



**Southwest
Grain**

New equity redemption policy will create value opportunity

The CHS Board of Directors has adopted a new individual member equity redemption program that adds an “age of equity” component to the company’s existing “age of producer” redemption method.

“While this provides more timely equity redemptions for all eligible individual members, we believe it also enhances value to younger individual members by connecting them sooner to the economic benefits of CHS ownership,” says Dave Bielenberg, chairman, CHS Board of Directors. “In addition, this revised equity management program ensures consistency in equity policy for both member cooperatives and individual owners.”

The policy is effective for fiscal 2016 for which any patronage and equity distributions will be made in fiscal 2017. Future equity redemptions to both member cooperatives and individual owners will be made on an age-of-equity basis. Individual owners may continue to apply for redemption of all outstanding equity at age 70, but after this one-time redemption any equity earned on any future business would be redeemed under the new program. In addition, the CHS Board may implement a future one-time redemption to bring eligible active individual members current to the same age of equity year as member cooperatives. CHS will update members on future developments.

Estates of deceased members may still apply for redemption of remaining equity balances.