



CHS Inc. Membership and Patronage Application and Eligibility Form

For Office Use Only	
SAP BP number:	_____
Profit Center Group/location:	_____
Legacy system customer#:	_____
Patron Type:	_____

***Required information**

*Print legal name of individual or entity (as recorded with the IRS)			*Telephone (include area code)		
Care of/attention/doing business as name			*Email address		
*Mailing address			*Birth date (if individual)		
*City	*State	* ZIP code	Incorporation date (if entity/organization)		

*Please make **ONE** selection from options 1 – 12, that best describes the operation of the person or entity seeking CHS membership and/or patronage (see last page for more detailed descriptions of key terms used in this application)

Individuals (applicant *must be* minimum of age 18)

- 1. Domestic individual producer of agricultural products engaged in agricultural production
Including landowner participating in crop-sharing arrangement; cash rent does not qualify
- 2. Canadian individual producer of agricultural products engaged in agricultural production
- 3. Individual not engaged in agricultural production, includes landowner receiving exclusively cash rent

Agricultural operations owned by individual producers of agricultural products (i.e., farming, ranching, etc.)

If option 4, 5 or 6 is selected, **MUST complete** form #1 located on **page 3** for this application to be considered.

- 4. Family farm operation engaged in agricultural production and owned by individual agricultural producer(s) and/or family groups
- 5. Trust or estate engaged in agricultural production owned by agricultural producers operating for the benefit of beneficiaries or heirs
- 6. Community of individuals engaged in communal agricultural production

Entities wholly (100%) owned by one or more members of CHS not described in options 4, 5, and 6 above

If option 7 is selected, **the applicant MUST complete** form #2 located on **page 4** for this application to be considered.

- 7. Limited liability company, partnership, corporation or any other legal entity wholly (100%) owned by CHS members (a “qualifying entity”)

Entities owned by one or more entities, including at least 20% ownership by qualifying associations or producers of agricultural products

If option 8 is selected, **the applicant MUST complete** form #3 located on **page 5** for this application to be considered.

- 8. Limited liability company, corporation or any other legal entity at least 20% owned by qualifying associations or producers of agricultural products

Nonagricultural entities and/or businesses

- 9. Entity and/or business is not engaged in agricultural production
- 10. Entity is a school, church or municipal, state or federal government agency



Cooperative associations

Please make **ONE** selection from options 11 or 12, that best describes membership of the cooperatives seeking CHS membership (see last page for more detailed descriptions of key terms used in this application)

- **MUST provide copies of cooperative's articles of Incorporation, bylaws** and/or other governance documents for this application to be considered.

11. Class A cooperative member

A domestic association of producers of agricultural products or an organization operating on a cooperative basis (for purposes of Subchapter T of the Internal Revenue Code) that satisfies each of the following conditions:

- (i) Voting members of the cooperative's board of directors must consist entirely of producers of agricultural products AND
- (ii) Voting members of the cooperative must consist entirely of producers of agricultural products

12. Class B cooperative member

A domestic association that is currently operating on a cooperative basis (for purposes of Subchapter T of the Internal Revenue Code) that is not eligible to be a Class A cooperative member

***Consent** – Please mark **ONE** section below, either select (1-Consent) **or** (2-Waiver) below.

1. Consent - By checking this box, entering my typed name below and submitting this form, I consent to include in my gross income for federal income tax purposes in the year of receipt in the manner provided in Section 1385(a) of the Internal Revenue Code the stated dollar amount of each written notice of allocation which I receive from CHS Inc. and its successors with respect to my patronage occurring during the current and all subsequent taxable years. This consent does not apply to any written notices of allocation labeled "nonqualified." Under Section 1385(b), written notices of allocation attributable to personal, living or family items and those properly taken into account as an adjustment to basis of property need not be included in gross income. This written consent shall be revocable by me in writing at any time.

I also acknowledge receipt of the CHS Inc. Consent Bylaw and Statement of Significance set forth on the final page of the application, which provides additional information about my consent (*eligible to receive patronage*).

2. Waiver - By checking this box, entering my typed name below and submitting this form, I waive any patronage dividends that I may be eligible to receive arising out of my business with CHS Inc. and its successors during its current and subsequent fiscal years. This disclaimer of patronage dividends shall be valid until revoked by me in writing in accordance with federal income tax laws (*i.e., I/we do not desire to receive patronage*).

* _____ *or _____ *or _____
Social Security Number **Federal Identification Number** **Canadian Taxpayer Number or Equivalent**
(U.S. individuals) (U.S. entities/cooperatives) (Canadian producers)

The undersigned certifies and acknowledges:

All information provided on this CHS Inc. Membership and Patronage Application and Eligibility Form is true and correct. The number recorded on this form is the correct taxpayer identification number to be used for the account named on the first line of this form. It is important to note that only one number can be used, and that number should match the number on file with the IRS. This is the number under which CHS will report patronage earnings.

Also, by completing this Patronage Application and Eligibility Form, the applicant acknowledges that CHS may request information or documentation from the applicant to verify the information provided. Accordingly, the applicant agrees to provide that information to CHS or its representatives upon request, as well as to make its employees and/or officers available as CHS may reasonably request, for the limited purpose of verification of this Patronage Application and Eligibility Form.

The applicant further acknowledges that membership and patronage applications are approved in the sole discretion of the CHS Board of Directors and its delegates.

* _____ *
Date **Signature of applicant or authorized signatory granted authority to act on behalf of applicant**

Title of officer if applicant is an entity

**Return form to the CHS location that applicant will conduct business.
For questions call 1-800-535-4645 or email patron.equities@chsinc.com**



CERTIFICATION OF AGRICULTURAL PRODUCER STATUS

Must be completed when selecting options 4, 5 or 6 on page 1 above

Form #1

***Required information**

We, the undersigned, do hereby certify to CHS Inc. ("CHS") that the above-named agricultural operation, hereinafter referred to as the "Operation," is organized to perform, and in fact does perform, the following activities.

*Describe activities of the agricultural operation:

1. The Operation has applied for membership in, and patronage consideration from, CHS and the Operation is engaged in the production of one or more agricultural products operating as a family farm operation.
2. The Operation acknowledges that CHS issues patronage refunds only to "producers of agricultural products" (as defined in the CHS Articles of Incorporation).
3. The Operation certifies to CHS that all business transactions with CHS **will be solely for the production of one or more agricultural products.**

<u>*Owner Name</u>	<u>*Date of Birth</u>	<u>*Ownership %</u>	<u>*Owner's Tax Id#</u>	<u>*Agricultural Producer or Eligible to be CHS Member (yes or no)</u>
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

*Ownership % must total to 100%. If more space is needed, please attach a list.

* _____
Date

* _____
Authorized signatory granted authority to act on behalf of agricultural operation

Title of authorized signatory of agricultural operation



CERTIFICATION OF OWNERSHIP OF ENTITIES WHOLLY (100%) OWNED BY ONE OR MORE CHS MEMBERS

Form #2

Must be completed when selecting option 7 on page 1 above

***Required information**

The above-named applicant is owned by the following individuals/entities:

*Owner Name _____	*City/State _____	*Ownership % _____	*Owner's Tax Id# _____	*CHS Member (yes or no) _____
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____	_____	_____	_____	<input type="checkbox"/> Yes <input type="checkbox"/> No

* Ownership % must total to 100%. If more space is needed, please attach a list.

***Describe activities of the entity:**

The above-named entity hereby certifies that it is wholly (100%) owned by members of CHS. Patron Equities will contact applicant if the owner name(s) listed above cannot be identified as CHS member(s).

* _____
Date

* _____
Authorized signatory granted authority to act on behalf of applicant

Title of officer of entity



CERTIFICATION OF OWNERSHIP OF ENTITIES A MINIMUM 20% OWNED BY ONE OR MORE QUALIFYING ASSOCIATIONS OR AGRICULTURAL PRODUCERS

Form #3

Must be completed when selecting option 8 on page 1 above

***Required information**

The above-named applicant is owned by the following individuals/entities:

*Owner Name	*City/State	*Ownership %	*Owner's Tax Id#	*Agricultural Producers or Qualifying Association (yes or no)
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No
				<input type="checkbox"/> Yes <input type="checkbox"/> No

* Ownership % must total to 100%. If more space is needed, please attach a list.

***Describe activities of the Entity:**

The above-named Entity hereby further certifies and agrees that:

1. At least 20% ownership of the Entity is held by members of CHS or persons eligible to be members of CHS ("Qualifying Associations or Agricultural Producers"); and
2. A minimum of 75% of the business of the Entity as measured in dollars must either: (A) be done with or for Qualifying Associations or Agricultural Producers and must relate to the production, processing, or transportation of agricultural products; provided, however, that business activity by which the Entity purchases agricultural products from a marketer of such products or a producer of such products that is not the Entity (or one of its owners/members) and resells such agricultural products to CHS will not be eligible for patronage or Domestic Production Activity Deduction (DPAD) and will be excluded from the determination of whether the Entity satisfies the eligibility requirements in this paragraph (2), or (B) involve the sale of Cenex® refined fuels directly or indirectly through Cenex branded retail fuel facilities servicing agricultural communities having populations of no more than 1 million people.

Agricultural products purchased from a marketer of such products or a producer of such products that is not the Entity (or one of its owners/members) and resold to CHS may be required to be provided upon request to substantiate the 75% requirement.

The above-named Entity hereby certifies that (i) its ownership is at least 20% held by members of CHS or those eligible to be members of CHS, and (ii) 75% of the business conducted by the entity is as described above.

* _____
Date

* _____
Authorized signatory granted authority to act on behalf of applicant

Title of officer of entity



Producers of Agricultural Products: CHS Articles of Incorporation, Article IV, Section 2 states: For purposes of this Article IV, “producers of agricultural products” shall mean persons (including individuals and joint ventures, corporations, partnerships, limited liability companies, limited liability partnerships, unincorporated associations or other legal entities owned or controlled by individual farmers, ranchers or their family groups) that are engaged in the production of one or more agricultural products, including tenants.

Class A Individual Member: Individual agricultural producers may only qualify to be a Class A Individual Member of CHS. Class A Individual Members must be “producers of agricultural products.” In the CHS Articles of Incorporation, Article IV, Section 2, “producers of agricultural products” is defined to mean “persons (including individuals and joint ventures, corporations, partnerships, limited liability companies, limited liability partnerships, unincorporated associations or other legal entities owned or controlled by individual farmers, ranchers or their family groups) that are engaged in the production of one or more agricultural products, including tenants of land used for the production of such products and lessors of such land that receive as rent therefor any part of the product of such land.”

Canadian Individual Agricultural Producer: Nonmember: Individual agricultural producers (including individuals and joint ventures, corporations, partnerships, limited liability companies, limited liability partnerships, unincorporated associations or other legal entities owned or controlled by individual farmers, ranchers, or their family groups) that are engaged in the production of one or more agricultural products.

Class A Cooperative Association Member: An association of producers of agricultural products may be a Class A cooperative member of CHS only if the association satisfies each of the following conditions of membership as provided in the Articles of Incorporation and the Bylaws of CHS: (i) It currently operates on a US domestic cooperative basis (for purposes of Subchapter T of the US Internal Revenue Code), and (ii) according to its articles of incorporation, bylaws, other governance documents and/or any governance policies, the voting members of the board of directors of the cooperative must and do consist entirely of “producers of agricultural products” as that term is defined in the CHS Articles of Incorporation, Article IV, Section 2, and (iii) according to its articles of incorporation, bylaws, other governance documents and/or any governance policies, the voting membership of the cooperative must and does consist entirely of “producers of agricultural products” as that term is defined in the CHS Articles of Incorporation, Article IV, Section 2.

Class B Cooperative Association Member: An organization may be a Class B cooperative member of CHS only if the association satisfies the following conditions of membership as provided in the Articles of Incorporation and the Bylaws of CHS: The organization currently is operating on a cooperative basis (for purposes of Subchapter T of the Internal Revenue Code).

Qualifying Associations: An association of producers of agricultural products, including but not limited to a Class A, Class B, or Class C Cooperative Association Member of CHS, or such an association that is not a member of CHS but that would meet the requirements of membership.

Consent Bylaw of CHS Inc.

ARTICLE VIII.

Consent

Section 1 - Consent. Each individual or entity that hereafter applies for and is accepted to membership in this cooperative and each member of this cooperative as of the effective date of this bylaw who continues as a member after such date shall, by such act alone, consent that the amount of any distributions with respect to its patronage which are made in written notices of allocation (as defined in 26 U.S.C. §1388), and which are received by the member from this cooperative, will be taken into account by the member at their stated dollar amounts in the manner provided in 26 U.S.C. §1385(a) in the taxable year in which such written notices of allocation are received by the member.

Section 2 - Consent Notification to Members and Prospective Members. Written notification of the adoption of this bylaw, a statement of its significance and a copy of the provision shall be given separately to each member and prospective member before becoming a member of this cooperative.

Section 3 - Consent of Nonmember Patrons. If this cooperative obligates itself to do business with a nonmember on a patronage basis, such nonmember must either: (a) agree in writing, prior to any transaction to be conducted on a patronage basis, that the amount of any distributions with respect to patronage which are made in written notices of allocation (as defined in 26 U.S.C. §1388), and which are received by the nonmember patron from this cooperative, will be taken into account by the nonmember patron at their stated dollar amounts in the manner provided in 26 U.S.C. §1385(a) in the taxable year in which such written notices of allocation are received by the nonmember patron and further, that any revocation of such agreement will terminate this cooperative’s obligation to distribute patronage with respect to transactions with such nonmember that occur after the close of this cooperative’s fiscal year in which the revocation is received; or (b) consent to take the stated dollar amount of any written notice of allocation into account in the manner provided in 26 U.S.C. §1385 by endorsing and cashing a qualified check as defined in and within the time provided in 26 U.S.C. §1388(c)(2)(C); provided that failure to so consent shall cause the written notice of allocation that accompanies said check to be canceled with no further action on the part of this cooperative.

Statement of Significance

The significance of the above-stated CHS bylaw is that if you become a member of CHS after adoption of the bylaw (and after receipt of this notice), or if you were already a member and remain a member after receipt of notice, any patronage distribution made to you in written notices of allocation (with respect to your patronage of this cooperative for a tax year of this cooperative beginning on or after June 1, 1963, and accompanied by a distribution of 20 percent or more in cash) will be included in your income in the year of receipt at their stated dollar amounts for federal income tax purposes. (However, the patronage distribution does not have to be included in your income if it represents a patronage distribution on the purchase of personal, living or family items or of capital assets or property used in a trade of business subject to depreciation. The patronage distribution relating to capital assets or property used in a trade or business, however, must be used to reduce the cost basis of said assets or property.) The consent does not apply to written notices of allocation labeled “nonqualified.” The amount included in your income will be the full amount of the patronage refund distribution (with the exception above stated), not just the portion of it paid in cash.

Please go to www.chsinc.com/about-us/owners-and-investors to view our article of incorporation and bylaws. For information on how CHS may use your personal data, please visit www.chsinc.com/privacy-policy.