

GOLDEN OVAL EGGS, LLC
PARTNERSHIP INTERESTS TRANSFER SYSTEM SUMMARY
Effective as of December 17, 2004

The following is a summary of the basic provisions of the partnership interests transfer system for members and non-members of Golden Oval ("Golden Oval") to buy and sell equity interests of Golden Oval. This is not a complete description of all the material aspects of the transfer system. You should carefully read the entire Trading Service Agreement description and the Operational Manual of the trading service operated by Alerus before trading or transferring Golden Oval's equity interests.

- **Trading Restrictions.** Strict regulation of trading of Golden Oval's equity interests is necessary in order to remain exempt from IRS regulations that would result in double taxation of earnings. Accordingly, you may only trade or transfer partnership interests (equity interests) in accordance with the Trading Service Agreement and Operational Manual and all transfers must be approved by the Board of Directors. All unauthorized trades or transfers will be void and could subject the seller to involuntary redemption of his or her partnership interests at a fraction of their original purchase price.
- **Trading Periods.** The Board will consider trades and transfers once per month. All trades and transfers that are approved will be effected on the first day of the following month.
- **Transfer Requirements.** All transfers must be made in increments of whole equity interests, except transfers upon death may be made in odd lots. In addition, there is a two thousand equity interest minimum ownership requirement. Accordingly, new members must acquire a minimum of two thousand equity interests.
- **New Members.** All new members must sign a counterpart signature page to the applicable transfer form.
- **Voting Interests.** A member's voting interest cannot be transferred to any person. This is true no matter what type of transfer is intended, whether it be a private transfer, block transfer or trading service transfer.
- **Private Transfers.** Private transfers include gifts to family members, trading among family members, some transfers upon death, and transfers to and from business entities controlled by the member. To make a private transfer, you must complete a Private Transfer Request Form and submit it to the Board for approval and submit any other required documentation. Private transfers will be effective on the first day of the month following the month in which Board approval is received.
- **Trading Service Transfers.** Golden Oval has engaged Alerus Securities Corporation to operate a trading service for Golden Oval's equity interests. You may not sell or transfer Golden Oval's equity interests to any unrelated party other than through this trading service. Sellers shall pay Alerus a commission of 3% of the purchase price for each trade, with a \$250 minimum per transaction. Offers to buy or sell equity interests through the trading service are non-binding until a written contract for sale has been executed. All matched offers to buy and sell remain subject to authorization by the transfer agent and Golden Oval's right of first refusal described below.
- **Members interested in selling their equity interests should contact Alerus at 1-(800) 279-3200 (Ext. 5093 or 3407) to complete a listing agreement. You must indicate the price and**

number of equity interests you desire to sell in increments of whole equity interests. Consideration may be given to granting an exception to this requirement in particular circumstances. You may submit your offer to sell through a listing agreement. Offers to sell equity interests will be made available by Alerus upon request and the lowest current asking price at the time will be posted to Alerus' website at www.alerusagstock.com

- Anyone interested in buying equity interests should contact Alerus at 1-(800) 279-3200 (Ext. 5093 or 3407) to place a bid. You may only bid on equity interests that have been listed for sale in increments of whole equity interests. Consideration may be given to granting an exception to this requirement in particular circumstances.
- Alerus will match bids with the listed offers to sell on a daily basis, except that bids may not be matched with offers to sell until the equity interests have been listed for at least 15 days. In matching offers, preference is generally given first to the lowest priced offers to sell, then in the order received. The purchase price will be the buyer's bid price.
- When an offer to sell is matched with a bid, Alerus will contact the buyer and seller by telephone to confirm the sale and then send buyer a written contract for sale. The buyer must return to Alerus within ten (10) days the signed contract with 100% of the purchase price, and other documentation, if required. The purchase price funds will be held by an independent escrow agent until the sale is completed.
- After Alerus receives the buyer's contract and purchase price funds, Alerus will send the contract to the seller who must sign and return it to Alerus within ten (10) days. In the listing agreement, the seller agrees to pay Alerus' commission if the seller fails to sign and return these documents as required.
- If you have pledged your equity interests to secure a loan, you must obtain a signed consent from your lender to sell your equity interests. The escrow agent will issue the check for the sale proceeds payable to both you and the lender upon the lender's written request.
- After the buyer has deposited 100% of the purchase price, the contracts and related documentation will be submitted to the transfer agent to confirm compliance with all Bylaw restrictions, including Board approval.
- If the sale is approved by Golden Oval's Board of Directors, and Golden Oval does not exercise its right of first refusal as described below, the transfer agent will issue the equity interests to the buyer and inform Alerus to direct the escrow agent to disburse the net sale proceeds to the seller, less payment of Alerus' commission. If the sale is not authorized, the purchase price will be returned to the buyer and no commission will be charged.
- Offers to sell and offers to buy may not be listed on the Trading Service any longer than 120 days. After an offer to sell or buy has been listed for 120 days it will be removed. Offers to sell and offers to buy may then be listed again after 60 days.
- No more than 10% (presently 458,183) of Golden Oval's outstanding equity interests may be traded through the trading service during a 12-month period. If the 10% limit is reached, no further trading will be authorized until after the end of the year.
- **Right of First Refusal Rights.** Transfers through the Trading Service are subject to Golden Oval's right of first refusal rights set forth in the Bylaws. Under the Bylaws, before a Trading

Service transfer is effective, Golden Oval has the option to redeem all, but not less than all, of the seller's or transferor's equity interests for the same price and on the same terms and conditions as any offer received by the seller or transferor in the Trading Service transfer. If Golden Oval declines to exercise its right of first refusal, the sale and transfer between the seller and buyer may be made effective.

CAUTION: This Summary is current only as of the date printed on the first page. It may be updated or revised from time in the discretion of Golden Oval's Board of Directors and in coordination with Alerus. The most current version will always be available on Golden Oval's website, upon request to Golden Oval or by link on Alerus' website. Buyers and Sellers should confirm that they are referring to the most current version of the Trading Service Agreement and Alerus' Operational Manual when using the trading service or transferring equity interests.