

**GOLDEN TRIANGLE ENERGY, L.L.C.
UNIT TRANSFER POLICY**

Dated Jan 1, 2011

The Board of Directors (“Board”) of Golden Triangle Energy, L.L.C., a Missouri limited liability company (either “Golden Triangle Energy, L.L.C.” or the “Company”), has established this Unit Transfer Policy (which shall be, together with the exhibits hereto, the “Unit Transfer Policy”) governing the transfer of the Company’s membership units (collectively, the “Units”) pursuant to authority granted it under Article IX of the Company’s Amended and Restated Operating Agreement dated October 22, 2010, as amended, supplemented and restated from time to time (the “Operating Agreement”). This Unit Transfer Policy shall be effective as of the date first set forth above.

For purposes of this Unit Transfer Policy, the following terms shall have the following meanings:

- “**seller**” means any person who wishes to transfer Units, including transfers without consideration (i.e., gifting) and sales to unrelated third parties.
- “**buyer**” means any transferee of Units, including transfers without consideration (i.e., gifting) and persons who purchase Units.

In addition, capitalized terms used but not otherwise defined in this Unit Transfer Policy shall have the meaning given to them in the Operating Agreement. In the event of any inconsistency between this Unit Transfer Policy and the Operating Agreement, the Operating Agreement shall govern.

This Unit Transfer Policy contains three sections:

- Article 1: Important Background Information
- Article 2: Requirements To Transfer Units
- Article 3: Important Notices and Disclaimers

You should read and review carefully all information contained in this Unit Transfer Policy when considering buying or selling or otherwise transferring Units.

ARTICLE 1: IMPORTANT BACKGROUND INFORMATION

1.1 Membership Requirements. In order to become a member of Golden Triangle Energy, L.L.C., you must complete and sign a Transfer Notice Form (“Transfer Notice Form”), a counterpart signature page to the Operating Agreement (or similar document, in the form as requested by the Company) (an “Operating Agreement Counterpart”), own at least 1,500 Units and satisfy any other criteria established by the Board and/or required under the Operating Agreement or Articles of Organization of the Company. The Operating Agreement Counterpart obligates persons who are not yet members to abide by the terms of the Operating Agreement, including, without limitation, all of the conditions and limits on transferring Units set forth at Article IX of the Operating Agreement. The Board has the right and authority, in its sole discretion, to approve or deny any transfer of Units. The Board also has the right and authority, in its sole discretion, to exercise a right of first refusal to acquire any Units being transferred for cash (in addition to all its other rights under the Operating Agreement). No buyer of Units will be a member of the Company unless the Board approves the admittance of such buyer as a member of the Company in the Board’s sole discretion.

1.2 Reporting of Taxable Income. The tax code requires that profit and loss allocations with respect to Units that are transferred during the fiscal year must take into account the varying interests of seller and buyer during the year. Pursuant to Section 9.8 of the Operating Agreement, the Company shall allocate tax items between a buyer and seller using the pro ration method described in Treasury Regulation Section 1.706-1(c)(2)(ii). Pursuant to this method, the seller of Units must include and report all of the taxable income attributable to such Units for such period of time in a fiscal year during which such seller owned such Units. For example, if Units are transferred effective at the end of our third quarter, seller would report approximately 75% of the taxable income attributable to the Units for that fiscal year. Seller of Units will

report the taxable income in the year in which the holder was allocated the taxable income, regardless of whether such record holder received any distribution from the Company.

- 1.3 Nonresident Withholding. The Company may be obligated to either withhold tax as a result of a transfer of Units or to otherwise pay tax on behalf of a seller who is not a resident of the State of Missouri. To address any such requirement, a seller will be required to deliver cash to the Company in an amount equal to the estimated amount of any tax or withholding (as determined by the Board) that must be remitted to a governmental authority by the Company. To the extent that the cash deposited with the Company exceeds the actual amount that the Company must remit to a governmental authority, the Company shall remit any difference to the seller (without payment of any interest thereon). To the extent that this deposit is less than the actual amount that the Company must remit to a governmental authority, the seller shall remit the difference to the Company within ten (10) days of a written request from the Company. The Board may, in its sole discretion, waive all or a portion of the requirements of this paragraph.
- 1.4 Distributions. As more particularly provided in our Operating Agreement, we will distribute our taxable income to our members generally in the form of cash distributions. The distributions will be paid to our Members of record on the date identified in the Board resolution authorizing the distribution. In other words, all distributions on or before the effective date of the transfer shall be made to seller and all distributions made after the effective date of the transfer shall be made to buyer.
- 1.5 Amendment. This Unit Transfer Policy may be amended, modified, restated, suspended or terminated at any time without notice in the sole discretion of the Board.
- 1.6 Summary. This important background information means that Members and other persons who are interested in acquiring or transferring Units should consider the following:

- **Consult a Professional Advisor.** You should consult a tax and legal advisor to discuss the provisions of the Operating Agreement and how they relate to the transfer and ownership of Units, the reporting of current year taxable income as between buyer and seller, and the reporting of the sale of Units on tax returns.
- **Timing of a transfer is important.** As stated above, for all transfers, the seller of Units will be allocated the taxable income for such period of time in a fiscal year during which such seller owned such Units. However, the Member of record on the date of record identified in the Board resolution will receive 100% of any distributions declared by the Board. The below example illustrates some of these timing considerations:

Example. The Company has a fiscal year consistent with the calendar year. A Member sells 2,000 Units effective as of July 1. For the year, \$2,000 of taxable income of the Company is attributable to these 2,000 units (\$1.00 each). On December 15, the Board declares \$1.50 per Unit distribution payable to members of record as of December 15. The distribution is actually paid by the Company in late December or the following January.

- Seller and buyer will each be allocated a pro rata share of income (for tax purposes) based on the portion of the year in which they own the units. In this example, seller would be allocated \$1002.74 of income (i.e., $(183/365) * \$2,000$). Buyer will be allocated \$997.26 of income (i.e., $(182/365) * \$2,000$).
- Since buyer owns the Units as of December 15, buyer receives the entire amount of the distribution.
- Note the importance of the dates July 1 and December 15 on the tax obligations and entitlements of seller and buyer to distributions paid with respect to the transferred Units. Buyer and seller report taxable income for the period of time during the fiscal year in which they own the Units, but whoever owns the Units on December 15 is entitled to the entire distribution paid on the Units.

- **Caution!** Because tax obligations are prorated between buyer and seller, but all rights to distributions belong to the member who is the holder of record as of the record date of such distribution, members are advised to understand the current year financial performance and the Company's announced plans regarding capital expenditures before agreeing to sell Units, and to use caution when considering selling Units before the Company announces its distribution plans.

ARTICLE 2: REQUIREMENTS TO TRANSFER UNITS

Selling Your Units is Your Responsibility

Selling your Units on terms that you are happy with is your responsibility, not the Company's responsibility. Buyer and seller are responsible for negotiating the terms and price of the sale. Because the Units are not listed on an exchange, where efficient price discovery between buyers and sellers acting on current, real-time information in volume transactions is generally achieved, it is incumbent upon you as the current owner of the Units to determine their fair market value before you agree to transfer them to a buyer. Determination of fair value is the sole responsibility of buyer and seller. The Company is not responsible for determining the fairness or adequacy of the purchase price of your Units. We cannot advise you on the fairness or adequacy of any proposed purchase price per unit. We cannot advise you on whether you should buy or sell or at what price. That is your responsibility.

We urge each member who is considering buying or selling Units to seek financial, tax, legal and other professional advice to assist you in evaluating your investment in the Units and to assist you in determining the value of the Units you own. Ultimately, the value of a Unit will be determined by what a willing buyer and a willing seller agree upon. However, since our Units are not traded on an active exchange, there will be a much smaller number of sale transactions upon which to base a buy or sell decision.

The fact that we approve transfers of Units does not reflect any endorsement or recommendation of the Board or the Company as to the terms and/or purchase price of the transactions or the adequacy or fairness of those terms and purchase prices.

2.1 Steps to Transfer Units. In order to transfer Units, interested parties must complete the following steps:

- (a) **Request Information.** Persons interested in buying or selling Units should request a buyer/seller information package from the Company or you may go to our website (www.goldentriangleenergy.com) to view such information. The information package will include:

- (1) A copy of this Unit Transfer Policy;
- (2) A copy of the Company's Articles of Organization and Operating Agreement;
- (3) A Transfer Notice Form;
- (4) An Operating Agreement Counterpart
- (5) A Form Unit Purchase and Sale Agreement (which you may use in your own discretion)
- (6) A Form Unit Power Certificate (which you may use in your own discretion); and
- (7) All other documents as determined by the Company from time to time.

You are NOT required by the Company to use the Form Unit Purchase and Sale Agreement or the Form Unit Power Certificate made available by the Company. Instead, the Form Unit Purchase and Sale Agreement and Form Unit Power Certificate are provided for use by buyer and seller, if such buyer and seller so desire. All buyers and sellers who chose to use the Form Unit Purchase and Sale Agreement and/or Form Unit Power Certificate should review the proposed terms of the Form Unit Purchase and Sale Agreement and Form Unit Power Certificate and negotiate such terms as they believe are necessary to reflect the terms of their transaction. Alternatively, all buyers and seller are free to use their own legally binding documents to memorialize the transfer. If a buyer and/or seller decide to use the Form Unit Purchase and Sale Agreement and Form Unit Power Certificate, the Company strongly recommends that each buyer and seller engage an attorney to review such documents on his/her or its behalf to confirm that the documents

accurately reflect the terms of the transaction and are sufficient to protect each party's interests. The Company is not responsible or liable for any seller's or buyer's use of any documents provided by the Company for use in a transfer and all such documents are used by seller and buyer "at their own risk".

- (b) **Independent Transaction.** You are responsible negotiating the terms of, and entering into, the necessary documents to transfer Units. The Company is not and shall not be a party to the purchase and sale of Units between buyers and sellers. Buyer and seller must agree on the terms of the transaction, including the number of Units involved and the price per Unit. This is done independent of the Company.

Important Notice. Notwithstanding that the Company is making available certain form documents for their use, buyer and seller are solely responsible for evaluating the value of the Units and negotiating the terms and price of the transaction. The Company cannot and will not provide any opinion (financial, legal, or otherwise) on or evaluation of the enforceability of the documents provided, the terms of the transaction or the proposed purchase price per Unit. Determination of terms and fair value is the sole responsibility of buyer and seller. The Company urges each member who is considering buying or selling Units to seek financial, tax, legal and other professional advice to the extent you deem necessary or appropriate to evaluate your investment in the Units and to assist you in determining the value of the Units you own. If you use any documents made available by the Company, buyer and seller are strongly urged to meet with their tax and legal advisors to review the terms and conditions of such documents, confirm that such documents are valid and enforceable and confirm that the documents accurately and completely reflect the terms of the transaction.

- (c) **Complete the Transfer Notice Form, Operating Agreement Counterpart and Transfer Documents.** All buyers of Units must submit to the Company a Transfer Notice Form, which shall require certain information about such buyer and the proposed transfer to be disclosed including whether such buyer is a current Member of the Company, and an Operating Agreement Counterpart. Buyer must complete, sign and date the Transfer Notice Form and Operating Agreement Counterpart and any other documents required to be submitted to the Company. Buyer and seller shall submit all purchase/sale and other documents directly to the Company. In gifting or other transfers without consideration, the transferee must sign the Transfer Notice Form and Operating Agreement Counterpart as if such transferee were buying Units. For estates, executors with appropriate court authorization and documentation will also be required to sign the Transfer Notice Form and Operating Agreement Counterpart, along with distributees or heirs wishing to receive Units.

Important Notice. In the Operating Agreement Counterpart, buyers of Units make certain representations and warranties to the Company in connection with the acquisition of the Units, including that buyer agrees to be bound and governed by the Company's Articles and Operating Agreement including, without limitation, all of the conditions and limits on transferring Units set forth at Article IX of the Operating Agreement.

- (d) **Delivery of Documents.** Before any proposed transfers will be reviewed by the Board all documents required in connection with any proposed transfer must be submitted to the Company directly.
- (e) **Complete all Other Required Documents.** Sellers must deliver to the Company the certificate(s) representing seller's Units that will be transferred. Sellers and buyers shall also execute and deliver such additional agreements, documents and instruments, and take such further actions, as requested by the Company in its sole discretion including, without limitation, the Unit Power Certificate (or similar document).

- (f) **Nonresident Withholding.** The Company may be obligated to either withhold tax as a result of a transfer of Units or to otherwise pay tax on behalf of a seller who is not a resident of the State of Missouri. To address any such requirement, a seller may be required to deliver cash to the Company in an amount equal to the estimated amount of any tax or withholding (as determined by the Board) that must be remitted to a governmental authority by the Company. To the extent that the cash deposited with the Company exceeds the actual amount that the Company must remit to a governmental authority, the Company shall remit any difference to the seller (without payment of any interest thereon). To the extent that this deposit is less than the actual amount that the Company must remit to a governmental authority, the seller shall remit the difference to the Company within ten (10) days of a written request from the Company. The Board may, in its sole discretion, waive all or a portion of the requirements of this paragraph.
- (g) **Board Consideration/Approval/Right of First Refusal.** The Board has the right and authority, in its sole discretion, to approve or deny any transfer of Units. The Board or a duly authorized committee will consider approval of properly completed and timely submitted Transfer Notice Form, Operating Agreement Counterpart and other required documents and actions as described above. Buyers and sellers will be notified by the Company whether the Board has approved or rejected a transfer. The Board also has the right and authority, in its sole discretion, to exercise a right of first refusal to acquire any Units being transferred for cash.
- (h) **Effective Date.** Approved transfers will be effective as of the last day of the month in which the Board approves the transfer, unless otherwise determined by the Board. In all cases, the Board shall have sole and absolute discretion to determine the effective date of any transfer.
- (i) **Other.** Any transfer of Units shall comply with Section 2.2 below.

2.2 Minimum Ownership/Transfer Requirements and Other Conditions to Transfer. In addition to completing the steps set forth in Section 2.1, in order for any Units to be transferred under this Unit Transfer Policy, the following conditions must be satisfied by seller and buyer (as applicable):

- (a) **Board Consideration/Approval.** Units may not be transferred without the approval of the Board, and then only if the conditions set forth in this Unit Transfer Policy are met.
- (b) **Minimum Ownership Requirement.** Regardless of the class of Units to be transferred, each Member must own at least 1,500 Units (of any class or combination of classes) in the Company, determined following the consummation of any transfer of Units. In other words, an existing Member may not sell Units under this policy if, after the consummation of the sale, the existing Member would own less than 1,500 Units, unless such selling Member sells all Units owned by such Member.
- (c) **Compliance with Policy and Agreement.** All transfers must be made in accordance with the rules and procedures of this Unit Transfer Policy, as may be amended by the Board from time to time in its discretion, and the Operating Agreement. Notwithstanding the preceding, the Board has the right to waive any term or condition of this Unit Transfer Policy except those terms or conditions which are required by the Operating Agreement or applicable law.
- (d) **Compliance with Laws.** To facilitate compliance with applicable securities laws, the Board will not approve any transfer of Units that have been held by the proposed seller for less than one (1) year. In addition, approval of transfers by “affiliates” of the Company will be conditioned upon the fulfillment of certain additional requirements. No transfer shall be approved except in compliance with applicable laws.

ARTICLE 3:

3.1 Important Notices and Disclaimers. **CAUTION! THE FOLLOWING DISCLAIMERS AND IMPORTANT NOTICES APPLY TO ANY TRANSACTION CONSUMMATED UNDER THIS**

UNIT TRANSFER POLICY. YOU SHOULD READ AND UNDERSTAND THE FOLLOWING IMPORTANT NOTICES AND DISCLAIMERS BEFORE TRANSFERRING UNITS.

- (a) The fact that the Company and its Board approve transfers of Units, the Company makes available form documents for use by buyers and sellers (in their discretion) relating to the transfer of units, and may report the purchase price to its members does not reflect any endorsement or recommendation of the Board or the Company as the adequacy or fairness of the consideration paid for the Units or the terms of the transfer. The Company is not responsible or liable for any seller's or buyer's use of any documents provided by the Company for use in a transfer and all such documents are used by seller and buyer "at their own risk".
- (b) Neither the Units nor the Company is listed on a national securities exchange or other regulated securities market.
- (c) The Company is not a registered national securities exchange, securities information processor, broker, dealer or investment adviser.
- (d) The Company is not an "exchange," a "broker," a "dealer," or an "investment adviser."