

FILED EFFECTIVE

**ARTICLES OF MERGER
OF
CHS INC.
AND
CHS-GRANGEVILLE, INC.**

2006 JUL 24 AM 8:58

SECRETARY OF STATE
STATE OF IDAHO

Pursuant to the provisions of Title 30, Chapter 1, Idaho Code the undersigned associations adopt the following Articles of Merger.

Article 1. The name of the surviving association will be CHS Inc. The name of the association whose existence shall cease is CHS-Grangeville, Inc., 1001 North A, P.O. Box 70, Grangeville, Idaho 83530-0070.

Article 2. The period of duration of CHS Inc. is perpetual.

Article 3. The Plan of Merger was duly approved by the Board of Directors of CHS-Grangeville, Inc. at a meeting duly called and held on July 7, 2006, and by the Board of CHS Inc. held on July 7, 2006. A copy of the Plan of Merger is attached hereto.

Article 4. The Bylaws of CHS-Grangeville, Inc. and CHS Inc. authorize the Officers to enter into a merger with other cooperatives and the vote of the shareholders is not required.

Article 5. The outstanding shares of \$.01 par value common stock of CHS-Grangeville, Inc. will be cancelled as part of the merger. Any excess unallocated capital equity/retained earnings of CHS-Grangeville, Inc. will be merged into CHS.

Executed this 7th day of July, 2006, by CHS-Grangeville, Inc.

CHS-GRANGEVILLE, INC.

By: 
Its President

ATTEST:


Secretary/Treasurer

IDAHO SECRETARY OF STATE
07/24/2006 05:00
CK: 30046863 CT: 142673 BH: 966449
1 @ 30.00 = 30.00 MERGER # 2

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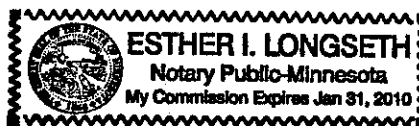
John McEnroe and Laurence C. Lenertz, being first duly sworn, state that they are the President and Secretary/Treasurer of CHS-Grangeville, Inc., and that they have read the foregoing Articles of Merger and know the contents thereof, and verily believe the statements made therein to be true.

By: John McEnroe
Its President

By: Laurence C. Lenertz
Its Secretary/Treasurer

Subscribed and sworn to before me
this 7th day of July, 20 06

Esther I. Longseth



Executed this 7th day of July, 20 06 by CHS INC.

CHS INC.

By: Mark L. Palmquist
Its Executive Vice President

ATTEST:

Nanci L. Lilja
Assistant Secretary

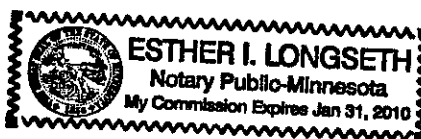
Mark L. Palmquist and Nanci L. Lilja, being first duly sworn, state that they are the Executive Vice President and Assistant Secretary of CHS INC. and that they have read the foregoing Articles of Merger and know the contents thereof, and verily believe the statements made therein to be true.

By: Mark L. Palmquist
Executive Vice President

By: Nanci L. Lilja
Assistant Secretary

Subscribed and sworn to before me
this 7th day of July, 20 06

Esther I. Longseth
GrangevilleArt2



**AGREEMENT AND PLAN OF MERGER
OF
CHS INC.
AND
CHS-GRANGEVILLE, INC.**

THIS AGREEMENT, made this 7th day of July, 2006 by and between CHS INC. ("CHS"), whose principal office is located at 5500 Cenex Drive, Inver Grove Heights, Minnesota 55077 and CHS-Grangeville, Inc. ("Subsidiary"), whose principal office is located at 1001 North A, P.O. Box 70, Grangeville, Idaho 83530-0070.

WHEREAS, The Board of Directors of CHS and Subsidiary deem it desirable and in the best interest of both entities and their respective members, that Subsidiary be merged into CHS a cooperative association, under the laws of the State of Minnesota.

NOW, THEREFORE, for the reasons set forth above, and in consideration of the mutual covenants and promises of the parties hereto, the entities agree, pursuant to the statutes pertaining thereto, that Subsidiary shall be merged into CHS, as a single cooperative, and the parties hereto agree and prescribe to the following terms and conditions of such merger:

Article 1. SURVIVING COOPERATIVE: Subsidiary shall be merged into CHS, a Minnesota cooperative, and the cooperative existence of Subsidiary shall cease, and the cooperative existence of CHS, the surviving cooperative, shall possess all the rights, privileges, powers, franchises and be subject to all the restrictions, disabilities, and duties of each of the constituent entities, and all the singular rights, privileges, powers, and franchises of each of the constituent entities, and all the property, real, personal, and mixed, and all debts due to either of the constituent entities; and all property, rights, privileges, powers and franchises, and all and every other interest shall be thereafter as effectually the property of the surviving entity as they were of the respective constituent entities; and the title to any real estate, whether vested by deed or otherwise, in either of the constituent entities shall not revert or be in any way impaired by reason of merger; provided, however, that all rights of the creditors and all liens upon any property of either of the constituent entities shall be preserved unimpaired, and all debts, liabilities, and duties of the respective constituent entities shall thenceforth attach to the surviving entity and may be enforced against it to the same extent if such debts, liabilities and duties had been incurred or contracted by the surviving entity.

Article 2. NAME: The name of the surviving corporation shall be CHS Inc.

Article 3. DURATION. The period of duration of the surviving cooperative shall be perpetual.

Article 4. PRINCIPAL OFFICE; REGISTERED AGENT: The registered agent is CT Corporation System, 300 North 6th Street, Boise, Idaho 83701 and principal address of CHS is 5500 Cenex Drive, Inver Grove Heights, Minnesota 55077.

Article 5. BUSINESS PURPOSE. CHS shall have the business purpose as set forth in its Articles of Incorporation and/or Bylaws, as amended from time to time.

Article 6. ARTICLES OF INCORPORATION AND BYLAWS: The Articles of Incorporation and Bylaws of CHS, as amended, shall be the Articles of Incorporation and Bylaws of the surviving entity following the merger until altered, amended or repealed as therein provided.

Article 7. OFFICERS: The principal officers of the surviving corporation shall be the existing officers of CHS.

Article 8. CANCELLATION OF EQUITY: The outstanding \$.01 par value common stock of Subsidiary will be cancelled as part of the merger. Any excess unallocated capital equity/retained earnings of Subsidiary will be merged into CHS.

Article 9. EFFECTIVE DATE OF MERGER: The effective date of this merger shall be the date of filing the Articles of Merger with the applicable states offices.

Article 10. EXECUTION OF DOCUMENTS. From time to time, as and when requested by CHS or CHS, or by its successors or assigns, Subsidiary will execute and deliver, or cause to be executed and delivered all such deeds and other instruments and will take or cause to be taken such other or further action as the surviving entity may deem necessary or desirable in order to vest in and confirm to the surviving entity title to and possession of all its property, rights, privileges,

powers and franchises, and otherwise, to carry out the intent and purpose of this agreement.

Article 11. RIGHT TO AMEND, ALTER, CHANGE OR REPEAL: The surviving entity hereby reserves the right to amend, alter, change or repeal any provision contained in its Articles of Incorporation, in the manner now or hereinafter prescribed by law or by such articles.

IN WITNESS WHEREOF, Subsidiary and CHS, have caused this agreement to be signed in their cooperative names by their respective officers, under the seals of their respective entities.

Dated this 7th day of July, 2006.

CHS-GRANGEVILLE, INC.

By: [Signature]
Its President

ATTEST:

[Signature]
Secretary/Treasurer

Dated this 7th day of July, 2006.

CHS INC.

By: [Signature]
Its: Executive Vice President

ATTEST:

[Signature]
Assistant Secretary