



Memberandum



Information for members and friends of Golden Growers Cooperative

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GGC Board Approves Distribution of \$0.22/Unit

At their June meeting, the Golden Growers Board of Directors approved a distribution of \$3,408,900 to members of record as of June 1, 2014. The distribution consists of **retiring remaining equity credits** related to allocated income from 2013 (\$0.2089/bushel delivered in 2013 or \$3,235,854) and a **partnership distribution** (\$0.0111/membership unit or \$173,046). For members who delivered their entire corn commitment in 2013, this distribution will equate to \$0.22/membership unit.

Keeping Membership Records up to Date

Your cooperative regularly communicates with you by sending annual reports, newsletters, distributions, tax information, delivery notices, and an annual opportunity to elect delivery methods.

You can help us make sure you are receiving all of our communication by informing Golden Growers whenever you change your mailing address.

All you need to do is call the office at 701-281-0468 or email us at scotts@goldengrowers.com with current information and we will update your membership record.

Frequent Questions about Transfers and Estates

Whether at our Annual Meeting or by phone, GGC members often ask questions about transfers between members of a family, transfers to trusts, dealing with estates, etc. The following questions and answers may be helpful to those of you who are considering transfers in these circumstances. In all instances, feel free to contact the Golden Growers Office or visit the 'Member Information' tab at www.goldengrowers.com for more information.

Can I transfer my Membership Units to a family member?

YES. Transfers to immediate family members are considered *Private Transfers* and can be processed directly through the Golden Growers office. Immediate family members include brothers, sisters, spouses, parents, grandparents, and children or grandchildren (legally adopted included).

The transferring member is required to complete delivery for the year prior to a transfer being approved. For Method A members, physical delivery of the annual corn commitment is required. For Method B members, the agency fee (a service fee for GGC to acquire and deliver corn on the member's behalf) equal to the bushels transferred X \$0.02/bushel must be paid.

The transferring member and the transferee must also complete and sign the Private Transfer Request Form. The transferee must complete a Uniform Member Agreement (if not a current member) AND an Annual Delivery Agreement for the coming year.

Note: At the conclusion of the transfer, the member transferring and/or the member receiving must hold a minimum of 4000 membership units.

Can I transfer Membership Units from a family owned entity to individual members of that entity.

Generally, the answer to this question is YES. Ordinarily, these types of transfers would be considered *Private Transfers* handled through the GGC office. There are some circumstances when a transfer from an entity to an individual is considered a *General Transfer*. Please contact our office for a determination prior to completing transfer documents.

Can I transfer my Membership Units to a Trust?

YES. We have many members who, because of estate planning, have transferred their Membership Units to trusts. This type of transfer would also be considered a *Private Transfer* and must be approved by the Board. Here again, the Board may not approve a transfer until required documents related to a transfer are received and delivery for the year is completed.

Note: A letter notifying GGC of the creation of a Trust is not sufficient to process the transfer. Letters of this nature inform GGC of the Member's intention, but the transfer must follow rules established by the cooperative.

In the event of a member's death, what steps are required regarding the respective GGC membership?

The bylaws for Golden Growers Cooperative allow for a transfer to an estate without the approval of the Board of Directors. The estate will assume all of the rights and responsibilities of the deceased member.

Once a personal representative (PR) is named and the estate is established, the PR should notify GGC and provide:

- The notice of appointment of Personal Representative;
- A copy of the death certificate;
- The federal tax ID for the estate; and
- The address and contact information for the estate.

Once received, we will transfer membership units to the estate.

Note: If GGC is not notified of a member's death OR if the appropriate documentation is not received, distributions will continue in the name and SSN of the deceased member. If corn deliveries are not made on behalf of a deceased member, no allocation of income will occur.

Should the estate subsequently request a transfer from the estate to a family member, GGC would process this transfer as a *Private Transfer*.

How do I value GGC Membership Units in the process of estate settlement?

Neither Golden Growers Cooperative or FNC Ag Stock, LLC will provide a value for Membership Units on the date of a member's death. Upon request, FNC Ag Stock will provide sales data so that a Personal Representatives or a law firm can make a determination of value.

Can I transfer (sell) my Membership Units to a close friend, tenant, or neighbor?

NOT DIRECTLY. All transfers to unrelated (non-family) parties must be arms-length transfers processed as a *General Transfer* using the services of a Qualified Matching Service (QMS). GGC has appointed FNC Ag Stock, LLC as our QMS. While it may be possible for a friend, tenant, or neighbor to purchase Units through FNC Ag Stock, LLC, this transfer may not be directed by the member selling the Units. For more information on *General Transfers*, visit the GGC website (www.goldengrowers.com) or contact FNC Ag Stock, LLC at 701-780-2828.

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