

FutureFuel Corp.
Form DEF 14A
July 09, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant ü

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

ü Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

FUTUREFUEL CORP.
(Name of Registrant as Specified in its Charter)

N/A
(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

ü No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration number, or the Form or Schedule and the date of its filing.

(1)	Amount Previously Paid:
(2)	Form, Schedule or Registration Statement No.:
(3)	Filing Party:
(4)	Date Filed:

8235 Forsyth Blvd. - 4th Floor
Clayton, Missouri 63105

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON AUGUST 13, 2012

July 9, 2012

TO THE SHAREHOLDERS OF FUTUREFUEL CORP.

Notice is hereby given that the annual meeting of shareholders of FutureFuel Corp. will be held on Monday, August 13, 2012 at 8235 Forsyth, 8th Floor, Clayton, Missouri 63105 at 10:00 a.m. local time, for the following purposes:

- (1) to elect three directors: Paul A. Novelly, Paul G. Lorenzini, and William J. Doré;
- (2) to ratify the appointment of RubinBrown LLP as our independent auditor for the year ending December 31, 2012; and
- (3) to transact such other business as may properly come before the meeting.

The record date for the determination of holders of our common stock entitled to notice of and to vote at the annual meeting of shareholders is June 22, 2012. Only shareholders of record at the close of business on the record date will be entitled to vote at the annual meeting or any adjournment thereof. It is important that your shares be represented at this meeting to help ensure the presence of a quorum.

By Order of the Board of Directors,

Douglas D. Himmert, Corporate
Secretary

PLEASE SIGN AND RETURN THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE, WHETHER YOU PLAN TO ATTEND THE MEETING OR NOT. YOU MAY WITHDRAW YOUR PROXY AT ANY TIME PRIOR TO THE MEETING, OR AT THE MEETING.

IMPORTANT NOTICE REGARDING AVAILABILITY OF PROXY MATERIALS FOR THE SHAREHOLDER MEETING TO BE HELD ON AUGUST 13, 2012

This notice, the proxy statement attached to this notice, and our annual report to shareholders for the year ended December 31, 2011 are available free of charge on the "Investor Relations" page of our website at <http://ir.futurefuelcorporation.com/proxy.cfm>.

8235 FORSYTH BLVD., 4TH FLOOR
CLAYTON, MISSOURI 63105

PROXY STATEMENT

This Proxy Statement contains information relating to the 2012 annual meeting of shareholders of FutureFuel Corp. (or the Company, we, us, or our). Through this mailing, our board of directors is soliciting proxies for this annual meeting. Our Annual Report for the year ended December 31, 2011 is also enclosed with this Proxy Statement, as are proxy cards. These documents provide important information about our business, including audited financial statements.

Date, Time, and Place Information.

Date, Time, and Place of the Meeting.

The 2012 annual meeting of our shareholders will be held at 8235 Forsyth Blvd., 8th Floor, Clayton, Missouri 63105 on Monday, the 13th day of August, 2012 at 10:00 a.m., local time, subject to adjournments or postponements.

Approximate Date on Which this Proxy Statement Is First Sent to Security Holders.

This Proxy Statement, the form of proxy included herein, and our Annual Report are first being sent or delivered to security holders on or around July 9, 2012.

Shareholder Proposals for the Next Annual Meeting.

Any shareholder desiring to make a proposal to be acted upon at the 2013 annual meeting of our shareholders must present such proposal to us at our principal office set forth above by March 9, 2013 for the proposal to be considered for inclusion in our proxy statement and form of proxy for that annual meeting.

In addition to any other applicable requirements, for business properly to be brought before an annual meeting by a shareholder (including business not to be considered for inclusion in our proxy statement), our bylaws provide that the shareholder must have given timely notice thereof in proper written form to our corporate secretary. To be timely, a shareholder's notice must be delivered to or mailed and received at our principal executive office, 8235 Forsyth Blvd., 4th Floor, Clayton, Missouri 63105, not less than 30 days nor more than 60 days prior to the annual meeting; provided, however, that in the event that less than 40 days' notice or prior public disclosure of the date of the annual meeting is given or made to shareholders, notice by the shareholder to be timely must be received not later than the close of business on the 20th day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure was made. To be in proper written form, a shareholder's notice to our corporate secretary must set forth in writing as to each matter the shareholder proposes to bring before the annual meeting: (i) a brief description of the business desired to be brought before the annual meeting and the reason for conducting such business at the annual meeting; (ii) the name and address, as they appear on our books, of the shareholder proposing such business; (iii) the class and number of shares of our stock which are beneficially owned by the shareholder; and (iv) any material interest of the shareholder in such business. If a shareholder desires to submit a proposal to be acted upon at our 2013 annual meeting but not included in our proxy statement and form of proxy for that meeting, such shareholder must satisfy the advance notice provisions of our bylaws described in the following paragraph.

Shareholder nominations for director must comply with the notice and informational requirements described above for other shareholder proposals, as well as additional information that would be required under applicable United States

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Securities and Exchange Commission (or SEC) proxy rules and the policies of the nominating/corporate governance committee of our board, particularly appendices A, B, and C of our nominating/corporate governance committee charter. A copy of our nominating/corporate governance committee charter may be found on our internet web site at <http://ir.futurefuelcorporation.com/governance.cfm>. In addition, a copy may be obtained free of charge through a written request to us at our principal executive office set forth above, attention corporate secretary.

Matters to Be Voted Upon.

The following matters are to be voted upon at the 2012 annual meeting of our shareholders.

PROPOSAL ONE - ELECTION OF DIRECTORS

Our board has nominated three persons for election to our board at the 2012 annual meeting of our shareholders: Paul A. Novelly, Paul G. Lorenzini, and William J. Doré, each as a Class C director.

Paul A. Novelly.

Prior to co-founding us and becoming our chairman, Mr. Novelly was (and still is) chairman and chief executive officer of Apex Oil Company, Inc., a privately-held company based in St. Louis, Missouri engaged in the trading, storage, marketing, and transportation of petroleum products, including liquid terminal facilities in the Midwest and Eastern United States, and towboat and barge operations on the inland waterway system. Mr. Novelly is also president and a director of AIC Limited, a Bermuda-based oil trading company, chairman and a director of World Point Terminals, Inc., a Delaware company based in Missouri which owns and operates petroleum storage facilities in the United States, and chief executive officer of St. Albans Global Management, Limited Partnership, LLLP, which provides corporate management services. He currently serves on the board of directors at Boss Holdings, Inc., a distributor of work gloves, boots, rainwear, and other consumer products, and Bond Street Holdings, Inc., a holding company whose material subsidiary is Premier American Bank, N.A. Mr. Novelly has also served on the boards of several banks and certain other public companies.

Our board believes that Mr. Novelly's experience, knowledge, skills, and expertise as our chairman since 2005 and his knowledge of our operations and effectiveness of our business strategies provide valuable perspective to our board and add significant value. Additionally, Mr. Novelly's experience as the chief executive officer of Apex Oil Company, Inc., AIC Limited, and St. Albans Global Management, Limited Partnership, LLLP and as the chairman of World Point Terminals, Inc., as well as a number of executive positions with other oil refining, terminalling, storage, and transportation companies and certain financial institutions, are integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Novelly's service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of our board.

Paul G. Lorenzini.

Mr. Lorenzini has been a member of our board since January 2007 and our chief operating officer since April 21, 2008. In January 1970, Mr. Lorenzini co-founded Packaging Consultants, Inc., a distribution business supplying packaging materials to the food industry. In 1983, Bunzl PLC, a supplier of supermarket and food service packaging, acquired Packaging Consultants, Inc. Mr. Lorenzini continued to work for Bunzl PLC and in 1986 became president of Bunzl USA. He subsequently became the chief executive officer of Bunzl USA and retired in July 2004 with the title of chairman emeritus. Mr. Lorenzini served as a director of Bunzl PLC between 1988 and 1991 and between 1999 and 2004.

Our board believes that Mr. Lorenzini's experience, knowledge, skills, and expertise as our chief operating officer and his knowledge of our operations and business strategies gained over his five plus years of service as chief operating officer provide valuable perspective to our board and add significant value. Additionally, Mr. Lorenzini's operational and management experience with Bunzl PLC and Bunzl USA is integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Lorenzini's service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of

our board.

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William J. Doré.

Mr. Doré previously was a member of our board between May 24, 2006 and March 20, 2007. Mr. Doré is also the founder and retired chairman/chief executive officer of Global Industries, Ltd., a worldwide organization of over 6,000 employees which operates one of the largest fleets of marine construction assets in the world. Global Industries' construction services extend throughout the Gulf of Mexico, West Africa, the Mediterranean, the Middle East and India, the Pacific Rim, South America, and Mexico's Bay of Campeche. In 2000, Mr. Doré was presented with the Rhodes Petroleum Industry Leadership Award from the Petroleum Division of the American Society of Mechanical Engineers. He is also the recipient of the 2000 Horatio Alger Award. In 2011, Mr. Doré was named as the Civic Service Award recipient from the Chamber Southwest Louisiana. The Civic Service Award is presented annually to an outstanding member of the community who exemplifies leadership and service.

Our board believes that Mr. Doré's experience, knowledge, skills, and expertise as a previous member of our board of directors and his operational and management experience with Global Industries, Ltd. is integral to our board's assessment of our business opportunities and strategic options. Further, Mr. Doré's service and experience in community matters and his commitment to education and the environment strengthens the governance and functioning of our board.

Under our certificate of incorporation, our directors are divided into three classes, which serve for staggered three-year terms. Mr. Novelly was originally elected as a director on August 22, 2005 and Mr. Lorenzini was originally elected as a director on January 8, 2007. Both of these individuals are standing for reelection. Mr. Doré has not served on our board since March 20, 2007. Each of these nominees has agreed, if elected at the 2012 annual meeting of our shareholders, to serve as a Class C member of our board for a three-year term expiring in 2015.

The persons named as attorneys-in-fact in the accompanying shareholder proxy card will vote for the election of the nominees listed above as director, unless authority to so vote is withheld. Although our board expects that the nominees will be available for election, in the event a vacancy in the slate of nominees occurs, shares of our common stock represented by proxies will be voted for the election of a substitute nominee selected by the persons named as attorneys-in-fact in the accompanying shareholder proxy card.

The name of the nominees for election and the other continuing members of our board, and certain other information with respect to such persons, are set forth below.

Nominee For Election as a Class C Director
For the Three-Year Term Expiring in 2015

Name, Age, and Positions with the Company	Director of the Company Since
Paul A. Novelly, 68. Mr. Novelly has been our chairman and a member of our board since inception.	2005
Paul G. Lorenzini, 72. Mr. Lorenzini has been a member of our board since January 8, 2007 and our chief operating officer since April 21, 2008.	2007
William J. Doré, 69. Mr. Doré was a member of our board between May 24 2006 and March 20, 2007	n/a

Continuing Directors

Name, Age, and Positions with the Company	Class	Term Expiring	Director of the Company Since
Lee E. Mikles, 56. Mr. Mikles has been our chief executive officer and president and a member of our board since inception. In addition, he served as our principal financial officer before our acquisition of FutureFuel Chemical Company and thereafter through January 31, 2008.	B	2014	2005
Edwin A. Levy, 75. Mr. Levy has been a member of our board since November 26, 2005.	A	2013	2005
Thomas R. Evans, 57. Mr. Evans has been a member of our board since May 24, 2006.	B	2014	2006
Donald C. Bedell, 71. Mr. Bedell has been a member of our board since February 26, 2008.	A	2013	2008
Paul M. Manheim, 63. Mr. Manheim has been a member of our board since April 5, 2011.	B	2014	2011

OUR BOARD RECOMMENDS THAT SHAREHOLDERS VOTE FOR EACH OF THE NOMINEES FOR ELECTION AS DIRECTOR.

PROPOSAL TWO - RATIFICATION OF INDEPENDENT PUBLIC ACCOUNTANT

RubinBrown LLP was our independent auditor for the fiscal years ending December 31, 2008, 2009, 2010, and 2011. On June 14, 2012, the audit committee of our board took action to approve the retention of the accounting firm of RubinBrown LLP as the independent auditor for us for the fiscal year ending December 31, 2012. Our board subsequently approved the actions of the audit committee but made the decision to seek shareholder ratification of the appointment of RubinBrown LLP as our independent auditor for the fiscal year ended December 31, 2012. A representative from the firm is expected to be present at the 2012 annual meeting of our shareholders and will have an opportunity to make a statement if he desires to do so and will be available to respond to shareholder questions. Additional information regarding our independent auditor is set forth under the caption "Independent Public Accountants" beginning at page 28 below. If our shareholders do not ratify the appointment of RubinBrown LLP, our board will consider the selection of other auditors.

In light of the foregoing, we ask our shareholders to vote on the following resolution at the 2012 annual meeting of our shareholders.

RESOLVED, that the shareholders of the Company ratify the selection of RubinBrown LLP as the Company's independent auditor for the fiscal year ended December 31, 2012.

OUR BOARD RECOMMENDS THAT SHAREHOLDERS VOTE FOR THIS PROPOSAL.

Revocability of Proxy.

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Execution and return of a proxy card will not in any way affect a shareholder's right to attend and to vote in person at the 2012 annual meeting of our shareholders. Any proxy may be revoked by the shareholder giving it, at any time prior to its being voted, by: (i) filing a notice of revocation with our corporate secretary at 8235 Forsyth Blvd., 4th Floor, Clayton, Missouri 63105; (ii) executing and delivering a duly executed proxy bearing a later date; or (iii) attending the 2012 annual meeting of our shareholders and voting in person. A notice of revocation need not be on any specific form. Attendance at the 2012 annual meeting of our shareholders will not by itself constitute revocation of a proxy.

Dissenters Rights of Appraisal.

There are no rights of appraisal or similar rights of dissenters with respect to any matter to be acted upon at the 2012 annual meeting of our shareholders.

Persons Making the Solicitation.

The solicitation in this Proxy Statement is being made by us. We will solicit proxies by mail or by telephone, and our directors, officers, and employees also may solicit proxies, without additional compensation, on our behalf. We will not be using any specially engaged employees or paid solicitors. All expenses incurred in this solicitation will be paid by us. Banks, brokerage houses, and other institutions, nominees, and fiduciaries will be requested to forward the proxy materials to beneficial owners and to obtain authorization for the execution of proxies.

None of our directors has informed us in writing that he intends to oppose any action intended to be taken by us at the 2012 annual meeting of our shareholders.

Interest of Certain Persons in Matters to be Acted Upon.

None of our directors, executive officers, the nominees for director, or any of their associates has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon at the 2012 annual meeting of our shareholders.

Voting Securities and Principal Holders Thereof.

Voting Securities.

We only have one class of voting stock outstanding, and that is our common stock. As of June 22, 2012 (the record date for our 2012 annual shareholder meeting), there were outstanding 41,319,057 shares of our common stock. Each share of our common stock issued and outstanding on the record date is entitled to one vote on each proposal at the 2012 annual meeting of our shareholders.

Record Date.

Our board has fixed the close of business on June 22, 2012 as the record date for the determination of our shareholders entitled to receive notice of, and to vote at, the 2012 annual meeting of our shareholders. Accordingly, only holders of record of shares of our common stock at the close of business on the record date are entitled to notice of the 2012 annual meeting of our shareholders and to attend and vote at such meeting.

Cumulative Voting Rights.

Holders of our common stock do not have cumulative voting rights.

Security Ownership of Certain Beneficial Owners.

The following table sets forth the number and percentage of shares of our common stock owned by all persons known by us to be the beneficial owners of more than 5% of our shares of common stock as of June 22, 2012.

Name and Address of Beneficial Owner	Amount of Beneficial	Percent of Common
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	Ownership	Stock	
Paul A. Novelly, 8235 Forsyth Blvd., 4th Floor, Clayton, MO 63105(a)	17,560,100	42.5	%
Lee E. Mikles, 1486 E. Valley Road, Santa Barbara, CA 93108(b)	2,311,250	5.6	%
SOF Investments, L.P., 645 5th Avenue, 21st Floor, New York, NY 10022(c)	3,600,000	8.7	%
Revelation Special Situations Fund Ltd., Canon's Court, 22 Victoria Street, Hamilton, Bermuda DO HM 11(d)	5,192,767	12.6	%

- (a) Includes 16,835,100 shares of common stock held by St. Albans Global Management, Limited Partnership, LLLP, 625,000 shares of common stock held by Apex Holding Co., and 100,000 shares of common stock held by Mr. Novelty. Mr. Novelty is the chief executive officer of both of these entities and thereby has voting and investment power over such shares, but he disclaims beneficial ownership except to the extent of a minor pecuniary interest.
- (b) Includes 2,041,900 shares of common stock held by the Lee E. Mikles Revocable Trust dated March 26, 1996, 5,000 shares held by Mr. Mikles' IRA account, and 25,000 shares held by an SEP. Also includes 120,000 shares of common stock held by the Lee E. Mikles Gift Trust dated October 6, 1999, as to which Mr. Mikles is the settlor of the trust, but is not a trustee or a beneficiary. Mr. Mikles disclaims beneficial ownership of the shares owned by the Gift Trust. Also includes 27,500 shares held by the Alison L. Mikles Irrevocable Trust. Miss Mikles is the minor child of Mr. Mikles and lives in Mr. Mikles' household. However, Mr. Mikles is not the trustee or beneficiary of such trust and disclaims beneficial ownership. Also includes 88,750 shares of common stock held by Lori Mikles, the spouse of Mr. Mikles. Mr. Mikles disclaims beneficial ownership thereof. Also includes 1,000 shares held for the benefit of Mr. Mikles daughter and 1,100 shares held for the benefit of Mr. Mikles son. Both children are minors and live in Mr. Mikles' household, but Mr. Mikles disclaims beneficial ownership of such shares. Finally, includes 1,000 shares held in an IRA for Mr. Mikles' spouse, which account is controlled by Mr. Mikles.
- (c) Based solely upon review of a Schedule 13G filed on February 14, 2008, we understand that SOF Investments, L.P. is the record and direct beneficial owner of 1,800,000 shares of common stock listed above, MSD Capital, L.P. is the general partner of SOF Investments, L.P. and may be deemed to indirectly beneficially own securities owned by SOF Investments, L.P., and MSD Capital Management LLC is the general partner of MSD Capital, L.P. Except as set forth in this footnote, we have no knowledge as to the beneficial owners of these entities. In addition, we are aware that, on or around June 7, 2010, SOF Investments, L.P. exercised warrants and acquired an additional 1,800,000 shares of our common stock.
- (d) Formerly known as Osmium Special Situations Fund Ltd. Based solely on Amendment No. 6 to Schedule 13D filed with the SEC on September 13, 2011 and Form 4s (and amendments) filed thereafter. Mr. Chris Kuchanny, as chairman and chief executive officer of Revelation Capital Management Ltd., may, by virtue of such position, be deemed to have beneficial ownership of such shares and warrants. Mr. Kuchanny disclaims beneficial ownership other than the portion of such shares which relates to his individual economic interest in Revelation Special Situations Fund Ltd. Except as set forth in this footnote, we have no knowledge as to the beneficial owners of Revelation Special Situations Fund Ltd.

Security Ownership of Management.

The following table sets forth information, as of June 22, 2012, regarding the beneficial ownership of our common stock by each of our directors (including Mr. Mr. Doré who is being nominated to our board but excluding Mr. Knowlton who is not standing for reelection) and executive officers and the executive officers of FutureFuel Chemical Company. Unless otherwise indicated, we believe that all persons named in the table below have sole voting and investment power with respect to all shares of common stock beneficially owned by them and none of such shares have been pledged as security.

Name of Beneficial Owner	Amount of Beneficial Ownership	Percent of Common Stock	
Paul A. Novelty(a)	17,560,100	42.5	%
Lee E. Mikles(b)	2,311,250	5.6	%

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Paul G. Lorenzini(c)	705,047	1.7	%
Edwin A. Levy(d)	278,750	0.7	%
Douglas D. Hommert(e)	260,000	0.6	%
Thomas R. Evans	30,000	0.1	%
Donald C. Bedell(f)	35,097	0.1	%
Paul M. Manheim	2,000	0.0	%
William J. Doré	300,000	0.7	%
Sam Dortch(g)	42,342	0.1	%
David Baker	11,150	0.0	%
Christopher Schmitt	500	0.0	%
<hr/>			
All directors and executive officers	21,536,236	52.1	%

- (a) Includes 16,835,100 shares of common stock held by St. Albans Global Management, Limited Partnership, LLLP, 625,000 shares of common stock held by Apex Holding Co., and 100,000 shares of common stock held by Mr. Novelty. Mr. Novelty is the chief executive officer of both of these entities and thereby has voting and investment power over such shares, but he disclaims beneficial ownership except to the extent of a minor pecuniary interest.
- (b) Includes 2,041,900 shares of common stock held by the Lee E. Mikles Revocable Trust dated March 26, 1996, 5,000 shares held by Mr. Mikles' IRA account, and 25,000 shares held by an SEP. Also includes 120,000 shares of common stock held by the Lee E. Mikles Gift Trust dated October 6, 1999, as to which Mr. Mikles is the settlor of the trust, but is not a trustee or a beneficiary. Mr. Mikles disclaims beneficial ownership of the shares owned by the Gift Trust. Also includes 27,500 shares held by the Alison L. Mikles Irrevocable Trust. Miss Mikles is the minor child of Mr. Mikles and lives in Mr. Mikles' household. However, Mr. Mikles is not the trustee or beneficiary of such trust and disclaims beneficial ownership. Also includes 88,750 shares of common stock held by Lori Mikles, the spouse of Mr. Mikles. Mr. Mikles disclaims beneficial ownership thereof. Also includes 1,000 shares held for the benefit of Mr. Mikles daughter and 1,100 shares held for the benefit of Mr. Mikles son. Both children are minors and live in Mr. Mikles' household, but Mr. Mikles disclaims beneficial ownership of such shares. Finally, includes 1,000 shares held in an IRA for Mr. Mikles' spouse, which account is controlled by Mr. Mikles.
- (c) Includes 55,000 shares of common stock owned by Mr. Lorenzini's spouse; Mr. Lorenzini disclaims beneficial ownership thereof. Includes 5,000 shares owned by the Lorenzini Friends and Family Gift Trust, a trust established by Mr. Lorenzini and his spouse, as to which Mr. Lorenzini and his spouse are the trustees but not the beneficiaries; Mr. Lorenzini disclaims any beneficial interest in the shares of our common stock held by this trust.
- (d) Includes 6,500 shares of common stock held in an IRA established by Mr. Levy. Does not included 1,275 shares of our common stock owned by The Edwin A. Levy Charitable Foundation, Inc., a New York not-for-profit corporation as to which Mr. Levy is a founder and director but not a beneficiary. Mr. Levy disclaims beneficial ownership of shares owned by the Foundation.
- (e) Includes 260,000 shares of common stock held by the Douglas D. Himmert Revocable Trust, which is a trust established by Mr. Himmert for the benefit of his descendants, of which Mr. Himmert is the trustee.
- (f) Includes 2,300 shares of common stock owned by the Alexandra Nicole Bedell Trust, a trust established by Mr. Bedell for his granddaughter as to which Mr. Bedell serves as trustee but holds no pecuniary interest; Mr. Bedell disclaims beneficial ownership of all shares of our common stock held by this trust. Includes 2,300 shares of common stock owned by the Ashlyn Tate Bedell Trust, a trust established by Mr. Bedell for his granddaughter as to which Mr. Bedell serves as trustee but holds no pecuniary interest; Mr. Bedell disclaims beneficial ownership of all shares of our common stock held by this trust. Includes 2,300 shares of common stock owned by the Hailey Bedell Trust, a trust established by Mr. Bedell for his granddaughter as to which Mr. Bedell serves as trustee but holds no pecuniary interest; Mr. Bedell disclaims beneficial ownership of all shares of our common stock held by this trust. Also includes 17,197 shares of our common stock held by the Africa Exempt Trust, of which Mr. Bedell is a beneficiary.
- (g) Includes 42,342 shares of common stock held in an IRA established by Mr. Dortch.

Change in Control.

We are not aware of any arrangement (including any pledge by any person of any of our securities) the operation of which may at a date subsequent to the date of this Proxy Statement result in a change in control of us. Further, we are not aware that a change in control of us has occurred since the beginning of our last fiscal year.

Directors and Executive Officers.

Material Proceedings.

No director, officer, or affiliate of us, no owner of record or beneficially of more than five percent of any class of our voting securities, and no associate of any such director, officer, affiliate, or owner is a party in any material proceeding adverse to us or to any of our subsidiaries.

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Directors, Executive Officers, Promoters, and Control Persons.

Identification of Directors.

Our directors are as follows (including Mr. Doré who has been nominated as a director but excluding Mr. Knowlton who is not standing for reelection).

Name	Age	Director Since	Term Expires
Paul A. Novelly, executive chairman of the board	68	2005	2012
Lee E. Mikles, chief executive officer and president	56	2005	2014
Edwin A. Levy	75	2005	2013
Thomas R. Evans	57	2006	2014
Paul G. Lorenzini, chief operating officer	72	2007	2012
Donald C. Bedell	71	2008	2013
Paul M. Manheim	63	2011	2014
William J. Doré (nominated as a director)	69	n/a	n/a

There is no arrangement or understanding between any of the above directors and any other person pursuant to which such person was or is to be selected as a director.

Identification of Executive Officers.

The current executive officers of the Company are as follows.

Name	Position	Age	Officer Since
Paul A. Novelly	Executive chairman of the board	68	2005
Lee E. Mikles	Chief executive officer and president	56	2005
Paul G. Lorenzini	Chief operating officer	72	2008
Douglas D. Hommert	Principal financial officer, executive vice president, secretary, and treasurer	56	2005

There is no arrangement or understanding between any of the above officers and any other person pursuant to which such person was or is to be selected as an officer.

Identification of Certain Significant Employees.

The following individuals are executive officers of FutureFuel Chemical Company who are expected to make significant contributions to our business.

Name	Position	Age	Officer Since
Samuel Dortch	Executive vice president and general manager	63	2007
David Baker	Senior vice president - operations support	65	2006
Christopher Schmitt	Chief financial officer	34	2011

There is no arrangement or understanding between any of the above officers and any other person pursuant to which such person was or is to be selected as an officer.

Family Relationships.

There is no family relationship between any of our executive officers and directors (including Mr. Doré who has been nominated as a director).

Business Experience of Our Directors and Executive Officers.

Paul A. Novelly has been our chairman of the board since inception. For at least the past five years, Mr. Novelly has been chairman and chief executive officer of Apex Oil Company, Inc., a privately-held company based in St. Louis, Missouri engaged in the trading, storage, marketing, and transportation of petroleum products, including liquid terminal facilities in the Midwest and Eastern United States, and towboat and barge operations on the inland waterway system. Mr. Novelly is president and a director of AIC Limited, a Bermuda-based oil trading company, chairman and a director of World Point Terminals, Inc., a Delaware company based in Missouri which owns and operates petroleum storage facilities in the United States, and chief executive officer of St. Albans Global Management, Limited Partnership, LLLP, which provides corporate management services. He currently serves on the board of directors at Boss Holdings, Inc., a distributor of work gloves, boots, rainwear, and other consumer products, and Bond Street Holdings, Inc., a holding company whose material subsidiary is Premier American Bank, N.A. Within the past five years, Mr. Novelly also served on the board of directors of Intrawest Corporation, a company in the destination resorts and adventure travel industry, The Bear Stearns Companies, Inc., a broker-dealer and global securities and investment firm, and World Point Terminals Inc., a Canadian and Toronto Stock Exchange predecessor to World Point Terminals, Inc.

Our board believes that Mr. Novelly's experience, knowledge, skills, and expertise as our chairman since 2005 and his knowledge of our operations and effectiveness of our business strategies provide valuable perspective to our board and add significant value. Additionally, Mr. Novelly's experience as the chief executive officer of Apex Oil Company, Inc., AIC Limited, and St. Albans Global Management, Limited Partnership, LLLP and as the chairman of World Point Terminals, Inc., as well as a number of executive positions with other oil refining, terminalling, storage, and transportation companies, and as a prior director of certain banks and other financial institutions, are integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Novelly's service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of our board.

Lee E. Mikles has been our chief executive officer and a member of our board since inception. In addition, he served as our principal financial officer before our acquisition of FutureFuel Chemical Company and thereafter through January 31, 2008. Mr. Mikles was chairman of Mikles/Miller Management, Inc., a registered investment adviser and home to the Kodiak family of funds, between 1992 and 2005. He was also chairman of Mikles/Miller Securities, LLC, a registered broker-dealer, between 1999 and 2005. Additionally, Mr. Mikles has served on the board of directors of Pacific Capital Bankcorp., Official Payments Corporation, Coastcast Corporation, Nelnet, Inc., Imperial Bank, and Imperial Bancorp. He currently serves on the board of directors of Boss Holdings, Inc. and is a member of the audit committee for Boss Holdings, Inc.

Our board believes that Mr. Mikles' experience, knowledge, skills, and expertise as our chief executive officer and his knowledge of our operations and business strategies gained over his six plus years of service to us in various roles provide valuable perspective to our board and add significant value. Additionally, Mr. Mikles' finance and investment experience from his involvement with Mikles/Miller Management, Inc. is integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Mikles' service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of our board.

Paul G. Lorenzini has been a member of our board since January 2007 and our chief operating officer since April 21, 2008. In January 1970, Mr. Lorenzini co-founded Packaging Consultants, Inc., a distribution business supplying packaging materials to the food industry. In 1983, Bunzl PLC, a supplier of supermarket and food service packaging, acquired Packaging Consultants, Inc. Mr. Lorenzini continued to work for Bunzl PLC and in 1986 became president of Bunzl USA. He subsequently became the chief executive officer of Bunzl USA and retired in July 2004 with the

title of chairman emeritus. Mr. Lorenzini served as a director of Bunzl PLC between 1988 and 1991 and between 1999 and 2004.

Our board believes that Mr. Lorenzini's experience, knowledge, skills, and expertise as our chief operating officer and his knowledge of our operations and business strategies gained over his five plus years of service as chief operating officer provide valuable perspective to our board and add significant value. Additionally, Mr. Lorenzini's operational and management experience with Bunzl PLC and Bunzl USA is integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Lorenzini's service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of our board.

Douglas D. Hommert has been our executive vice president, secretary, and treasurer since inception. He was a member of our board from inception through January 14, 2008. He became our principal financial officer on February 1, 2008. Mr. Hommert has been executive vice president and general counsel of Apex Oil Company, Inc. since September 2002. Between October 1988 and September 2002, he was a partner in the St. Louis law firm of Lewis, Rice & Fingersh, L.C. With that firm, he practiced in the areas of business law, taxation, mergers and acquisitions, financing, and partnerships. He was licensed as a Certified Public Accountant in 1982.

Our board believes that Mr. Hommert's experience, knowledge, skills, and expertise as our executive vice president and his knowledge of our operations and business strategies gained over his six plus years of service to us in various roles, including principal financial officer, provide valuable perspective to our board and add significant value. Additionally, Mr. Hommert's experience as the executive vice president and general counsel of Apex Oil Company, Inc., as well as a number of executive positions with other oil terminalling, storage, and transportation companies, are integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Hommert's experience in the legal and accounting professions strengthens the functioning of our company.

Edwin A. Levy has been a member of our board since November 2005. In 1979, Mr. Levy co-founded Levy, Harkins & Co., Inc., an investment advisory firm, where he now serves as chairman of the board and individual advisor. Mr. Levy was a director of Traffix, Inc. between November 1995 and 2006, and served as a member of its audit committee and stock options committee. He is a director of World Point Terminals, Inc., a Delaware company based in Missouri which owns and operates petroleum storage facilities in the United States. In the past five years Mr. Levy was a director of Forward Industries, Inc., a publicly-held company in the business of designing, manufacturing, and distributing custom carrying case solutions, and World Point Terminals Inc., a Canadian and Toronto Stock Exchange predecessor to World Point Terminals, Inc.

Our board believes that Mr. Levy's experience, knowledge, skills, and expertise as a member of our board and his knowledge of our operations and business strategies gained over his six plus years of service to us in that capacity provide valuable perspective to our board and add significant value. Additionally, Mr. Levy's finance and investment experience from his involvement with Levy, Harkins & Co., Inc. is integral to our board's assessment of our business opportunities and strategic options. Finally, Mr. Levy's service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of our board.

Thomas R. Evans has been a member of our board since May 2006. Since June 2004, he has served as president and chief executive officer of Bankrate, Inc., an Internet based aggregator of financial rate information. Mr. Evans was elected to Bankrate, Inc.'s board of directors in May 2004. From 1999 to 2002, Mr. Evans was chairman and chief executive officer of Official Payments Corporation, an Internet processor of payment to government entities.

Our board believes that Mr. Evans' experience, knowledge, skills, and expertise acquired as the president and chief executive officer at Bankrate, Inc., including experience and understanding of business strategy formation and execution from both a board and management perspective, add significant value to our board. Additionally, Mr. Evans' service and experience as the head of our audit committee and an independent director of our board, together with his experience as a director for other boards, including active involvement in strategy discussions and other matters, strengthen the functioning of our board.

Donald C. Bedell has been a member of our board since March 17, 2008. Mr. Bedell is chairman of the board of privately held Castle Partners and its affiliates, based in Sikeston, Missouri, which operate over 35 skilled nursing, health care, pharmaceutical, hospice, and therapy facilities throughout Missouri and other states. Mr. Bedell is a director of First Community Bank of Batesville, Arkansas and is a member of the executive committee of such bank and its holding company. He is also a director of World Point Terminal, Inc., serving as chairman of World Point's

Corporate Governance and Human Resources Committees. FutureFuel Corp.'s chairman, Paul A. Novelly, is the chairman of the board of World Point Terminal, Inc. In the past five years, Mr. Bedell has served on the board of directors of World Point Terminals Inc., a Canadian and Toronto Stock Exchange predecessor to World Point Terminal, Inc.

Our board believes that Mr. Bedell's experience, knowledge, skills, and expertise acquired as the chairman at Castle Partners, including experience and understanding of business strategy formation and execution from both a board and management perspective, add significant value to our board. Additionally, Mr. Bedell's service and experience as a director for other boards, including active involvement in strategic planning for those companies, strengthens the governance and functioning of our board.

Paul M. Manheim is currently a consultant to and a corporate director of HAL Real Estate Investments Inc., which develops and owns a portfolio of real estate in the Pacific northwest consisting of multi-family, office, and mixed-use assets. He was the president and chief executive officer of HAL Real Estate Investments Inc. until September 2005. HAL Real Estate Investments Inc. is a subsidiary of HAL Holding N.V. Mr. Manheim joined Holland America Line, N.V., the predecessor of HAL Holding N.V., an international holding company traded on the Amsterdam Stock Exchange, in 1982 and filled various positions in the financial and corporate development areas. Since June 2005, Mr. Manheim has been the chairman of the board of Shanghai Red Star Optical Company, which owns a portfolio of optical retail outlets in China and is affiliated with Europe's largest optical retailer. Mr. Manheim has served as a director of World Point Terminals, Inc. and its predecessor since 2009, and is chairman of the audit committee of World Point Terminals, Inc. Within the past five years, Mr. Manheim was the chairman and managing director of HAL Investments Asia B.V. and served as a director of Intrawest Corporation. Mr. Manheim received a bachelor of commerce degree with honors from the University of New South Wales, Australia, and is a chartered accountant.

Our board believes that Mr. Manheim's experience, knowledge, skills, and expertise acquired as the president and chief executive officer at HAL Real Estate Investments Inc., including experience and understanding of business strategy formation and execution from both a board and management perspective, add significant value to our board. Additionally, Mr. Manheim's service and experience as a director for other boards, strengthens the governance and functioning of our board. Finally, Mr. Manheim's experience as the chairman of the audit committee of World Point Terminals, Inc. and his experience as a chartered accountant add significant value to our board.

William J. Doré previously was a member of our board between May 24, 2006 and March 20, 2007. Mr. Doré is also the founder and retired chairman/chief executive officer of Global Industries, Ltd., a worldwide organization of over 6,000 employees which operates one of the largest fleets of marine construction assets in the world. Global Industries' construction services extend throughout the Gulf of Mexico, West Africa, the Mediterranean, the Middle East and India, the Pacific Rim, South America, and Mexico's Bay of Campeche. In 2000, Mr. Doré was presented with the Rhodes Petroleum Industry Leadership Award from the Petroleum Division of the American Society of Mechanical Engineers. He is also the recipient of the 2000 Horatio Alger Award. In 2011, Mr. Doré was named as the Civic Service Award recipient from the Chamber Southwest Louisiana. The Civic Service Award is presented annually to an outstanding member of the community who exemplifies leadership and service. In the past five years, Mr. Doré has served as a director of Global Industries, Ltd.

Our board believes that Mr. Doré's experience, knowledge, skills, and expertise as a previous member of our board of directors and his operational and management experience with Global Industries, Ltd. is integral to our board's assessment of our business opportunities and strategic options. Further, Mr. Doré's service and experience in community matters and his commitment to education and the environment strengthens the governance and functioning of our board.

Samuel Dortch was the vice president - operations services of FutureFuel Chemical Company between July 30, 2007 and October 14, 2007 and senior vice president - operations between October 15, 2007 and August 30, 2010. On August 30, 2010, Mr. Dortch became FutureFuel Chemical Company's executive vice president and general manager. In 1972, Mr. Dortch joined Eastman Chemical Company's technical services division in Kingsport, Tennessee as a development chemical engineer. He has served in numerous management positions in Kingsport, Batesville and at Eastman Kodak's Kirby, England facility. In 2004, Mr. Dortch became manager of research and

development at the Batesville plant and director of research and development in December 2006.

Our board believes that Mr. Dortch's experience, knowledge, skills, and expertise acquired as the executive vice president and general manager of FutureFuel Chemical Company, and his knowledge of our operations and business strategies gained over his six plus years of service to us in various roles and his years of service to Eastman Chemical Company, including his knowledge of the chemical business, add significant value to us.

David Baker was the vice president - manufacturing operations of FutureFuel Chemical Company between October 31, 2006 and October 14, 2007 and has been senior vice president - operations support since October 15, 2007. In 1967, he joined Eastman Chemical Company's filter products division in Kingsport, Tennessee as a development engineer. In 2001, Mr. Baker was named managing director of Eastman Chemical Company's Pebec division, relocating to the United Kingdom. The Pebec division manufactures specialty chemicals including active pharmaceutical ingredients. In August 2005, Mr. Baker relocated to Kingsport as a business development manager in performance chemicals exclusive manufacturing. Mr. Baker is a registered professional engineer and past president of the East Tennessee Society of Professional Engineers.

Our board believes that Mr. Baker's experience, knowledge, skills, and expertise acquired as a senior vice president of FutureFuel Chemical Company, and his knowledge of our operations and business strategies gained over his six plus years of service to us in various roles and his years of service to Eastman Chemical Company, including his knowledge of the chemical business as well as international experience, add significant value to us.

Christopher Schmitt has been the chief financial officer of FutureFuel Chemical Company since February 3, 2011. Mr. Schmitt was a middle distillates operator for A.I.C. Limited from September 2009 to February 2011. A.I.C. Limited is an affiliate of the Company's chairman, Paul A. Novelty. In this position, Mr. Schmitt assisted with the management and logistics of middle distillate product movements in Northwest Europe. From 2003 to September 2009, Mr. Schmitt served as vice president of Pinnacle Consulting, Inc., an accounting and financial consulting firm based in St. Louis, Missouri. Pinnacle Consulting, Inc. performs services for the Company's chairman and affiliates of the Company's chairman. Prior to that, Mr. Schmitt served as an auditor for the accounting firms Arthur Andersen & Co. and KPMG LLP. Mr. Schmitt is a licensed certified public accountant and a CFA charter holder.

Our board believes that Mr. Schmitt's experience, knowledge, skills, and expertise acquired as chief financial officer of FutureFuel Chemical Company, and his knowledge of our operations and business strategies gained over his year of service to us in that role, as well as experience as a licensed certified public accountant and CFA charter holder, add significant value to us.

Transactions with Related Persons.

From time to time, we enter into transactions with companies affiliated with, or controlled by, Mr. Novelty, who is the chairman of our board and a significant shareholder as set forth above, and in which Mr. Novelty has or will have a direct or indirect material interest. Revenues, expenses, prepaid amounts, and unpaid amounts related to these transactions during 2011 are summarized in the following table and are further described below.

Balance Sheet Accounts.

	2011
Accounts receivable	
Biodiesel, petrodiesel, and blends	\$123,000
Total accounts receivable	\$123,000
Accounts payable	
Natural gas and fuel purchases	\$3,023,000
Total accounts payable	\$3,023,000
Accrued liabilities	
Travel and administrative services	\$43,000
Total accrued liabilities	\$43,000

Income Statement Accounts.

	2011
Revenues	
Biodiesel, petrodiesel, and blends	\$5,271,000
Total revenues	\$5,271,000
Cost of goods sold	
Biodiesel, petrodiesel, and blends	\$2,749,000
Natural gas purchases	4,155,000
Income tax, consulting services, and other	92,000
Total cost of goods sold	\$6,996,000
Distribution	
Distribution and related services	\$443,000
Total distribution	\$443,000
Selling, general, and administrative expense	
Commodity trading advisory fees	\$132,000
Travel and administrative services	402,000
Total selling, general, and administrative expense	\$534,000

Biodiesel, Petrodiesel, and Blends.

From time to time, we sell biofuels (biodiesel, petrodiesel, biodiesel/petrodiesel blends, RINs, and biodiesel production byproducts) to Apex Oil Company, Inc. (or Apex Oil), which is controlled by Mr. Novelly and primarily beneficially owned by Mr. Novelly and his family. Such agreements are priced at the then current market price of biodiesel or petrodiesel, as applicable, as determined from bids from other customers and/or market pricing services. Cost of goods sold related to these sales includes variable costs and allocated fixed costs.

Natural Gas Purchases.

We utilize natural gas to generate steam for our manufacturing process and to support certain of our air and waste treatment utilities. This natural gas is purchased through a subsidiary of Apex Oil which is a provider of natural gas marketing services. Expenses related to these purchases include the cost of the natural gas only; transportation charges are paid to an independent third party.

Income Tax, Consulting and Other Services.

Pinnacle Consulting, Inc. and Apex Oil provide professional services to us, primarily in the area of income tax preparation and consulting. We also receive certain finance and accounting expertise from these companies as requested. Expenses related to these services are comprised of an agreed quarterly fee plus reimbursement of expenses, at cost. Pinnacle Consulting, Inc. only provides services to Mr. Novelly and companies controlled by or related to Mr. Novelly.

Distribution and Related Services.

Distribution and related services are comprised of barge transportation and related unloading charges for petrodiesel that were arranged and paid by Apex Oil or one or more of its subsidiaries, and subsequently rebilled to us. Additionally, we lease oil storage capacity from Center Point Terminal Company under a storage and thruput agreement. This agreement provides for the storage of biodiesel, diesel or biodiesel/petrodiesel blends, methanol, and biodiesel feedstocks in above-ground storage tankage at designated facilities of the affiliate. Expenses related to this

agreement include monthly lease charges, generally on a per barrel basis, and associated heating, thruput, and other customary terminalling charges. Center Point Terminal Company is a wholly-owned subsidiary of World Point Terminals, Inc., of which Mr. Novelly is the chairman and in which Mr. Novelly and his family are substantial beneficial owners.

Commodity Trading Advisory Fees.

We entered into a commodity trading advisory agreement with Apex Oil. Pursuant to this agreement, Apex Oil provides advice to us concerning the purchase, sale, exchange, conversion, and/or hedging of commodities as we may request from time to time.

Travel and Administrative Services.

We reimburses Apex Oil and St. Albans Global Management, Limited Partnership, LLLP for travel and other administrative services incurred by them on our behalf. Such reimbursements are performed at cost with the affiliate realizing no profit on the transaction. St. Albans Global Management, Limited Partnership, LLLP is beneficially owned by Mr. Novelly and his family.

Review, Approval, or Ratification of Transactions with Related Persons.

Any transaction in which we (or one of our subsidiaries) are a participant, the amount involved exceeds the lesser of \$120,000 or 1% of our net income, total assets, or total capital, and in which any party related to us has or will have a direct or indirect material interest must be approved by a majority of the disinterested members of our board as fair to us and our shareholders. This policy was adopted by our board on January 8, 2007 and amended on February 2, 2011, and can be found through the "Investors Relations – Corporate Governance" section of our internet website (<http://ir.futurefuelcorporation.com/governance.cfm>). A copy of this policy will also be provided free of charge pursuant to written request to our corporate secretary at our principal executive offices set forth above. Each of the transactions described above (under the caption "Transactions With Related Persons") was approved by a majority of the disinterested members of our board.

In addition, we adopted a Code of Business Conduct and Ethics which sets forth legal and ethical standards of conduct for our directors, officers, and employees and the directors, officers, and employees of our subsidiaries. This Code is designed to deter wrongdoing and to promote: (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (ii) full, fair, accurate, timely, and understandable disclosure in reports and documents that we file with, or submit to, the SEC and in other public communications made by us; (iii) compliance with applicable governmental laws, rules, and regulations; (iv) the prompt internal reporting of violations of this Code to appropriate persons identified in this Code; and (v) accountability for adherence to this Code. This Code was adopted by our board on November 30, 2005 and was amended on February 3, 2011, is in writing, and can be found through the "Investor Relations - Corporate Governance" section of our internet website (<http://ir.futurefuelcorporation.com/governance.cfm>). A copy of this policy will also be provided free of charge pursuant to written request to our corporate secretary at our principal executive offices set forth above. Each of the transactions described above (under the caption "Transactions with Related Persons") was undertaken in compliance with our Code of Business Conduct and Ethics.

Compliance with Section 16(a) of the Exchange Act.

Based solely upon a review of Forms 3 and Forms 4 and amendments thereto furnished to us under the rules of the SEC promulgated under Section 16 of the United States Securities Exchange Act of 1934, as amended (or Exchange Act) during the fiscal year ended December 31, 2011, and Forms 5 and amendments thereto furnished to us with respect to the fiscal year ended December 31, 2011, as well as any written representation from a reporting person that no Form 5 is required, we are aware that the following members of our board of directors and/or beneficial owners of more than 10% of our common stock failed to file on a timely basis, as disclosed in the aforementioned forms, reports required by Section 16 of the Exchange Act during the year ended December 31, 2011:

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- Revelation Special Situations Fund Ltd. (formerly known as Osmium Special Situations Fund Ltd.) failed to file on a timely basis Forms 4 for 15 transactions in 2011, three transactions in 2010, and two transactions in 2009.
 - Mr. Dortch failed to timely file one report covering one transaction.
 - Mr. Schmitt failed to timely file his initial report.
 - Mr. Baker failed to timely file two reports covering two transactions.
- Mr. Manheim failed to timely file his initial report and one report covering one transaction.

Standing Audit Committee.

We have a separately-designated standing audit committee established in accordance with section 3(a)(58)(A) of the Exchange Act. The members of our audit committee are: Thomas R. Evans (chairman), Donald C. Bedell, Edwin A. Levy, and Paul M. Manheim.

Audit Committee Financial Expert.

Our board has determined that each member of our audit committee is an audit committee financial expert. During 2011, each such member of our audit committee was independent, as independence for audit committee members is defined in the listing standards applicable to us and in the rules of the SEC.

Board Leadership Structure and Role in Risk Oversight.

Board Leadership Structure.

We have a board currently comprised of eight members. Our executive chairman is Mr. Novelly. Our executive chairman presides over all meetings of our board and at all meetings of our shareholders. He provides strategic leadership and guidance to our board and management, he advises and consults with our chief executive officer, chief operating officer, and other executive officers, and he works with management and other committees of our board regarding strategies, risks, opportunities, and other matters.

Mr. Mikles is a director as well as our principal executive officer and president. Our principal executive officer and president is our senior most executive officer and has the powers and duties incident to that position. He is our principal management officer with responsibility for supervision of our executive and senior management. His duties include developing strategic and tactical initiatives in consultation with our executive chairman and other members of our executive management.

Mr. Lorenzini is a director as well as our chief operating officer. He is our principal officer with responsibility for the operations of our businesses. His duties include developing strategic and tactical initiatives with our executive chairman and other members of our executive management, as well as implementing those initiatives.

The five remaining members of our board are independent as described below, and these independent members comprise the membership of our board's audit committee, nominating/corporate governance committee, and compensation committee.

We believe that separation of the office of executive chairman (Mr. Novelly) and the office of our principal executive officer (Mr. Mikles) is the appropriate leadership structure for us. We believe the division of duties is especially appropriate as legal and regulatory requirements applicable to our board and its committees continue to expand, and help provide the appropriate levels of communication between the board and executive management for board oversight of us and our management.

Role in Risk Oversight.

Our board as a whole is ultimately responsible for our risk management oversight. Our board is assisted by its committees, including our audit committee and compensation committee, whose duties are described in more detail below.

The board's oversight of our material risks is undertaken through, among other things, various reports and assessments that management presents to our board or to committees of our board, and the related board or committee discussions and decisions. The committees of our board report to our board about their meetings.

Our executive chairman and chief executive officer and president address risk matters at regular and special board meetings. In addition, other members of senior management regularly provide reports directly to our board. Finally, our audit committee works closely with our independent public accountants in their review of risk and controls.

Corporate Governance/Director Independence.

Our board has adopted corporate governance guidelines which incorporate certain rules of the SEC and U.S. securities exchanges for use by our board when determining director independence. These guidelines include the Company's Corporate Governance Guidelines, Policy for Approving Transactions with Related Parties, and Insider Trading Policy, copies of which may be found on our website at <http://ir.futurefuelcorporation.com/governance.cfm>. Our board also broadly considers all other relevant facts and circumstances that bear on the materiality of each director's relationship with us, including the potential for conflicts of interest, when determining director independence.

The nominating/corporate governance committee of our board evaluates each incumbent director and all new director nominees based on applicable law, regulations, and rules and makes a recommendation to the full board as to the independence of