

SOUTH DAKOTA SOYBEAN PROCESSORS, LLC NOMINATION COMMITTEE CHARTER

The Board of Managers (the “Board”) of South Dakota Soybean Processors, LLC (the “Company”) have established a Nomination Committee (the “Committee”) to assist the Board in fulfilling its responsibilities. This Nomination Committee Charter has been adopted by the Board of the Company effective as of March 15, 2004.

Role

The Committee shall identify interest individuals qualified to become Board members, make recommendations to that the Board for a slate of nominees to fill each Board position that is vacant or becoming vacant at the annual meeting of the Company’s members, or at any special meeting called for the purposes of electing any Board members, and have the other responsibilities detailed in this Charter.

Composition and Independence

The Committee shall be comprised of two or more Board members, as determined by the Board, each of whom shall be independent, free from any relationship that, in the opinion of the Board, would interfere with the exercise of the independent judgment of the Committee member and, further, shall satisfy any applicable independence standards of NASDAQ, the Securities and Exchange Commission and any other regulatory authority. Generally, this means he or she cannot be an employee or consultant of the Company or own a controlling interest in the Company, but it may also bar significant contracting parties such as customers and suppliers, other than sales of soybeans or purchases of soybean meal on market terms available to the general public.

Members of the Committee shall be appointed by the Board in accordance with the Operating Agreement of the Company. The Committee’s Chairperson shall be designated by the full Board or, if it does not do so, the Committee shall designate a Chair by majority vote of the full Committee membership.

Meetings

The Committee shall meet at least annually, or more frequently as circumstances dictate. The Chairperson of the Committee will preside at each meeting and, in consultation with the other members of the Committee, set the frequency and length of each meeting and determine the agenda of items to be addressed at each meeting. The Chairperson shall ensure that the agenda for each meeting is circulated to each Committee member in advance of the meeting.

Responsibilities

The Committee shall:

1. Annually recommend a slate of nominees to open Board seats with respect to nominations for the Board at the annual meeting of the Company’s members.
2. Establish minimum qualifications that must be met by a Committee-recommended nominee for a position on the Board, including specific qualities or skills that are necessary for one or more of the Company’s Board members to possess.

3. Establish procedures for identifying and evaluation potential nominees for Board members, including nominees recommended by members, and any differences in the manner in which the Committee evaluates nominees for manager based on whether the nominee is recommended by a member. Establish procedures to be followed by members in making recommendations of persons to serve as Board members of the Company to the Committee.
4. Review and recommend possible candidates for Board membership consistent with the minimum qualifications for nominees established by the Committee and the Board's policies regarding selecting new Board members.
5. Review the performance of Board members that are candidates for re-nomination to assure that they are meeting the Board's expectations and requirements of them.
6. Maintain an orientation program for new Board members and a continuing education program for all Board members.
7. Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
8. Prepare an annual Nomination Committee Report for inclusion in the Company's annual report to its members.
9. Perform any other activities consistent with this Charter, the Company's Operating Agreement and governing law as the Committee or the Board deems appropriate.

Resources

The Committee shall have the authority to obtain advice and seek assistance from internal or external legal, accounting or other advisors. All fees and expenses of advisors engaged by the Committee shall be paid by the Company.