

ALON USA ENERGY, INC.

CORPORATE GOVERNANCE GUIDELINES

(Adopted July 7, 2005)

Responsibility of the Board

The primary mission of the Board of Directors (the “*Board*”) of Alon USA Energy, Inc. (the “*Company*”) is to advance the interests of the Company’s stockholders by creating a valuable long-term business. The Board believes that this mission is best served by establishing a corporate culture of accountability, responsibility and ethical behavior through the careful selection and evaluation of senior management and members of the Board and by carrying out the Board’s responsibilities with honesty and integrity.

In discharging their obligations, directors should be entitled to rely on the honesty and integrity of the Company’s senior executives, its auditors and its other outside advisors. Board members are expected to devote the time necessary to appropriately discharge their responsibilities and to rigorously prepare for and attend and participate in all Board meetings and meetings of Board committees on which they serve. Each Board member is expected to ensure that other commitments do not materially interfere with the member’s service as a director of the Company.

Director Selection

Independent Directors. A majority of the members of the Board shall satisfy the applicable independence requirements set forth in the rules of the New York Stock Exchange (the “*NYSE*”); provided, however, that this requirement shall not apply for so long as more than 50% of the voting power of the Company’s common stock is held, directly or indirectly, by another company, individual or group.

Board Membership Criteria. The Board shall identify individuals qualified to become Board members. In identifying candidates, the Board shall consider such factors as it deems appropriate, including the individual’s education, experience, reputation, judgment, skill, integrity, industry knowledge, the degree to which the individual’s qualities and attributes complement those of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board.

Service on Other Boards. Directors should advise the Chairman of the Board in advance of accepting an invitation to serve on the board of directors (or similar body) of any other company or charitable organization. The Chairman of the Board should consult with the General Counsel to determine whether such service would raise any legal or regulatory issues.

Term Limits. The Board does not believe it should establish term limits. While term limits could help ensure that there are new ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, are able to provide an increasing contribution to the Board as a whole.

Retirement Policy. The Board does not believe that age alone should determine whether an individual should serve as a director and therefore does not believe that a mandatory retirement age for directors is appropriate.

Director Compensation and Performance

Compensation Policy and Review. It is the policy of the Board to provide non-employee directors with a competitive level of compensation. Proposed changes in Board compensation shall initially be reviewed by the Compensation Committee, but any changes in the compensation of directors shall require the approval of the Board. The Compensation Committee shall periodically review the status of Board compensation in relation to comparable companies and other factors the Compensation Committee deems appropriate. The Compensation Committee shall discuss its review with the Board.

Annual Performance Review. At least annually, the Board will conduct a self-evaluation to determine whether it is functioning effectively.

Transactions with Directors and their Affiliates. The Company seeks to avoid transactions with directors or their affiliates if the transaction would cast into doubt the independence of a director who has previously been determined by the Board to be independent, involves a conflict of interest and otherwise is not in the best interest of the Company, or is otherwise prohibited by law, rule or regulation. This guideline extends to (a) significant business dealings with directors or their affiliates, (b) substantial charitable contributions to organizations with which a director is affiliated, (c) consulting contracts with, or other indirect forms of compensation to, a director, and (d) extension of credit to directors and executive officers (which in the case of public companies is generally prohibited by law). The Board will exercise appropriate oversight with respect to all related party transactions on an ongoing basis.

Board Meetings

Schedule. Board meetings should be scheduled in advance and held not less than quarterly. The Board should hold special meetings as required.

Agendas. The Chairman of the Board, in consultation with the CEO, should establish the agenda for each Board meeting. Each Board member may submit items to be included on the agenda. Board members may also raise subjects that are not on the agenda at any meeting.

Distribution of Board Materials. Information that is important to the Board's understanding of the Company's business should be distributed to the directors a reasonable period of time before the Board meeting.

Meetings of Non-Management Directors. The non-management directors should meet at least quarterly in executive session without management. Meetings of the non-management directors should generally coincide with regularly scheduled Board meetings; however, a majority of the non-management directors may call a meeting of the non-management directors at any time. The presiding non-management director shall supervise the conduct of the meetings of non-management directors, shall communicate the results of the meetings to the CEO, as appropriate, and shall have such other responsibilities which the non-management directors may

designate from time to time. If one or more non-management directors do not satisfy the applicable independence requirements set forth in the NYSE listing requirements, then at least once annually an executive session including only independent directors shall be held.

Board Presentations and Access to Officers and Advisors. Directors shall have full access to officers and other key employees of the Company and, as necessary and appropriate, the Company's independent advisors, including legal counsel and independent accountants. Any meetings or contacts that a director wishes to initiate may be arranged through the Chairman of the Board, CEO or the Secretary or directly by the director. Each director will use his or her judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate, provide the Chairman of the Board and the CEO with a copy of any written communications between a director and an officer or employee of, or advisor to, the Company.

Board Committees

Standing Committees. The Board shall have such standing committees as are required in order to comply with the rules of the NYSE. The Board may establish such other committees as it may from time to time determine to be necessary or desirable.

Committees shall receive authority exclusively through delegation from the Board through the bylaws, Board resolutions, committee charters or as provided by these guidelines. In addition to the authority granted hereunder, under a committee's charter or by further resolution of the Board, each standing committee shall have the authority to retain and compensate such independent legal, financial or other advisors as such committee may deem necessary or appropriate without consulting or obtaining the approval of the Board or management of the Company.

Appointment and Term of Service of Committee Members. Committee members will be appointed by the Board with consideration of the desires of individual directors.

Committee Charters. To the extent required by the rules of the NYSE, committees of the Board will have written charters approved by the Board. Otherwise, committees of the Board may, but need not, have written charters.

Committee Meetings and Committee Agenda. Each committee chair, in consultation with the committee members, will determine the frequency of committee meetings consistent with the committee's charter (if any), provided that a majority of committee members may call a meeting of the committee on which they are members at any time. Each committee chair, in consultation with the other members of the committee, will develop the agendas for meetings of the committee.

Director Orientation and Continuing Education

The Company will establish and review periodically an orientation program for new directors that includes presentations by senior management. All directors will also be invited to participate in the orientation program. Additionally, the Company will periodically provide

opportunities for directors to visit the Company's principal executive offices in order to provide greater understanding of the Company's business and operations.

Management Succession

CEO Selection. The Board shall select a CEO in a manner that is in the best interests of the Company.

Succession Planning and Management Development. The Company's succession plan should include appropriate contingencies in case the CEO retires or is incapacitated. The Board will evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.