

**HIGHWATER ETHANOL, LLC
UNIT TRANSFER APPLICATION**

A. General Instructions.

1. The person or entity transferring the units of Highwater Ethanol, LLC ("Transferor") and the person or entity acquiring the units ("Transferee") must complete all respective information required in this Unit Transfer Application, and date and sign this Unit Transfer Application at page 6.

2. Transferee must complete all information required by the Member Signature Page of the Member Control Agreement, and date and sign the Member Signature Page (the last page attached to this Unit Transfer Application).

3. Transferor must execute the reverse side of the certificate(s) representing Transferor's Units in Highwater Ethanol, LLC

4. The parties should deliver each of the original executed documents referenced in Items 1, 2 and 3 of these Instructions to:

Highwater Ethanol, LLC
24500 US HWY 14
PO Box 96
Lamberton, MN 56152

B. 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 _____

C. 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 _____
- 4. Telephone Number: _____
- 5. E-Mail Address: _____

D. Transfer Information.

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

E. **Type of Transfer.** Transferor 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 the spouse or descendant(s) of a Member of Highwater Ethanol, LLC
Indicate relationship _____
 - To others
- Lifetime transfer to a trust
 - For the benefit of the spouse or descendant(s) of a Member of Highwater Ethanol, LLC
Indicate relationship _____
 - For the benefit of others
- Transfer on Death
- Transfer pursuant to a Will or trust of a deceased Member.
 - Transfer is to spouse or descendant(s) of the deceased Member.
Indicate relationship _____
 - Transfer is not to spouse or descendants of the deceased Member.
- Transfer to another Member or to an Affiliate or Related Party of another Member (as those terms are defined in the Member Control Agreement of Highwater Ethanol, LLC).
Indicate relationship _____
- Transfer to an Affiliate or Related Party of the Transferor.
Indicate relationship _____
- Transfer for Value to a Third Party
- Pledge or Security Agreement Identifying Units as Collateral

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).

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.

F. **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 6)
- Corporation, Partnership, or LLC (Corporate Resolutions, Operating Agreement 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. KEOGHS should provide the taxpayer identification number of the account and the social security number of the accountholder. Trusts should provide their taxpayer identification number. Custodians should provide the minor's social security number. All individual transferees and IRA transferees should provide their social security number. Other entities should provide their taxpayer identification number.

- 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 No. _____

Joint Transferee's Social Security No. _____

Taxpayer Identification No. _____

3. **Member Report Address.** If Transferee would like duplicate copies of member reports sent to an address that is different than the address identified in section C, please complete this section.

Address: _____

4. **Transferee's Representations and Warranties.** You must read and certify your representations and warranties and sign and date this Unit Transfer Application.

By signing below, Transferee represents and warrants to Highwater Ethanol, LLC (“Highwater”) that he, she or it:

- a. intends to acquire the 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 arrangement to sell or otherwise transfer or dispose of any Units or any portion thereof to any other person;
- b. understands that there is no public market for Highwater’s membership units, that the membership units do not trade on a national 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 membership units;
- c. has received a copy of the Highwater Member Control Agreement, and understands that the Transferee and the membership units will be bound by the provisions of the Member Control Agreement which contains, among other things, provisions that restrict the transfer of membership units;
- d. understands that the Units are subject to substantial restrictions on transfer under applicable tax and securities laws along with restrictions in the Highwater Member Control Agreement and agrees that if the membership units or any part thereof are sold or distributed in the future, the Transferee shall sell or distribute them pursuant to the terms of the Member Control Agreement, and the requirements of the Securities Act of 1933, as amended, and applicable tax and securities laws;
- e. agrees to indemnify and hold Highwater harmless for any damage, loss, cost, or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from the improper transfer of units from the Transferor to the Transferee;
- f. understands that Highwater will place a restrictive legend on any certificate representing any unit containing substantially the following language as the same may be amended by the Governors of Highwater 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 OPERATING AGREEMENT.

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.

; and

- g. understands that, to enforce the above legend, Highwater may place a stop transfer order with its registrar and stock transfer agent (if any) covering all certificates representing any of the membership units.

[SIGNATURES ON NEXT PAGE]

Signature of Transferor/ Joint Transferor:

The undersigned Transferor(s) hereby certifies (certify) that the representations and warranties in this Unit Transfer Application are true and correct. The undersigned Transferor(s) does (do) hereby irrevocably constitute and appoint the officers of Highwater Ethanol, LLC as attorney-in-fact to transfer the said 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 Transferee:

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

Date: _____

Individuals:

Entities:

Name of Individual Transferee (Please Print)

Name of Entity (Please Print)

Signature of Individual

Print Name and Title of Officer

Name of Joint Individual Transferee (Please Print)

Signature of Officer

Signature of Joint Individual Transferee

***APPROVAL OR DISAPPROVAL OF TRANSFER BY
HIGHWATER ETHANOL, LLC***

Pursuant to Section 9.1 of the Member Control Agreement of Highwater Ethanol, LLC, the transfer to Transferee is: approved disapproved by the Governors by an action taken on _____, 202__.

HIGHWATER ETHANOL, LLC

By: _____

Its: _____

MEMBER SIGNATURE PAGE
ADDENDUM
TO THE
HIGHWATER ETHANOL, LLC
MEMBER CONTROL AGREEMENT

The undersigned does hereby warrant, represent, covenant and agree that: (i) the undersigned, as a condition to becoming a Member in Highwater Ethanol, LLC, has received a copy of the Amended and Restated Member Control Agreement, dated February 26, 2007, and, if applicable, all amendments and modifications thereto; (ii) the undersigned shall be subject to and comply with all terms and conditions of such Amended and Restated Member Control Agreement in all respects, as if the undersigned had executed the Amended and Restated Member Control Agreement on the original date thereof; and (iii) the undersigned is and shall be bound by all of the provisions of said Amended and Restated Member Control Agreement from and after the date of execution this Addendum.

Individuals:

Entities:

Name of Individual Transferee (Please Print)

Name of Entity (Please Print)

Signature of Individual

Print Name and Title of Officer

Name of Joint Individual Transferee (Please Print)

Signature of Officer

Signature of Joint Individual Transferee

Date

Date

Agreed and accepted on behalf of the
Company and its Members:

HIGHWATER ETHANOL, LLC

By: _____

Its: _____

Date: _____