



Glacial Lakes Energy Export Holdings, LLC

301 20TH AVENUE SE • P.O. BOX 1323 • WATERTOWN, SD • 57201

PHONE: 605-882-8480 • FAX: 605-882-8982

January 31, 2020

To the Shareholders of Glacial Lakes Corn Processors:

In October 2015, we created an Interest Charge-Domestic International Sales Corporation (“IC-DISC”) company called Glacial Lakes Energy Export Holdings, LLC. The purpose of this company is to provide a lower “qualified dividend” taxation rate than that afforded by the patronage income and dividends you now receive from GLCP, which is taxed as ordinary income. In doing so, we separate our patronage-sourced income into two buckets: (1) income earned on export sales of the ethanol and feed products we produce and (2) income earned on domestic sales of the ethanol and feed products we produce.

It is important to note that there are differences with the allocation of income and the payment of dividends between the two companies for buyers and sellers of GLCP common stock during months of September through December. This is because the IC-DISC must file a tax return based on a December 31 (calendar year) tax year and GLCP files its tax return based on its August 31 fiscal year.

If you did not make changes to your membership, such as sell or transfer any GLCP shares during the year, you will find your dividend payment from GLE Export Holdings, LLC in the amount of \$0.02683 per share enclosed. Approximately \$0.01598 of this is attributed to the period from January 1, 2019 through August 31, 2019 and \$0.01085 is attributed to the period from September 1, 2019 through December 31, 2019.

If you sold or transferred shares between September 01, 2019 and December 31, 2019, you will see only the first amount (\$0.01598) because you were the shareholder of record on August 31, 2019 and the buyer will receive the second amount (\$0.01085) as shareholder of record on December 31, 2019.

This year we deducted all pool fees for undelivered bushels from fiscal year 2019 from the Holding Company checks. Therefore, the amount of the enclosed check could be lower than the amounts shown above.

The income and dividends from GLE Export Holdings, LLC is reported to you differently than the income and dividends from GLCP. The Holding Company will pass through 100% of its income to GLCP shareholders on a Schedule K-1. The income you receive from GLCP will continue to be reported to you on Form 1099PATR/DIV. **We anticipate the K-1’s reflecting the amount which applies to the 2019 tax year to be mailed in early February. Please take the K-1 forms to your tax preparer/consultant for their review.**

If you have any questions, please feel free to contact our office at 605-882-8480. Thank you for your continued support!

Sincerely,

GLACIAL LAKES ENERGY, LLC

James A. Seurer
Chief Executive Officer