

Effective: September 1, 2009

EXHIBIT A

**OPERATIONAL MANUAL
SIOUXLAND ENERGY & LIVESTOCK COOPERATIVE**

Pursuant to the Trading Service Agreement, Siouxland Energy & Livestock Cooperative (“SELCO”) and Alerus Securities Corporation (“Alerus”), agree to the following rules and procedures for the trading of equity interests, payment for equity interests, and delivery of all necessary agreements for the effective trading of equity and voting interests.

I. *Trading Periods*

Sellers may post offers to sell equity interests and purchasers may post offers to purchase equity interests on the Trading Service (TS) during any business day of the year. Offers to sell will be matched with offers to purchase on a rolling, daily basis after the Offer to Sell has been posted for at least 15 days. Trades will be completed four times a year on the first day of each quarter beginning on January 1, April 1, July 1 and October 1. Trades will be coordinated upon final notification of acceptance from SELCO’s transfer agent (the “Transfer Agent”).

II. *Trading Rules*

1. Non-firm Quotes. All offers to sell and purchase posted to the TS shall be non-firm.
2. Access to Offers to Sell. Alerus shall provide, orally or in writing, to persons that inquire, all offers to sell posted to the TS as of the date of the inquiry. Alerus shall provide such information, orally or in writing, within a reasonable amount of time following such request.
3. Access to Offers to Purchase. Alerus shall provide, orally or in writing, to persons that inquire, all offers to purchase posted to the TS as of the date of the inquiry. Alerus shall provide such information, orally or in writing, within a reasonable amount of time following such request.
4. Increments. Offers to sell and offers to purchase must be made in whole interests, in \$10.00 minimum bid increments of at least one whole equity interest (e.g., 1, 2, etc. equity interests) and a purchase price per equity interest in whole dollars and cents. No offer to sell or purchase of partial or fractionalized equity interests may be posted to the TS.

5. Offers to Purchase--Timing. Offers to purchase must be submitted to the TS no later than 3:00 PM (CST or CT) of any business day.
6. Modification of Offers to Sell. An offer to sell may be modified by the seller at any time; provided, however, an offer to purchase cannot be accepted by a seller prior to the 16th day after the modified offer to sell is posted to the TS. Said modification shall not alter or extend the 120-day maximum period the equity interests can be posted for sale by the TS. If Alerus communicates to a seller an offer to purchase and the offer to purchase is at a bid price equal to or in excess of the seller's ask price, and if the seller declines to accept the offer to purchase for the bid price, seller shall either set a new ask price (non-firm) or request cancellation of the offer to sell. If the seller sets a new ask price (non-firm), the seller's ask price shall not be eligible for acceptance until the 16th day after which the modified offer is communicated to Alerus and posted to the TS.
7. Cancellation of Offers. Sellers may cancel an offer to sell by contacting Alerus by telephone or in writing at any time prior to the acceptance of any offer to purchase. All offers to purchase may be cancelled at any time prior to an agreement for sale being reached by seller and purchaser (communication of an offer and acceptance).
8. Matching Order Rules. Matching of offers to sell and offers to purchase are governed according to the following rules and procedures:
 - a. Offers to sell and offers to purchase shall not be eligible for matching and acceptance unless the offer to sell has been posted to the TS for a period of 15 days. .
 - b. For multiple offers to purchase, the offer to purchase with the highest bid price shall have the first opportunity for matching, except in the case of multiple bids posted to the TS between the 1st and 15th of an offer to sell being posted to the TS, where the bid prices *equal or exceed* the asking price, in which case the following rules shall control:
 - i. Alerus shall make reasonable efforts to contact with each of the eligible bidders at approximately 3:00 P.M. (CST) on the 15th day (or next business day if the 15th day falls on a Saturday or Sunday) following the posting to the TS of an offer to sell. "Reasonable efforts" means one phone call, email or other written communication to the bidder or the receipt and acceptance of a return phone call from the bidder before 3:15 PM (CT or CST whatever the case may be).
 - ii. Upon contacting each of the bidders, Alerus shall disclose to each bidder the following information:

- The bid price and quantity of equity interests ordered in each of the eligible offers to purchase;
 - The ask price and quantity of equity interests ordered in the offer to sell; and
 - The bidders' opportunity to submit to Alerus a higher bid price using the following process: Alerus shall make a one-time teleconference call with each of the eligible bidders with which it has made previous contact, at a time set by Alerus but no earlier than 3:30 PM of the 15th day following the initial posting date of the eligible offer to sell. The bidders will then have the opportunity to participate in an anonymous bidding process that Alerus will monitor and control. Whichever bidder submits the highest bid price within the applicable time period set by Alerus shall have the first opportunity for matching with the offer to sell.
- c. For multiple offers to sell, the offer to sell posted to the TS with the lowest asking price shall have the first opportunity for matching.
- d. For multiple offers to sell at the same asking price, the seller who posted the offer to sell first in time has priority. For multiple offers to purchase at the same bid price, a bidder who posted an offer to purchase first in time has priority.
- e. After price and time, priority is given to the seller or purchaser with the largest order of equity interests.
- f. If price, time, or order quantity cannot be firmly established, the prevailing seller or purchaser is selected at the discretion of Alerus.
9. Closing date; Purchase Price. Closing of a sale, at which time the net proceeds will be forwarded to the seller, shall not take place prior to 45 days after the offer to sell is posted to the TS. The purchase price for each sale shall be the bid price stated in the offer to purchase that is matched with the offer to sell.
10. Removal. Offers to sell and offers to purchase may be posted to and listed on the TS for a maximum of 120 days. Any offer to sell or purchase that has not been matched at the end of the 120 day period shall be removed from the TS.
11. Eligibility for future posting. A seller whose offer to sell has not been matched within 120 days and consequently whose offer to sell has been removed from the TS, will not be eligible to post a new or subsequent offer to sell unless and until 60 days have expired from the date of the previous offer to sell's removal from the TS. Purchasers will be eligible to repost any offer to purchase immediately

after it is removed.

III. *Trading, Payment, and Transfer Procedures*

1. Listing Agreement. To be eligible to sell equity interests, the seller and Alerus must sign a Listing Agreement authorizing Alerus to seek a purchaser for equity interests. The Listing Agreement will specify and include:
 - Number of equity interests offered for sale;
 - Price per equity interest;
 - Expiration date;
 - Listing date;
 - Responsibilities and obligations of seller and Alerus;
 - Obligation of Alerus to secure 100% of purchase price; and
 - Sales commission rate and minimum commission rate.
2. Placing offers to purchase. Prospective purchasers or bidders who desire to place an offer to purchase may contact Alerus in person, by telephone, via e-mail, or through the Internet, for equity interest availability and prices. An offer to purchase may be made at the lowest listed asking price or any other price.
3. Communication of offer to purchase to seller. Once an offer to purchase is made that equals or exceeds the asking price of one or more posted offers for sale, the eligible offer to purchase is communicated to the seller having the lowest asking price for readily available equity interests in accordance with the matching order rules as described above. Alerus will use reasonable efforts to contact eligible sellers; however, if Alerus is unable to make contact with a seller within a reasonable time according to its best judgment, Alerus will communicate said offer to the next eligible seller. After communication to seller of the offer to purchase, if the offer to purchase is at or above the posted asking price, the seller has the option to accept or reject the offer to purchase.
4. Contract for sale. Upon verbal agreement for sale between a purchaser and seller, Alerus will generate and send to purchaser a Contract for Sale, Equity Interest Information Form and High Moisture Corn Agreement and/or Dry Corn Agreement as appropriate.
 - a. The purchaser shall be obligated to fully execute and return to Alerus said Contract for Sale, an earnest money deposit equal to twenty percent (20%) of the accepted purchase price (check made payable to “Bremer Bank, Escrow Agent”), an executed High Moisture and/or Dry Corn Agreement (s), and if a new member of the Company, \$500.00 for the purchase of one voting interest (check made payable to “Siouxland Energy & Livestock Cooperative”), within 10 days of the date of the Contract for Sale. Alerus shall collect from the purchaser the remaining balance of the purchase price (80%) as set forth under paragraph III (7) below.

- b. Upon receipt of the purchaser's executed Contract for Sale and earnest money, Alerus will immediately deposit the earnest money into a non-interest bearing escrow account at Bremer Bank, N.A. ("Escrow Agent") and forward to the seller the Contract for Sale for signature.
 - c. Seller shall be obligated to fully execute and return to Alerus said Contract for Sale, a High Moisture Corn Agreement and/or Dry Corn Agreement, its equity interest Certificate and the voting interest Certificate if the seller is selling all of seller's equity interests (or a satisfactory lost certificate(s) affidavit) within 10 days of the date of the Contract for Sale. If the seller fails to sign and return such documents as required, the seller shall be responsible for the amount of the commission that would have been due if the transaction had been completed.
5. Notification by Transfer Agent. Upon receipt of the documents and funds of purchaser, Alerus shall forward to the Transfer Agent the Contract for Sale, the High Moisture and/or Dry Corn Agreement Agreements and the \$500.00 purchase price for the voting interest. The Transfer Agent shall confirm to Alerus approval to complete the transaction or notice that SELC intends to exercise its right of first refusal.
6. Right of First Refusal. If SELC exercises its right of first refusal, the Transfer Agent shall return to Alerus the \$500.00 purchase price for the voting interest, if applicable. Alerus shall then notify seller and purchaser that SELC has exercised its right of first refusal and return to the purchaser all funds. In addition, Alerus shall forward to the seller a new Contract for Sale between seller and SELC. Seller shall fully execute the Contract for Sale and return it to Alerus. Upon receipt of the Contract for Sale, Alerus shall notify the Transfer Agent that the Contract for Sale has been signed and received. SELC shall then issue a check for the full amount of the purchase price made payable to the Escrow Agent and forward it to Alerus.
7. Balance of the Purchase Price. Upon notification from the Transfer Agent to Alerus, the purchaser shall be required to submit any remaining balance of the purchase price to Alerus (check made payable to "Bremer Bank, Escrow Agent") within 10 days of demand made by Alerus, which demand shall be made immediately following notification from the Transfer Agent. The purchaser who fails to submit the balance of the purchase price as required shall forfeit twenty percent (20%) of the purchase price from the deposit, which shall be transferred to the seller by the Escrow Agent, less an amount equal to the commission that would have been due if the transaction had been completed, which will be paid to Alerus by the Escrow Agent. In addition, the purchaser shall forfeit the purchase price paid for the voting interest, if applicable.

8. Completion of Sale. Upon receipt of the balance of the purchase price, Alerus will forward to the Transfer Agent all Contracts for Sale and other documents relating to each match of equity interests listed for sale, together with proof of the purchaser's one hundred percent (100%) remittance for reissuance to the purchaser of the equity interests certificate and voting interest certificate, and if applicable to the seller if seller retains any equity interests.

Upon Alerus' receipt of notice from the Transfer Agent that the seller's equity interests certificate is being reissued to the purchaser on the effective date, Alerus shall direct the Escrow Agent to transfer the sale proceeds (purchase price minus commission) to the seller on the effective date (see below). On or shortly following the effective date, the Transfer Agent will send to seller and purchaser the certificates identified above. If any liens or restrictions on the equity interests appear of record, then the Transfer Agent shall inform Alerus, and Alerus shall inform the Escrow Agent, that the sale proceeds must be paid per the lender's instructions. If the lender does not confirm its instructions which prevent the Transfer Agent from processing the sale, Alerus shall direct the Escrow Agent to refund the entire amount deposited to the purchaser within 10 business days of receipt of notification of such determination. In this event, SELC shall refund to the purchaser the purchase price for the voting interest, if applicable.

9. Alerus' commission. Prior to the Escrow Agent's transfer of the sale proceeds to the seller, the Escrow Agent shall deduct an amount representing the sales' commission and transfer such commission to Alerus. The commission shall be three percent (3%) of the purchase price, with a Two Hundred Fifty and No Dollar (\$250.00) minimum commission.
10. Trade effective date. All sales and transfers shall be effective upon the first day of each calendar-year quarter – January 1, April 1, July 1 or October 1 – following the quarter in which the sale occurred and was approved by SELC's Board of Directors; provided, however, in case of Transfers under the QMS in which an offer to sell is posted during the last 45 days of any quarter, and a match occurs prior to the end of the same quarter, the Transfer shall not be made effective until the first day of the quarter following the expiration of a full quarter period. SELC's quarters begin on January 1, April 1, July 1 and October 1 of each calendar year.