UNITED WISCONSIN GRAIN PRODUCERS, LLC

Friesland, Wisconsin

Financial Statements

June 30, 2015

UNITED WISCONSIN GRAIN PRODUCERS, LLC

C O N T E N T S

BOULAY

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Board of Directors and
Members of United Wisconsin Grain Producers, LLC

We have reviewed the financial statements of United Wisconsin Grain Producers, LLC, which comprise the balance sheet as of June 30, 2015, the related statements of operations for the three and six-month periods ended June 30, 2015 and 2014, and the related statements of cash flows for the six-month periods ended June 30, 2015 and 2014.

Management's Responsibility for the Financial Information

Management is responsible for the preparation and fair presentation of the interim financial information in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of the interim financial information in accordance with accounting principles generally accepted in the United States of America.

Auditor's Responsibility

Our responsibility is to conduct our reviews in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial information as a whole. Accordingly, we do not express such an opinion.

Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the financial information referred to above for it to be in accordance with accounting principles generally accepted in the United States of America.

Report on Balance Sheet as of December 31, 2014

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheet of United Wisconsin Grain Producers, LLC as of December 31, 2014, and the related statements of operations, members' equity, and cash flows for the year then ended (not presented herein); and in our report dated February 16, 2015, we expressed an unmodified audit opinion on those audited financial statements. In our opinion, the accompanying balance sheet of United Wisconsin Grain Producers, LLC as of December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Boulay PLLP

Boulay PLLP

Minneapolis, Minnesota
August 12, 2015

Boulay 7500 Flying Cloud Drive Suite 800 Minneapolis, MN 55344 (t) 952.893.9320 (f) 952.835.7296 BoulayGroup.com

UNITED WISCONSIN GRAIN PRODUCERS, LLC

Balance Sheets

ASSETS		**June 30, 2015** (Unaudited)		**December 31, 2014**
Current Assets				
Cash	$	16,670,299	$	37,909,881
Restricted cash - commodity margin account		1,026,548		262,115
Commodity derivative instruments		48,588		1,262,149
Investments		7,000,000		4,500,000
Accounts receivable, net of allowance for doubtful accounts of $34,000		3,765,891		3,833,513
Prepaid expenses and other current assets		307,166		544,712
Inventory		3,850,617		3,684,973
Total current assets		32,669,109		51,997,343
Property, Plant, and Equipment, net		24,300,377		23,096,681
Total Assets	$	56,969,486	$	75,094,024
LIABILITIES AND MEMBERS' EQUITY				
Current Liabilities				
Accounts payable	$	1,198,351	$	3,886,445
Accrued liabilities		587,959		832,484
Commodity derivative instruments		716,730		-
Total current liabilities		2,503,040		4,718,929
Members' Equity, 28,346 multiple class units authorized, issued, and outstanding		54,466,446		70,375,095
Total Liabilities and Members' Equity	$	56,969,486	$	75,094,024

See accompanying notes and independent auditor's review report.

UNITED WISCONSIN GRAIN PRODUCERS, LLC

Statements of Operations
(Unaudited)

	Three Months Ended June 30, 2015		Three Months Ended June 30, 2014	
Revenues	$	27,592,648	$	45,721,035
Cost of Goods Sold		24,098,518		27,269,214
Gross Margin		3,494,130		18,451,821
Operating Expenses		795,864		792,541
Operating Income		2,698,266		17,659,280
Other Income, Net		65,787		85,089
Net Income	$	2,764,053	$	17,744,369
Weighted Average Units Outstanding - Basic and Diluted (Class A, B, C)		28,346		28,346
Net Income Per Unit - Basic and Diluted (Class A, B, C)	$	97.51	$	625.99
Distributions Per Unit (Class A, B, C)	$	-	$	-

See accompanying notes and independent auditor's review report.

UNITED WISCONSIN GRAIN PRODUCERS, LLC

Statements of Operations
(Unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Revenues	$ 53,284,617	$ 71,244,977
Cost of Goods Sold	48,596,506	56,855,609
Gross Margin	4,688,111	14,389,368
Operating Expenses	1,630,532	1,599,054
Operating Income	3,057,579	12,790,314
Other Income, Net	167,321	169,176
Net Income	$ 3,224,900	$ 12,959,490
Weighted Average Units Outstanding - Basic and Diluted (Class A, B, C)	28,346	28,346
Net Income Per Unit - Basic and Diluted (Class A, B, C)	$ 113.77	$ 457.19
Distributions Per Unit - Basic and Diluted (Class A, B, C)	$ 675.00	$ 350.00

See accompanying notes and independent auditor's review report.

UNITED WISCONSIN GRAIN PRODUCERS, LLC

Statements of Cash Flows
(Unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash Flows from Operating Activities		
Net income	$ 3,224,900	$ 12,959,490
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	1,637,401	1,673,607
Change in fair value of commodity derivative instruments	746,376	8,003,107
Changes in operating assets and liabilities:		
Restricted cash - commodity margin account	(764,433)	(758,425)
Commodity derivative instruments	1,183,915	(9,477,841)
Accounts receivable	67,621	1,650,091
Inventory	(165,644)	(1,110,996)
Prepaid expenses and other current assets	237,546	116,859
Accounts payable	(2,688,094)	(3,651,429)
Accrued liabilities	(244,525)	(112,141)
Net cash provided by operating activities	3,235,063	9,292,322
Cash Flows from Investing Activities		
Capital expenditures	(288,078)	(306,092)
Payments for construction in progress	(2,553,017)	-
Purchases of short-term investments	(4,000,000)	-
Proceeds from short-term investments	1,500,000	1,500,000
Net cash provided by (used in) investing activities	(5,341,095)	1,193,908
Cash Flows from Financing Activities		
Payment of member distributions	(19,133,550)	(9,921,100)
Net cash used in financing activities	(19,133,550)	(9,921,100)
Net Increase (Decrease) in Cash	(21,239,582)	565,130
Cash – Beginning of Period	37,909,881	21,601,736
Cash – End of Period	$ 16,670,299	$ 22,166,866
Supplemental Cash Flow Information		
Cash paid for:		
Interest	$ 12,531	$ 12,500

See accompanying notes and independent auditor's review report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

United Wisconsin Grain Producers LLC, (the "Company") is a Wisconsin limited liability company currently operating a 60 million gallon per year ethanol plant located near the town of Friesland in the township of Randolph, Wisconsin. The Company is currently producing fuel-grade ethanol, distillers grains, and crude corn oil and sells these products both domestically and internationally.

Accounting Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. The Company uses estimates and assumptions in accounting for the following significant matters, among others: allowances for doubtful accounts, useful lives of property, plant, and equipment, the assumptions used in the impairment analysis of long-lived assets; the valuation of commodity derivatives, inventory costing, inventory purchase commitments, and legal contingencies. Actual results may differ from previously estimated amounts, and such differences may be material to our financial statements. The Company periodically reviews estimates and assumptions, and the effects of revisions are reflected in the period in which the revision is made.

Revenue Recognition

Revenues from the production of ethanol and the related products are recorded when the customer has taken title and has assumed the risks and rewards of ownership, prices are fixed or determinable and collectability is reasonably assured. Title is generally assumed by the buyer at the end of the Company's shipping point. Shipping costs incurred by the Company in the sale of ethanol and ethanol related products (distillers grains and crude corn oil) are included in cost of goods sold. The Company believes there are no ethanol sales during any given month which should be considered contingent and recorded as deferred revenue. Interest income is recognized as earned.

Cash

The Company maintains its accounts primarily at one financial institution. At times throughout the year, the Company's cash balances may exceed amounts insured by the Federal Deposit Insurance Corporation. The Company does not believe it is exposed to any significant credit risk on its cash balances.

Restricted Cash

The Company has restricted cash balances relating to margin requirements with the Company's commodity derivative broker based on open commodity contracts (discussed in Note 6).

Investments

Certificates of deposit with original maturities over three months and a readily redeemable preferred equity interest in a cooperative are included in investments. At June 30, 2015 and December 31, 2014, interest rates on the Company's certificates of deposits ranged from 0.35% to 1.05% and had original maturities ranging from six months to three years. Any penalties for early withdrawal would not have a material effect on the financial statements. The redeemable preferred equity interest in a cooperative has averaged paying a 4% dividend return.

Accounts Receivable

Accounts receivable are recorded at their estimated net realizable value, net of an allowance for doubtful accounts. The allowance for doubtful accounts is established through provisions charged against income and is maintained at a level believed adequate by management to absorb estimated bad debts based on historical experience and current economic conditions. The Company extends credit to customers for sales of ethanol, distillers grains, and corn oil in the normal course of business. Credit is extended based on an on-going evaluation of a customer's financial conditions and generally no collateral is required. Accounts receivable are ordinarily due in 10 business days. If payment is not received on a timely basis in accordance with the Company's credit terms it is considered past due. Invoices that remain unpaid after 30 days may bear interest at 18% and are considered delinquent if past due over 120 days. Delinquent receivables are written off based on credit evaluation and specific circumstances of the customer. At both June 30, 2015 and December 31, 2014, the Company established an allowance for doubtful accounts of approximately $34,000.

Inventory
Inventory is stated at the lower of weighted average cost or market. Market is based on current replacement values except that it does not exceed net realizable values and it is not less than net realizable values reduced by allowances from normal profit margin. Inventory consists of raw materials, work in process, finished goods, and spare parts. Corn is the primary raw material. Finished goods consist of ethanol, distillers grains, and corn oil.

Property, Plant, and Equipment
Property, plant, and equipment are stated at cost. Depreciation is computed over estimated useful lives by use of the straight-line method.

Asset Description	Years
Land Improvements	5-20 years
Buildings	10-39 years
Plant and process equipment	5-15 years
Office equipment	5-10 years

Maintenance and repairs are expensed as incurred; major improvements and betterments are capitalized. Construction in progress expenditures will be depreciated using the straight-line method over their estimated useful lives once the assets are placed into service.

Long-Lived Assets
Long-lived assets, such as property, plant, and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset to be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by an asset to the carrying value of the asset. If the carrying value of the long lived asset is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques that may include, but not limited to, discounted cash flow models, quoted market values and third-party independent appraisals, as considered necessary.

Derivative Instruments
From time to time the Company enters into derivative transactions to hedge its exposures to commodity price fluctuations. The Company is required to record these derivatives in the balance sheet at fair value.

In order for a derivative to qualify as a hedge, specific criteria must be met and appropriate documentation maintained. Gains and losses from derivatives that do not qualify as hedges, or are undesignated, must be recognized immediately in earnings. If the derivative does qualify as a hedge, depending on the nature of the hedge, changes in the fair value of the derivative will be either offset against the change in fair value of the hedged assets, liabilities, or firm commitments through earnings or recognized in other comprehensive income until the hedged item is recognized in earnings. Changes in the fair value of undesignated derivatives are recorded in revenue or cost of goods sold based on the commodity being hedged.

Additionally, the Company is required to evaluate its contracts to determine whether the contracts are derivatives. Certain contracts that literally meet the definition of a derivative may be exempted as "normal purchases or normal sales". Normal purchases and normal sales are contracts that provide for the purchase or sale of something other than a financial instrument or derivative instrument that will be delivered in quantities expected to be used or sold over a reasonable period in the normal course of business. Certain corn and distillers grains contracts that meet the requirements of normal purchases or sales are documented as normal and exempted from the accounting and reporting requirements and therefore, are not marked to market in the financial statements.

Fair Value of Financial Instruments
The Company's accounting for fair value measurements of assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring or nonrecurring basis adheres to the Financial Accounting Standards Board (FASB) fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The carrying value of cash, restricted cash, accounts receivable, accounts payable, accrued liabilities, and other working capital items approximate fair value at June 30, 2015 and December 31, 2014 due to the short maturity nature of these instruments.

Income Taxes
The Company is treated as a partnership for federal and state income tax purposes, and generally does not incur income taxes. Instead its earnings and losses are included in the income tax returns of its members. Therefore, no provision or liability for federal or state income taxes has been included in these financial statements. The Company had no significant uncertain tax positions as of June 30, 2015 or December 31, 2014. For years before fiscal 2012, the Company is no longer subject to U.S. Federal or state income tax examinations.

Environmental Liabilities
The Company's operations are subject to environmental laws and regulations adopted by various governmental authorities in the jurisdiction in which it operates. These laws require the Company to investigate and remediate the effects of the release or disposal of materials at its locations. Accordingly, the Company has adopted policies, practices and procedures in the areas of pollution control, occupational health and the production, handling, storage and use of hazardous materials to prevent material environmental or other damage, and to limit the financial liability which could result from such events. Environmental liabilities are recorded when the Company's liability is probable and the costs can be reasonably estimated.

Net Income per Unit
Basic net income per unit is computed by dividing net income by the weighted average number of members' units outstanding during the period. Diluted net income per unit is computed by dividing net income by the weighted average number of members' units and members' unit equivalents outstanding during the period. There were no member unit equivalents outstanding during the periods presented; accordingly, for all periods presented, the Company's basic and diluted net income per unit are the same.

Subsequent Events
The Company has evaluated subsequent events through August 12, 2015 the date the financial statements were available to be issued.

2. RISKS AND UNCERTAINTIES

The Company has certain risks and uncertainties that it experiences during volatile market conditions. These volatilities can have a severe impact on operations. The Company's revenues are derived from the sale and distribution of ethanol and distillers grains to customers primarily located in the United States. Corn for the production process is supplied to our plant primarily from local agricultural producers and from purchases on the open market. Ethanol sales average approximately 70-80% of total revenues and corn costs average approximately 70-80% of cost of goods sold.

The Company's operating and financial performance is largely driven by the prices at which it sells ethanol and the net expense of corn. The price of ethanol is influenced by factors such as supply and demand, the weather, government policies and programs, and unleaded gasoline prices and the petroleum markets as a whole. Excess ethanol supply in the market, in particular, puts downward pressure on the price of ethanol. The cost of corn is generally impacted by factors such as supply and demand, the weather, government policies and programs, and the Company's risk management program used to protect against the price volatility of these commodities.

3. INVESTMENTS

The Company had $3,000,000 and $4,500,000 of certificates of deposits at June 30, 2015 and December 31, 2014, respectively. On March 16, 2015, the Company made a $4,000,000 investment in redeemable preferred stock of a cooperative. This investment is accounted for under the cost method accounting. Under this method, the Company's share of the earnings or losses of such invested companies is not included in the balance sheet or statement of operations. However, the investment is subject to impairment analysis.

4. INVENTORY

Inventory consists of the following:

	June 30, 2015 (Unaudited)	December 31, 2014*
Raw materials	$ 1,775,907	$ 1,297,345
Spare parts	857,398	841,027
Work in process	400,316	416,692
Finished goods	816,996	1,129,909
Total	$ 3,850,617	$ 3,684,973

*****Derived from audited financial statements.

The Company performs a lower of cost or market analysis on inventory to determine if the market values of certain inventories are less than their carrying value, which is attributable primarily to decreases in market prices of corn and ethanol. Based on the lower of cost or market analysis, the Company did not record a lower of cost or market charge on inventory for the three or six month periods ended June 30, 2015 or 2014.

5. PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment consists of the following at:

	June 30, 2015 (Unaudited)	December 31, 2014
Land and land improvements	$ 6,238,764	$ 6,238,764
Office equipment	914,979	914,979
Buildings	3,215,247	3,215,247
Plant and process equipment	69,776,524	69,488,447
Construction in process	2,967,939	414,922
Total property, plant and equipment	**83,113,453**	**80,272,359**
Less: accumulated depreciation	(58,813,076)	(57,175,678)
Net property, plant, and equipment	**$ 24,300,377**	**$ 23,096,681**

6. DERIVATIVE INSTRUMENTS

The Company from time-to-time enters into ethanol and corn derivative instruments, which are required to be recorded as either assets or liabilities at fair value in the balance sheet. Derivatives qualify for treatment as hedges when there is a high correlation between the change in fair value of the derivative instrument and the related change in value of the underlying hedged item and when the Company formally documents, designates, and assesses the effectiveness of transactions that receive hedge accounting initially and on an on-going basis. The Company must designate the hedging instruments based upon the exposure being hedged as a fair value hedge or a cash flow hedge. While the Company does not typically designate the derivative instruments that it enters into as hedging instruments because of the administrative costs associated with the related accounting, the Company believes that the derivative instruments represent an economic hedge. The Company does not enter into financial instruments for trading or speculative purposes.

In order to reduce the risk caused by market fluctuations, the Company occasionally hedges its anticipated corn purchases and ethanol sales by entering into options and futures contracts. These contracts are used with the intention to fix the purchase price of anticipated requirements of corn in the Company’s ethanol production activities and the related sales price of ethanol. The fair value of these contracts is based on quoted prices in active exchange-traded or over-the-counter markets. Although the Company believes its commodity derivative positions are economic hedges, none have been formally designated as a hedge for accounting purposes and derivative positions are recorded on the balance sheets at their fair market value, with changes in fair value recognized in current period earnings or losses. Gains and losses from ethanol related derivative instruments, including unrealized changes in the fair value of these positions, are included in the results of operations and are classified as a component of revenue. Gains and losses from corn derivative instruments, including unrealized changes in the fair value of these positions, are included in the results of operations and are classified as a component of costs of goods sold. The Company records withdrawals and payments against the trade equity of derivative instruments as a reduction or increase in the value of the derivative instruments.

As of June 30, 2015, the total notional amount of the Company’s outstanding ethanol derivative instruments was approximately 10.5 million gallons that were entered into to hedge forecasted ethanol sales through December 2015. As of June 30, 2015, the total notional amount of the Company’s outstanding corn derivative instruments was approximately 1.25 million bushels that were entered into to hedge forecasted corn purchases through December 2016. As of December 31, 2014, the total notional amount of the Company’s outstanding ethanol derivative instruments was approximately 4.03 million gallons that were entered into to hedge forecasted ethanol sales through March 2015. As of December 31, 2014, the total notional amount of the Company’s outstanding corn derivative instruments was approximately 5.88 million bushels that were entered into to hedge forecasted corn purchases through December 2016. There may be offsetting positions that are not shown on a net basis that could lower the notional amount of positions outstanding as disclosed above.

The following tables provide details regarding the Company's derivative instruments at June 30, 2015, none of which are designated as hedging instruments:

	Balance Sheet Location	Assets	Liabilities
Corn Contracts	Derivative Instruments	$ 48,588	$ -
Ethanol Contracts	Derivative Instruments	-	716,730
Totals		$ 48,588	$ 716,730

In addition, as of June 30, 2015, the Company maintained approximately $1,027,000 of restricted cash related to margin requirements for the Company's commodity derivative instrument positions.

The following tables provide details regarding the Company's derivative instruments at December 31, 2014, none of which are designated as hedging instruments:

	Balance Sheet Location	Assets	Liabilities
Ethanol Contracts	Derivative Instruments	$ 553,224	$ -
Corn Contracts	Derivative Instruments	708,925	-
Totals		$ 1,262,149	$ -

In addition, as of December 31, 2014, the Company maintained approximately $262,000 of restricted cash related to margin requirements for the Company's commodity derivative instrument positions.

The following tables provide details regarding the gains and (losses) from Company's commodity derivative instruments in statements of operations, none of which are designated as hedging instruments:

	Statement of Operations Location	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Ethanol Contracts	Revenue	$ (1,119,100)	$ 3,777,444	$ (353,479)	$ (9,293,301)
Corn Contracts	Cost of goods sold	236,746	3,227,220	1,099,855	1,290,194
Total Gain (Loss), net		$ (882,354)	$ 7,004,664	$ (746,376)	$ (8,003,107)

7. FAIR VALUE MEASUREMENTS

The Company obtains fair value measurements from an independent pricing service for ethanol and corn exchange traded contracts. The fair value measurements consider observable data that may include dealer quotes and live trading levels from the Chicago Board of Trade ("CBOT") and New York Mercantile Exchange markets.

The following table provides information on those derivative instruments measured at fair value on a recurring basis at June 30, 2015:

	Carrying Amount in Balance Sheet June 30, 2015	Fair Value June 30, 2015	Fair Value Measurement Using		
			Level 1	Level 2	Level 3
Financial Assets: Commodity Derivative Instruments - Corn	$ 48,588	$ 48,588	$ 48,588	$ -	$ -
Financial Liabilities: Commodity Derivative Instruments - Ethanol	$ (716,730)	$ (716,730)	$ (716,730)	$ -	$ -

The following table provides information on those commodity derivative instruments measured at fair value on a recurring basis at December 31, 2014:

	Carrying Amount in Balance Sheet December 31, 2014	Fair Value December 31, 2014	Fair Value Measurement Using		
			Level 1	Level 2	Level 3
Financial Assets: Commodity Derivative Instruments - Corn	$ 553,224	$ 553,224	$ 553,224	$ -	$ -
Financial Assets: Commodity Derivative Instruments - Ethanol	$ 708,925	$ 708,925	$ 708,925	$ -	$ -

8. BANK FINANCING

Revolving Line of Credit
The Company renewed its Revolving and Term Credit Agreement with a bank effective April 1, 2015 for a revolving line of credit with a maximum availability of $10,000,000. The interest rate on amounts the Company borrows under the line of credit is a variable rate equal to 0.5% over the highest US prime Rate as published in the Wall Street Journal "Money Table" which was 3.75% at June 30, 2015 and December 31, 2014. The interest rate adjusts as and when the index rate changes. Interest is due monthly on this revolving credit facility. No prepayment fees exist on the revolving credit facility; however, the Company is required to pay a commitment fee equal to .25% per year of the average daily unused portion of the line of credit. The maturity date of the line of credit is April 1, 2017. At June 30, 2015 and December 31, 2014, the Company had no borrowings on the revolving line of credit.

Borrowing under our revolving line of credit is secured by substantially all of the assets of the Company. The revolving credit facility is subject to restrictive covenants including, but not limited to, requiring minimum financial ratios and limitations on capital expenditures, investments and distributions. As of the six month period ended June 30, 2015 and year ended December 31, 2014, the Company was in compliance with these covenants.

9. MEMBERS' EQUITY

Membership Units

The Company currently has three classes of membership units. As of June 30, 2015, there are 17,603 Class A units issued and outstanding, 6,750 Class B units issued and outstanding and 3,993 Class C units issued and outstanding. As of December 31, 2014, there were 17,593 Class A units issued and outstanding, 6,760 Class B units issued and outstanding and 3,993 Class C units issued and outstanding. The voting rights of Class A units do not have any voting restrictions. The voting rights of Class B units are restricted to the election of directors and dissolution of the Company. The voting rights of Class C members are restricted to voting only on dissolution. Income, losses and distributions are allocated to all members based upon their respective percentage units held regardless of the unit classification. The total units issued and outstanding were 28,346 at both June 30, 2015 and December 31, 2014. The Company is authorized to issue an aggregate of 28,346 units subject to certain transfer restrictions as specified in the operating agreement and pursuant to applicable tax and securities laws.

Membership Distributions

In January 2014, the Board of Directors declared a cash distribution of $350 per membership unit for all classes for a total distribution of $9,921,100 to its unit holders of record on January 10, 2014. The distribution was paid to members in January 2014.

In July 2014, the Board of Directors declared a cash distribution of $250 per membership unit for all classes for a total distribution of $7,086,500 to its unit holders of record on July 11, 2014. The distribution was paid to members in July 2014.

In January 2015, the Board of Directors declared a cash distribution of $675 per membership unit for all classes for a total distribution of $19,133,550 to its unit holders of record on January 12, 2015. The distribution was paid to members in January 2015.

In July 2015, the Board of Directors declared a cash distribution of $100 per membership unit for all classes for a total distribution of $2,834,600 to its unit holders of record on July 10, 2015. The distribution was paid to members in July 2015.

10. COMMITMENTS AND CONTINGENCIES

Ethanol Contracts

At June 30, 2015, the Company had forward futures contracts (swaps) to sell 10.5 million gallons of ethanol for various delivery periods from July 2015 through December 2015. The prices on these contracts range from $1.48 to $1.57 per gallon.

At June 30, 2015, the Company had forward ethanol sales contracts totaling 12.9 million gallons for various delivery periods from July 2015 to September 2015. The prices on these contracts have a basis level established by the Oil Price Information Service ("OPIS") Chicago ethanol market between -$0.02 and -$0.05.

Distillers Grains Contracts

At June 30, 2015, the Company had forward dry distillers grains sales contracts totaling 22,745 tons for various delivery periods from July 2015 to December 2015 with a price range of $90 to $182 per ton. At June 30, 2015 the Company had forward modified wet distillers grains sales contracts totaling 9,839 tons for various delivery periods from July 2015 to September 2015 with a price range of $45 to $72 per ton.

Corn Oil Contracts

At June 30, 2015 the Company had forward crude corn oil sales contracts totaling 1.05 million pounds for delivery period July 2015 with an average price of $0.27 per pound.

Corn and Denaturant Contracts
At June 30, 2015, the Company had forward corn purchase contracts with grain producers and dealers totaling 10.4 million bushels for various delivery periods from July 2015 to March 2017. The prices on these contracts range from $3.50 to $5.55 per bushel or have a basis level established by the CBOT futures between $.00 and $-0.30.

At June 30, 2015, the Company had forward contracts to purchase approximately 593,000 gallons of denaturant during the months of July 2015 to December 2015 at an average price of approximately $1.44 per gallon.

Capital Commitments
At June 30, 2015, the Company had entered into construction contracts with unrelated parties of approximately $10,500,000 for construction of a plant expansion project. In addition, at June 30, 2015, the total budget of the project is approximately $25,000,000.

11. LEGAL PROCEEDINGS

From time to time in the ordinary course of business, the Company may be named as a defendant in legal proceedings related to various issues, including without limitation, workers' compensation claims, tort claims, or contractual disputes.

Patent Infringement
A Complaint for Patent Infringement was filed against the Company and certain other parties on May 3, 2010 by GS CleanTech Corporation. The suit was heard at Federal Court in Indianapolis, Indiana. The complaint was seeking damages representing a portion of the revenue the Company generated while allegedly infringing on its patent related to a method of corn oil production. On October 23, 2014, the court granted summary judgment finding that all of the patents claimed were invalid and that the Company had not infringed. However, this ruling is subject to appeal. The manufacturer of the corn oil equipment has, and the Company expects it will continue, to vigorously defend itself and the Company in these lawsuits and in any appeal filed.

If the ruling was to be successfully appealed, the Company estimates that damages sought in this litigation if awarded would be based on a reasonable royalty to, or lost profits of the plaintiff. The Company is unable to determine at this time if the appeal will have a material adverse effect on the Company. In addition, the Company may need to cease use of its current oil separation process and seek out a replacement or cease oil production altogether if the judgment is reversed.