



## Glacial Lakes Energy Export Holdings, LLC

301 20<sup>TH</sup> AVENUE SE • P.O. BOX 1323 • WATERTOWN, SD • 57201

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

February 02, 2018

To the Shareholders of Glacial Lakes Corn Processors:

In October 2015, we informed you that 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 you with a significantly 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 this, 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 from 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 due to the fact that 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 sell or transfer any GLCP shares during the year, you will find your dividend payment from GLE Export Holdings, LLC in the amount of \$0.00883 per share enclosed. Approximately \$0.00570 of this is attributed to the period from January 1, 2017 through August 31, 2017 and \$0.00313 is attributed to the period from September 1, 2017 through December 31, 2017. If you sold or transferred shares between August 31, 2017 and December 31, 2017, you will see only the first amount (\$0.00570) because you were the shareholder of record on August 31, 2017 and the buyer will receive the second amount (\$0.00313) as shareholder of record on December 31, 2017.

The income and dividends from GLE Export Holdings, LLC will be reported to you differently than the income and dividends from GLCP. On the export side, the Holding Company will pass through 100% of its dividend income to GLCP shareholders on a Schedule K-1. The income and dividends you receive on the GLCP side will continue to be reported to you on Form 1099PATR/DIV. We anticipate the K-1's reflecting the amount of the enclosed check to be mailed by mid-February. **The K-1 we will be issuing applies to the 2017 tax year and should be sent to your tax preparer/consultant.**

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