mid-Missouri Energy, Inc., including but not limited to the following reasons:
 - 1) Increases in corn or energy prices could significantly harm Mid-Missouri Energy's business because there is little correlation between these production costs and the price of ethanol; fluctuations in corn prices;
 - 2) The supply of ethanol has been increasing rapidly, which may cause ethanol prices to decline significantly if demand does not keep pace; and
 - 3) Federal and state regulations and incentives that support the price of ethanol may change, making it more difficult or preventing us from earning a profit or paying our debts;

And that, as a result of these factors and others, Mid-Missouri Energy may not be able to operate profitably which would have a substantial and material negative impact on the price of the delivery units and may prevent he, she or it from being able to sell the delivery units at the price paid for them or at all. Accordingly, Transferee understands and agrees that he, she or it can withstand the total loss of investment in the delivery units.

- h. Understands and agrees that, as a result of owning the delivery units, he, she or it will be involved in the risk of production agriculture due to its corn delivery obligations under the Uniform Marketing Agreement;
- i. Understands and agrees that he, she or it may not receive market price for corn delivered by or on behalf of Transferee under the Uniform Marketing Agreement, but instead will be paid for corn delivered in accordance with the Uniform Marketing Agreement;
- j. Understands and agrees that the corn procurement policies and freight allowance and premium policies of Mid-Missouri Energy are subject to review and change by the Board of Directors without the consent of Transferee;
- k. Intends to acquire the delivery 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 agreement to sell or otherwise transfer or dispose of any delivery units or any portion thereof to any other person;
- l. Understands that there is no public market for the delivery units, that the delivery 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 delivery units;

- m. Has received a copy of the Articles and Bylaws of Mid-Missouri Energy, and understands that the Transferee and the delivery units will be bound by the provisions of the Articles and Bylaws which contain, among other things, provisions that provide for cooperative operations and provisions that restrict the transfer of delivery units;
- n. Understands that he, she or it will have substantial corn delivery obligations under the Uniform Marketing Agreement and that entering into and abiding by the Uniform Marketing Agreement is a requirement of membership in Mid-Missouri Energy, Inc.;
- o. Understands that the delivery units are subject to substantial restrictions on transfer under state and federal securities laws along with restrictions in the Articles and Bylaws of Mid-Missouri Energy and agrees that if the delivery units or any part thereof are sold or distributed in the future, Transferee shall sell or distribute them pursuant to the terms of the Articles and Bylaws, and the requirements of the Securities Act of 1933, as amended, and applicable state securities laws;
- p. Agrees to indemnify and hold Mid-Missouri Energy, Inc. harmless for any damages, loss, cost, or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from the transfer of delivery units from Transferor to Transferee;
- q. Understands that Mid-Missouri Energy, Inc. will place a restrictive legend on any certificate representing the delivery units purchased hereunder containing substantially the following language as the same may be amended by the Board of Directors 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, TRANSFEREE, 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 ARTICLES AND BYLAWS OF MID-MISSOURI ENERGY, INC.

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.

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[SIGNATURES ON NEXT PAGE]

Signature of Transferor/Joint Transferors:

The undersigned Transferor(s) hereby certifies (certify) that the representations and warranties in this Delivery Unit Transfer Agreement and Application Form are true and correct. The undersigned Transferor(s) does (do) hereby irrevocably constitute and appoint the officers of Mid-Missouri Energy, Inc. as attorney-in-fact to transfer the said delivery 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 Transferees

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

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

APPROVAL OF TRANSFER BY MID-MISSOURI ENERGY, INC.

Pursuant to the Bylaws of Mid-Missouri Energy, Inc., the transfer of the delivery units to Transferee as described in this Delivery Unit Transfer Agreement and Application Form is hereby approved, with said transfer to be effective on _____.

Dated this _____ day of _____, 200____.

MID-MISSOURI ENERGY, INC.

By: _____

Its: _____