

# Memberandum



Information for members and friends of Golden Growers Cooperative

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## BOARD APPROVES OCTOBER PARTNERSHIP DISTRIBUTION

The Golden Growers Board of Directors approved a cash distribution of 20¢ per ownership unit at its September 20 meeting. This distribution will go to members of record as of October 1, 2012, and will be mailed by mid-October.

This distribution of \$3,098,096 brings Golden Growers' total return to members to \$51,088,920 since August, 2008, or approximately \$3.30 per ownership unit. It also brings the 2012 combined distributions to \$9.45 million or 61¢ per unit.

## BOARD CHOOSES CONSERVATIVE APPROACH ON DISTRIBUTIONS

The Golden Growers' board is aware, and has disclosed in prior SEC filings, the 2011 Annual Report and at the 2012 Annual Meeting, that there is a possibility of capital improvement projects at the ProGold plant that could require a cash infusion by Golden Growers and American Crystal Sugar Company. With that in mind, the Golden Growers' board has chosen a conservative approach to partnership distributions, retaining approximately 10% of available cash in the event that funds are required for a future project.

It is important for members to know that (1) no specific projects, timeline or costs have been identified at this time and (2) these funds will remain with Golden Growers until such time they are required by a ProGold cash-call or approved for use by the Golden Growers board. If unused, they would be available for later distribution to members.

By setting money aside now, the board believes it will minimize the impact of any future projects that could severely reduce the co-op's ability to make future distributions to members on a reasonably consistent, ongoing basis.

## MANAGEMENT TRANSITION PROCESS IS GOING WELL

**Scott Stofferahn**, Golden Growers' new Executive Vice President, has been engaged in an orientation process with **Mark Dillon** and **Ila Rodgers** as he prepares to take over management of the cooperative on October 15. Although he is still busy as Senator Kent Conrad's Eastern North Dakota office manager, he has found time to begin learning the details of GGC's operations so he'll be ready to step into his new position soon.

Dillon's retirement is effective September 30, but he will be available to assist the transition process as needed through March, 2013.

**BOARD APPROVES  
2013 AGENCY FEE &  
INCENTIVE PAYMENTS**

The Golden Growers' board approved 2013 Agency Fees for Method B deliveries and Incentive Payments for Method A deliveries at the same levels as the past two years.

GGC members who use Method B will again pay 2¢ per bushel when they appoint Golden Growers as their agent to acquire and deliver corn on their behalf. That charge will be deducted from the first cash distribution of 2014 for corn delivered in 2013.

Members choosing Method A, in which they physically deliver corn to the ProGold plant or other location designated by Cargill, will again be paid 5¢ per bushel-delivered, early in 2014 for corn delivered in 2013.

Members who split their delivery obligation between Methods A and B will receive a proportionate Incentive Payment and pay a proportionate Agency Fee.

**WATCH FOR YOUR 2013  
ANNUAL DELIVERY  
AGREEMENT**

**Annual Delivery Agreements** will be mailed to all members in October. This is your once-a-year opportunity to change your delivery choice for the coming year.

**If you do NOT wish to change your delivery  
choice for 2013, DO NOT complete and return  
your 2013 Annual Delivery Agreement.**

You may change your delivery obligation from Method A to Method B, or from B to A, or you can opt to split your delivery between Methods A and B, as long as your total delivery commitment equals the number of your ownership units (shares).

All 2013 Annual Delivery Agreements must be returned to the GG office **NO LATER THAN** December 17. No changes for 2013 will be accepted after that day.

We occasionally get requests from members to change their delivery method in mid-year. Regrettably, we are unable to accommodate those requests.

**Change of Address**

*PLEASE keep Golden Growers aware of your mailing address.*

Each time we mail important documents (checks, K-1s, meeting notices, etc.), we have a few returned because we do not have the members' current mailing address on file.

You can change your address by mail, E-mail, by fax or phoning the Golden Growers office, using the information in the box to the right.

Help us help you get your mail in a timely manner. Thanks!

**memberandum:**

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