

FILED/EFFECTIVE

01 MAY -4 AM 10:13
SECRETARY OF STATE
STATE OF IDAHO

**ARTICLES OF MERGER
OF
CHS-GRANGEVILLE, INC.
AND
UNION WAREHOUSE & SUPPLY CO.**

IDAHO SECRETARY OF STATE
05/04/2001 09:00
DX: 12864 CT: 1116 BH: 395179
1 @ 30.00 = 30.00 MERGER # 2

CHS-GRANGEVILLE, INC., a business corporation duly organized and existing under the laws of the State of Idaho, whose principal office is located at 5500 Cenex Drive, Inver Grove Heights, Minnesota 55077, and UNION WAREHOUSE & SUPPLY CO., a business corporation duly organized and existing under the laws of the State of Idaho, having its principal place of business at 1001 North A, Grangeville, Idaho 83530, do hereby adopt the following Articles of merger for the purpose of merging both entities into one corporation pursuant to the provisions of Section 30-1-110 Idaho Code:

Article 1. The name of the surviving association will be CHS-Grangeville, Inc. The name of the association whose existence shall cease is Union Warehouse & Supply Co., 1001 North A, Grangeville, Idaho 83530.

Article 2. The period of duration of CHS-Grangeville, 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 March 29, 2001, and by the members of Union Warehouse & Supply Co. held on February 9, 2001.

Article 4. The number of outstanding shares of common stock of CHS – Grangeville, Inc., entitled to vote is 1,000. The number of shares of CHS – Grangeville, Inc., voting for the plan of merger was 1,000 and the number of shares of CHS – Grangeville, Inc. voting against the plan of merger was zero.

Article 5. The number of members of Union Warehouse & Supply Co. in attendance on February 9, 2001 was 75 and which said number constituted a quorum. The number of members of Union Warehouse & Supply Co. voting for the Plan of Merger was 74 and the number of members of Union Warehouse & Supply Co. voting against the Plan of Merger was 1. A copy of the Plan of Merger is attached hereto.

Article 6. Pursuant to Idaho Code Section 30-1-1320 there were no dissenter's rights for members of Union Warehouse & Supply Co., and there were no dissenting shareholders of CHS-Grangeville, Inc.

C 7023

Article 7. The merger shall be effective immediately upon filing the Articles of Merger with the Secretary of State of the State of Idaho.

Executed this 30th day of April, 2001, by Union Warehouse & Supply Co.

**UNION WAREHOUSE & SUPPLY
CO.**

By: _____

Its President

ATTEST:

Wes Lester
Its Secretary

Larry Hill and Wes Lester, being first duly sworn, state that they are the President and Secretary of Union Warehouse & Supply Co., 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: _____

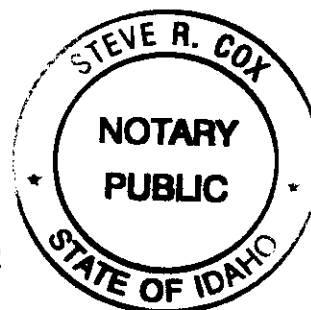
Its President

By: _____

Its Secretary

Subscribed and sworn to before me
This 30th day of April, 2001.

Steve R. Cox
My Commission Expires 5-14-04



Executed this 29th day of March, 2001 by CHS-Grangeville, Inc. at Inver Grove Heights, Minnesota.

CHS-GRANGEVILLE, INC.

By: David Swenson
Its President

ATTEST:

Laurence C. Lenertz
Secretary/Treasurer

David Swenson 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.

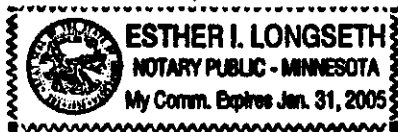
By: David Swenson
President

By: Laurence C. Lenertz
Secretary/Treasurer

Subscribed and sworn to before me
this 29th day of March, 2001.

Esther I. Longseth

ArtGrangeville



**AGREEMENT AND PLAN OF MERGER
OF
CHS-GRANGEVILLE, INC.
AND
UNION WAREHOUSE & SUPPLY CO.**

THIS AGREEMENT, made this 29th day of March, 2001, by and between CHS-Grangeville, Inc. ("CHS-Grangeville"), whose principal office is located at 5500 Cenex Drive, Inver Grove Heights, Minnesota 55077 and Union Warehouse & Supply Co. ("Company"), whose principal office is located at 1001 North A, Grangeville, Idaho 83530.

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

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 Company shall be merged into CHS-Grangeville, as a single cooperative; and the parties hereto agree and prescribe to the following terms and conditions of such merger, as well as the terms and conditions of the Transaction Agreement, dated as of March 29, 2001 by and among Company, Cenex Harvest States Cooperatives ("CHS") and CHS-Grangeville, relating to the merger contemplated by this Plan of Merger (the "Transaction Agreement") and the method of carrying it into effect as follows:

Article 1. SURVIVING COOPERATIVE: Company shall be merged into CHS-Grangeville, a Idaho cooperative, and the cooperative existence of Company shall cease, and the cooperative existence of CHS-Grangeville, 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-Grangeville, Inc.

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

Article 4. PRINCIPAL OFFICE; REGISTERED AGENT: The Principal address of CHS-Grangeville in the State of Idaho is 1001 North A, Grangeville, Idaho 83530. Its registered agent in the State of Idaho is C T Corporation System, 300 North 6th Street, Boise, Idaho 83701.

Article 5. BUSINESS PURPOSE. CHS-Grangeville 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-Grangeville, as amended, insofar as not inconsistent with this Plan of Merger, shall be the Articles of Incorporation and Bylaws of the surviving entity following the merger until altered, amended or repealed as therein provided. The Articles of Incorporation of CHS-Grangeville are attached hereto.

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

Article 8. BUSINESS OPERATIONS: After the effective date of the merger, the surviving corporation shall continue to own and will lease to CHS, St. Paul, Minnesota, pursuant to the Transaction Agreement, the fixed assets formerly operated by Company, which will be operated by CHS.

Article 9. TRANSFER AND RETIREMENT OF EQUITY CREDITS AND FUNDS: The capital equities of Company as adjusted pursuant to Sections 3.2 and 7.2 of the Transaction Agreement, will be replaced on a dollar for dollar basis by CHS' capital equity certificates and redeemed in accordance with Section 6.2 of the Transaction Agreement. A copy of the "Description of Capital Equity Certificates of CHS" is attached. Any excess unallocated capital equity/retained earnings of Company will be merged into CHS-Grangeville.

Article 10. EFFECTIVE DATE OF MERGER: The effective date of this merger shall be effective immediately upon filing the Articles of Merger with the Secretary of State of the State of Idaho.

Article 11. EXECUTION OF DOCUMENTS. From time to time, as and when requested by CHS or CHS-Grangeville, or by its successors or assigns, Company 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.

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

Dated this 30th day of April, 2001.

UNION WAREHOUSE & SUPPLY CO.

By: 

Its President

ATTEST:

 Secretary

Dated this 29th day of March, 2001

CHS-Grangeville, Inc.

By: 

Its President

ATTEST:

 Secretary/Treasurer

FILED EFFECTIVE

ARTICLES OF INCORPORATION

01 FEB 23 AM 10:30

OF

SECRETARY OF STATE
STATE OF IDAHO

CHS - GRANGEVILLE, INC.

The undersigned, David A. Kastelic, acting as an incorporator of a corporation under the Idaho Business Corporation Act, hereby adopts the following Articles of Incorporation for such corporation:

FIRST: The name of the corporation is CHS - Grangeville, Inc.

SECOND: The period of the corporation's duration is perpetual.

THIRD: The purpose or purposes for which the corporation is organized are:

The transaction of any and all lawful business for which corporations may be incorporated under the Idaho Business Corporations Act.

FOURTH: The aggregate number of shares which the corporation shall have the authority to issue is 1,000 shares of common stock, each having a par value of \$.01 per share.

FIFTH: The address of the initial registered office of the corporation is 300 North 6th Street, Boise, Idaho 83701, and the name of the initial registered agent at such address is CT Corporation System.

SIXTH: The mailing address of the corporation shall be 1001 North A, P.O. Box 70, Grangeville, Idaho 83530-0070.

SEVENTH: The number of Directors constituting the initial Board of Directors of the corporation is three (3) and the name and address of each person who is to serve as a Director until the first annual meeting of the shareholders or until such Director's successor is elected and shall qualify is:

Name

Address

David Swenson

5500 Cenex Drive

P.O. Box 64089

St. Paul, Minnesota 55164-0089

IDAHO SECRETARY OF STATE
02/23/2001 09:00
CK: 30011524 CT: 142673 BH: 300889

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1 @ 20.00 = 20.00 EXPEDITE C # 3

C137790

Scott Sinclair

5500 Cenex Drive
P.O. Box 64089
St. Paul, Minnesota 55164-0089

Laurence C. Lenertz

5500 Cenex Drive
P.O. Box 64089
St. Paul, Minnesota 55164-0089

EIGHTH: The name and address of the incorporator is:

Name

Address

David A. Kastelic

5500 Cenex Drive
P.O. Box 64089
St. Paul, Minnesota 55164-0089

DATED this 23rd day of February, 2001.


David A. Kastelic

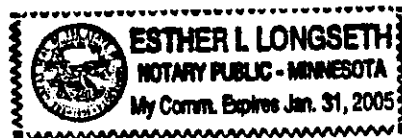
STATE OF MINNESOTA)

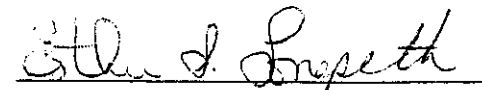
) ss.

COUNTY OF DAKOTA)

On this 23rd day of February, 2001, before me, the undersigned, a Notary Public in and for said State, personally appeared David A. Kastelic, known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal on the day and year in this certificate first above written.




Notary Public in and for the
State of Minnesota, residing at
the City of Stillwater therein.

My Commission Expires 1/31/05

DESCRIPTION OF CAPITAL EQUITIES CERTIFICATES OF CENEX HARVEST STATES COOPERATIVES

Capital Equity Certificates ("Equities") issued by Cenex Harvest States Cooperatives ("CHS") represent or evidence a dollar amount of the net worth of CHS. Net worth generally means the value of assets less all liabilities. As in the case of most cooperatives, CHS Equities have several key characteristics which distinguish them from capital stock issued in a conventional business corporation. Several of the most significant characteristics are the following:

No Dividends. Dividends are not paid on Equities. As a result, a person holding Equities in CHS will not receive a "return" on the investment.

No Right of Redemption. Equities issued by CHS are redeemed only at the discretion of the Board of Directors. Those persons holding CHS Equities have no right to force a redemption of the Equities by CHS. To the extent that the Board of Directors determines that CHS has accumulated sufficient capital, it may elect to "revolve" or "redeem" outstanding Equities based upon a procedure specified in CHS's Bylaws or other policies established from time to time by the Board of Directors. The actual decision to revolve or redeem Equities remains within the discretion of the Board of Directors.

Limited Transferability. Equities issued by CHS are not transferable by the holder of those Equities without the express approval of the Board of Directors. Even with the approval of the Board of Directors, it is not likely that any market for the Equities will exist. The lack of a market for the transfer of the Equities results in part from the fact that no dividends are paid on the Equities and there is no guaranty that the Equities will be "revolved" or "redeemed" by CHS.

Limited Voting Rights. The right to vote in CHS is limited to those persons or entities who qualify as "members" under the Bylaws of CHS ("non-members" holding equities don't have voting rights). Members of CHS are not given additional voting rights based upon the amount of Equities held by a given member. Therefore, the accumulation of additional Equities will not give a member any additional voting rights in CHS.

EQUITIES ISSUED BY CHS SHOULD NOT BE VIEWED AS AN "INVESTMENT" SIMILAR TO THE ACQUISITION OF CAPITAL STOCK OF A BUSINESS CORPORATION.