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Adair

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ARTICLES OF MERGER

M & W FARM SERVICE COMPANY, AN IOWA CORPORATION WITH ITS PRINCIPAL PLACE OF BUSINESS AT WINTERSET, MADISON COUNTY, IOWA; AND ADAIR COUNTY FARM SERVICE COMPANY, AN IOWA CORPORATION WITH ITS PRINCIPAL PLACE OF BUSINESS AT GREENFIELD, ADAIR COUNTY, IOWA, ARE MERGED, WITH THE ADAIR COUNTY FARM SERVICE COMPANY AS THE SURVIVING CORPORATION, TO BE KNOWN AFTER MERGER AS ROLLING HILLS FS, INC., WITH ITS PRINCIPAL PLACE OF BUSINESS AT WINTERSET, MADISON COUNTY, IOWA.

KNOW ALL MEN BY THESE PRESENTS:

That at separate meetings of the Stockholders of M & W Farm Service Compny, (hereinafter referred to "M & W"); and Adair County Farm Service Company (hereinafter referred to as "Adair"); both of which corporations are organized under the laws of the State of Iowa, which said respective meetings were held at Winterset and Greenfield, Iowa, respectively, the principal place of business of each of said corporations, on the 26th day of September, 1985, after due and legal notice had been given to the Stockholders of each of the respective corporations in conformity with their respective Articles of Incorporation, the laws of the State of Iowa, and pursuant to resolutions adopted by the Boards of Directors of the respective corporations at each of said meetings, a Plan of Merger set forth in the Articles of Merger hereinafter set out was adopted by the affirmative vote of the holders of more than two-thirds of the issued and outstanding stock entitled to vote at the meetings of each Company; that the total issued and outstanding shares of stock of M & W entitled to vote at said meeting were 2,264 shares, and that the holders of 1,771 shares of the issued and outstanding stock of M & W were represented in person or by authorized representative at said meeting and that the holders of 1,767 shares of said stock voted for the approval of the Plan of Merger and Articles of Merger; that the total issued and outstanding shares of stock of Adair entitled to vote at said meeting were 1,262 shares, and that the holders of 983 shares of the issued and outstanding stock of Adair were represented in person or by authorized representative at said meeting and that the holders of 983 shares of said stock voted for the approval of the Plan of Merger and Articles of Merger.

That the Plan of Merger referred to above was adopted as stated above pursuant to the statutes of the State of Iowa, and amendments thereto, and is the Plan as contained in the following Articles of Merger, and that the Boards of Directors of M & W and Adair adopted the Plan of Merger as is now contained in these Articles of Merger, and the Stockholders of the respective companies likewise approved the Plan of Merger and adopted these Articles of Merger and directed that same be completed and filed in the office of the Secretary of State, State of Iowa, and Certificate of Merger be secured from the Secretary of State; and triplicate copies of the Articles of Merger were executed by each Corporation by its President, and verified by him, and attested to by the Secretary of each respective Corporation.

STATE OF IOWA, MADISON COUNTY, ss.

Inst. No. 867 Filed for Record this 29 day of October 19 85 at 3:55 PM
Book 35 Page 659 Recording Fee 95.00 Mary E. Welty, Recorder, By M. Welty Deputy

Compared

ARTICLE I.

Name-Surviving Corporation

The names of the corporations which are to be merged are M & W Farm Service Company and Adair County Farm Service Company which said Corporation will continue in existence as the surviving Corporation, and the name of said surviving Corporation shall be Rolling Hills FS, Inc.

ARTICLE II.

Effective Date of Merger

The merger of the corporations named in Article I hereof shall become effective on the date the Certificate of Merger as issued by the Secretary of State of the State of Iowa.

ARTICLE III.

Board of Directors

The Board of Directors shall consist of fifteen (15) members, who shall serve until the next Annual Meeting, and who shall be the combined Boards of M & W and Adair immediately prior to the merger.

The officers and Board of Directors of the surviving Corporation, Rolling Hills FS, Inc., who shall serve and hold the office as set opposite their names until the next Annual Meeting are as follows:

Name	Address	Office
Tom Dunphy	Rt. 2, Creston, IA 50801	President
Francis Sweet	Rt. 1, Box 91, Shannon City, IA 50861	Treasurer
Larry Raper	Rt. 1, Box 179, Fontanell, IA 50846	
Byron Brown	Prescott, IA 50859	
Rolan Jensen	Rt. 2, Box 62 Fontanelle, IA 50846	
Alan Mensing	Rt. 1, Box 93 Greenfield, IA 50849	
Don Sealine	Rt. 1, Dexter, IA 50070	
Allen Tanner	Rt. 3, Creston, IA 50801	
Maurice Moffitt	Rt. 3, Indianola, IA 50125	Vice President
Irvin Klingaman	Rt. 4, Winterset, IA 50273	
Ben Kern	Rt. 1, Norwalk, IA 50211	Secretary
Paul Marston	Earlham, IA 50072	
Duane Proudfit	Rt. 2, Indianola, IA 50125	
Jack Hanrahan	Rt. 1, Prole, IA 50229	
Paul Hollingsworth	Rt. 1, Winterset, IA 50273	
Marvin L. Weisert	Bloomington, IL	

At the 1986 Annual Meeting a Board of nine Directors shall be elected, which shall thereafter be the number of Directors, unless changed by the Articles of Incorporation or By-Laws. The territory of each district in which that director shall reside and the length of the initial term of office, in order to achieve staggered three-year terms eventually, shall be as follows:

Territory	Length of Initial Term
Union County	One Year
Madison County	One Year
Clarke, Lucas, Wayne, or Decatur County	One Year
Adair County south of Highway 92	Two Years
Warren County	Two Years
Clarke County	Two Years
Adair County north of Highway 92	Three Years
Madison or Warren County	Three Years
Wayne County	Three Years
GROWMARK Representative	Three Years

After the initial terms set forth above, each Director elected shall thereafter serve three-year terms of office.

ARTICLE IV.

Principal Place of Business

The principal place of business of Rolling Hills FS, Inc. shall be at Winterset, Madison County, Iowa.

ARTICLE V.

Nominating Committee

The surviving Corporation shall have a Nominating Committee composed of nine (9) members, three from within the territory encompassing Adair and Union Counties, three from the territory encompassing Madison and Warren Counties, and three from the territory encompassing Clarke, Lucas, Decatur and Wayne Counties. All nine members shall be current Class A member patrons, and at least one from each territory shall be a current member of a County Farm Bureau Board of Directors.

ARTICLE VI.

Capital Structure

The authorized capital structure of Rolling Hills FS, Inc. shall be as follows:

Stock	Par	Dividends	Vote	No. Shares	Value
Class A Membership	$.25	Determined by Board of Directors	Yes	10,000	$ 2,500

Stock	Par	Dividends	Vote	No. Shares	Value
Organization	$1.00	4% non-cumulative	Yes	10,000	$ 10,000
Class C Membership	$5.00	None	No	29,100	$ 145,500
Class D Membership	$5.00	None	No	118,000	$ 590,000
Class E Membership	$5.00	None	No	200,000	$1,000,000
Preferred	$5.00	6% cumulative	No	50,000	$ 250,000
Senior Preferred	$100.00	0-8% non-cumulative	Under Certain Conditions	25,000	$2,500,000

ARTICLE VII.

Stock Exchange and Surplus Allocation

A. Each of the 1,164 shares of outstanding Class A Membership Stock issued by M & W, ($.25 par value), shall be exchanged for Class A Membership Stock ($.25 par value) in the Surviving Corporation, on a one-for-one basis.

B. Each of the 1,100 shares of outstanding Organization Stock ($1.00 par value) issued by M & W shall be exchanged for Organization Stock ($1.00 par value) in the Surviving Corporation, on a one-for-one basis.

C. Each of the 29,088 shares of outstanding Class B Membership Stock, four per cent (4%) non-cumulative ($5.00 par value) issued by M & W shall be exchanged for Class D Membership Stock, non-dividend bearing ($5.00 par value) in the Surviving Corporation, on a one-for-one basis, unless there is impairment in the capital stock account supporting such Class B Membership Stock, in which case the following procedure shall be followed:

Upon completion of the audit for the year ending September 30, 1985, the impairment of the capital stock account supporting Class B Membership Stock shall be calculated. The dollar value of Class B capital stock account remaining after fiscal year end, giving consideration to impairment, shall be divided by a figure equal to the Class B Membership Stock capital account, if it were not impaired (number of shares outstanding mulitplied by $5.00 par value per share). The fraction so obtained shall be that fraction of a share of Class D Membership Stock ($5.00 par value) of the Surviving Corporation to which each share of Class B Membership Stock of M & W shall be entitled.

D. Each of the 88,747 shares of outstanding Class C Membership Stock ($5.00 par value) issued by M & W will be exchanged for Class D Membership Stock in the Surviving Corporation according to the following procedure:

There is substantial impairment of the capital stock accounts at M & W, because of operating losses during the past. Upon completion of the audit for the year ending September 30, 1985, the impairment of

the capital stock account supporting Class C Membership Stock shall be calculated. The dollar value of the Class C capital stock account remaining after fiscal year end, giving consideration to impairment, shall be divided by a figure equal to the Class C Membership Stock capital account if it were not impaired (number of shares outstanding multiplied by $5.00 par value per share). The fraction so obtained shall be that fraction of a share of Class D Membership Stock ($5.00 par value) of the Surviving Corporation to which each share of Class C Membership Stock of M & W shall be entitled.

E. Each of the 3,071 shares of M & W Preferred Stock ($25.00 par value) outstanding as of September 26, 1985, shall be exchanged for Preferred Stock ($5.00 par value) of the Surviving Corporation on a basis of five Surviving Corporation Preferred shares for each one share of M & W Preferred. Additionally, M & W will be five years in arrears on Preferred Stock dividends as of September 30, 1985, because M & W has not generated earnings with which to pay such dividends. The value of all Preferred Stock Dividend arrearage owed to M & W Preferred Stockholders as of September 30, 1985, approximately $24,000 will be used to purchase an equivalent amount at par value of Preferred Stock in the Surviving Corporation, which will be allocated to the holders of M & W Preferred Stock in proportion to their holdings. The capital stock accounts of M & W Class C--and perhaps Class B--Stock will be further impaired, as explained in subsections C. and D. immediately above to the extent of the approximately $24,000 to provide the capital for this allocation of additional Preferred Stock to present holders of M & W Preferred Stock in lieu of cash dividends.

F. All stock, regardless of class, that is exchanged as set forth in this Article, shall be issued in the name of the holders of record as shown on the books and records of M & W as of the effective date of the merger. The surviving Corporation shall not issue fractional shares of Preferred stock and if the exchange results in the holder being entitled to a fractional share of Preferred Stock, Class B or Class C Membership Stock, then said amount, at the election of the surviving Corporation, shall either be paid in cash or credited to the account of the holder thereof of said Preferred stock.

G. The unallocated surplus of Adair, to be determined by interim audit as of September 30, 1985, will, for purposes of any liquidation of the Surviving Corporation in the future, be frozen as of September 30, 1985, and allocated to the holders of Class C Membership Stock of Adair as of September 30, 1985, pro rata to the number of shares held by each. The liquidation preference, as set forth in the Amended and Substituted Articles of Incorporation of Rolling Hills, the Surviving Corporation for this allocation of surplus to Adair Class C shares, shall be junior to the right of the holders of Senior Preferred and Preferred Organization and Class A Stock outstanding at the time of liquidation to receive the full par value for all shares then outstanding, but such preference shall be senior and prior to the right of Class C, Class D, and Class E Stockholders to receive the par value for all shares of those classes then outstanding at the time of liquidation. If sufficient funds would remain upon liquidation after all the previously noted allocations, any remaining surplus would be allocated to Class E Stockholders pro rata to their shares held.

ARTICLE VIII.

Articles and By-Laws

The Articles and By-Laws of Adair, as amended, shall be the Articles and By-Laws of the Surviving Corporation, to be named Rolling Hills FS, Inc.

ARTICLE IX.

Assets, Debts, Liabilities, Choses in Action

From and after the effective date of the merger, the separate existence of M & W shall cease, and Adair (to be known after merger as Rolling Hills FS, Inc.), as the Surviving Corporation, shall have all the rights, privileges, immunities and powers and shall be subject to all the duties and liabilities of a Corporation organized under Chapter 491, Code of Iowa, and all property, real, personal, and mixed, and all debts due of whatsoever accounts and all other choses in action and all and every other interest of or belonging to or due to M & W shall be transferred to and vested in Adair without further account or deed. Title to any real estate or any interest therein vested in M & W shall not revert or be in any way impaired by reason of the merger provided for by this Plan of Merger.

From and after the effective date of the merger, Adair shall be responsible and liable for all the liabilities and obligations of M & W, including the liability for any claim, or claims, existing, or actions or proceedings pending by or against M & W which may be prosecuted to judgment as if the merger had not taken place, or Adair may be substituted in place of M & W.

Neither the rights of creditors nor any liens upon the property of M & W shall be impaired by the consummation of the merger.

If at any time the Surviving Corporation, Adair, shall consider or be advised that any conveyances, assignments, or assurances are necessary or desirable to vest in the Surviving Corporation the title to any property or rights of M & W, the President and Secretary of M & W are authorized to make all such proper conveyances, assignments or assurances and to do all things necessary to vest title to such property or rights in Adair, and otherwise to carry out the purpose of the merger.

ARTICLE X.

Transfer of Stock

If the certificate or certificates for any shares of stock of Rolling Hills FS, Inc. are to be issued in a name other than that in which the certificate or certificates for shares surrendered for exchange shall be registered, it shall be a condition of such exchange that all certificates so surrendered shall be properly endorsed for transfer, and that the person requesting such exchange pay any transfer or other taxes required by reason thereof or establish to the satisfaction of the transfer agent that such tax has been paid or is not payable.

that all certificates so surrendered shall be properly endorsed for transfer, and that the person requesting such exchange pay any transfer or other taxes required by reason thereof or establish to the satisfaction of the transfer agent that such tax has been paid or is not payable.

ARTICLE XI.

Expense of Merger

The surviving Corporation shall pay all expenses of consummating the Plan of Merger.

ARTICLE XII.

Pension Plans

Prior to the corporate merger, Adair County Farm Service Company and M & W Farm Service Company each separately maintained Endorsement "A" to Group Retirement Income Policy No. 3, issued by Country Life Insurance Company, for the benefit of their respective eligible employees. On the effective date of corporate merger, Adair County Farm Service Company (to be named Rolling Hills FS, Inc.) will assume the rights and obligations for Endorsement "A" to Group Retirement Income Policy No. 3 previously maintained by M & W Farm Service Company.

In order to provide one retirement plan for the benefit of all eligible employees after the corporate merger, Endorsement "A" to Group Retirement Income Policy No. 3, as previously maintained by M & W Farm Service Company, shall be merged into and become a part of Endorsement "A" to Group Retirement Income Policy No. 3, as maintained by Adair County Farm Service Company (to be named Rolling Hills FS, Inc.), which plan shall be the surviving plan. The effective date of plan merger shall be the effective date of corporate merger.

ARTICLE XIII.

Adoption of Plan of Merger

The Plan of Merger has been approved by the respective Boards of Directors of M & W and Adair by resolution adopted by a majority vote of the members of each such Board present. Each resolution directed that this Plan of Merger be submitted to a vote at a meeting of the Stockholders of each of the respective companies. Notice of such meeting was given in accordance with the law, and at each meeting a vote of the Stockholders was taken and the Plan of Merger and these Articles of Merger were approved by an affirmative vote of the holders of at least two-thirds of the outstanding shares of each of the companies entitled to vote at each such meeting, and the officers of each Corporation are hereby authorized and directed to execute these Articles of Merger and to take all steps and do all acts necessary and incidental to making these Articles of Merger effective and to carry out the intent and provisions of these Articles of Merger.

IN WITNESS WHEREOF, M & W Farm Service Company, and Adair County Farm Service Company, each by its President with his signature attested by its Secretary, has executed this instrument, all done on this 26th day of September, 1985.

M & W FARM SERVICE COMPANY

By Maurice Moffitt
President ( )

Attest:

Ben Kern
Secretary ( )

ADAIR COUNTY FARM SERVICE COMPANY

By Thomas L. Dunphy
President ( )

Attest:

Terry Hayes
Secretary ( )

CERTIFICATE

The President and Secretary of M & W Farm Service Company were duly authorized and directed by the Stockholders at the meeting of the Stockholders of said Corporation, to sign, acknowledge, record, publish, and do all things which are by law required to execute, complete and carry into effect the within and foregoing Articles of Merger. We, Maurice Moffitt and Ben Kern, President and Secretary, respectively, of the meeting of said Corporation named above, do hereby certify the above to be a true and correct statement of the proceedings of the Stockholders at the above named meeting of the said Corporation.

Maurice Moffitt
President ( )

Ben Kern
Secretary ( )

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In conformity with the resolution adopted by the Stockholders at the meeting of the above named Corporation, we, the President and Secretary, respectively, of said Corporation, have executed this instrument and do hereby sign and acknowledge the same for and on behalf of said Corporation this 26th day of September, 1985.

Maurice Moffatt
President (_____)

Secretary (_____)

CERTIFICATE

The President and Secretary of Adair County Farm Service Company were duly authorized and directed by Stockholders at the meeting of the Stockholders of said Corporation, to sign, acknowledge, record, publish, and do all things which are by law required to execute, complete and carry into effect the within and foregoing Articles of Merger. We, Thomas L. Dunphy, and Larry J. Raper, President and Secretary, respectively, of the meeting of said Corporation above named, do hereby certify the above to be a true and correct statement of the proceedings of the Stockholders at the above named meeting of said Corporation.

Thomas L. Dunphy
President (_____)

Larry J Raper
Secretary (_____)

In conformity with the resolution adopted by the Stockholders at the meeting of the above named Corporation, we, the President and Secretary, respectively, of said Corporation, have executed this instrument, and do hereby sign and acknowledge the same for and on behalf of said Corporation this 26th day of September, 1985.

Thomas L. Dunphy
President (_____)

Larry J Raper
Secretary (_____)

STATE OF IOWA)
) ss:
COUNTY OF MADISON)

On this 26th day of September, 1985, before me, a Notary Public in and for said County and State, personally appeared Maurice Moffitt and Ben Kern, to me personally known, who being by me duly sworn, did say that they are the President and Secretary, respectively, of M & W Farm Service Company, one of the corporations named in the foregoing instrument, that the seal affixed to said instrument is the seal of said Corporation, that the foregoing is a true and correct statement of the proceedings of the Stockholders of the Corporation at said meeting, and the Articles of Merger legally adopted, and that said instrument was signed and sealed on behalf of the said Corporation by authority of its Stockholders, and the said Maurice Moffitt and Ben Kern, President and Secretary, respectively, acknowledge the said instrument and the execution thereof to be the voluntary act and deed of said Corporation and of each of them, by it and them voluntarily executed.

WITNESS my hand and notarial seal the day and year last above written.

STEPHEN M. MORAIN ★ Iowa ★ NOTARIAL SEAL

Notary Public in and for the State of Iowa

My Commission Expires August 26, 19 88.

STATE OF IOWA)
) ss:
COUNTY OF ADAIR)

On this 26th day of September, 1985, before me, a Notary Public in and for said County and State, personally appeared Thomas L. Dunphy and Larry J. Raper, to me personally known, who being by me duly sworn, did say that they are the President and Secretary, respectively, of Adair County Farm Service Company, one of the corporations named in the foregoing instrument, that the seal affixed to said instrument is the seal of the Corporation, that the foregoing is a true and correct statement of the proceedings of the Stockholders of the Corporation at said meeting, and the Articles of Merger legally adopted, and that said instrument was signed and sealed on behalf of the said Corporation by authority of its Stockholders, and the said Thomas L. Dunphy and Larry J. Raper, President and Secretary, respectively, acknowledge the said instrument and the execution thereof to be the voluntary act and deed of said Corporation and of each of them, by it and them voluntarily executed.

WITNESS my hand and notarial seal the day and year last above written.

Stephen M. Morain
Notary Public in and for the State of Iowa

My Commission Expires August 26, 19 88.



PLAN OF MERGER

The PLAN OF MERGER of M & W FARM SERVICE COMPANY, an Iowa corporation with its principal place of business at Winterset, Madison County, Iowa (hereinafter referred to as "M & W"); and ADAIR COUNTY FARM SERVICE COMPANY, an Iowa corporation with its principal place of business at Greenfield, Adair County, Iowa (hereinafter referred to as "Adair"), which shall be the surviving corporation, is as follows:

I.

NAME

The name of the surviving corporation shall be Rolling Hills FS, Inc., and hereinafter referred to in this Plan of Merger as the "Surviving Corporation".

II.

BOARD OF DIRECTORS

The Board of Directors shall consist of sixteen (16) members, who shall serve until the next Annual Meeting, and who shall be the combined Boards of M & W and Adair immediately prior to the merger.

The officers and Board of Directors of the surviving Corporation, Rolling Hills FS, Inc., who shall serve and hold the office as set opposite their names until the next Annual Meeting are as follows:

Name	Address	Office
Tom Dunphy	Rt. 2, Creston, IA 50801	President
Maurice Moffitt	Rt. 3, Indianola, IA 50125	Vice President
Ben Kern	Rt. 1, Norwalk, IA 50211	Secretary
Francis Sweet	Rt. 1, Box 91, Shannon City, IA 50861	Treasurer
Larry Raper	Rt. 1, Box 179, Fontanell, IA 50846	
Byron Brown	Prescott, IA 50859	
Rolan Jensen	Rt. 2, Box 62 Fontanelle, IA 50846	
Alan Mensing	Rt. 1, Box 93 Greenfield, IA 50849	
Don Sealine	Rt. 1, Dexter, IA 50070	
Allen Tanner	Rt. 3, Creston, IA 50801	
Irvin Klingaman	Rt. 4, Winterset, IA 50273	
Paul Marston	Earlham, IA 50072	
Duane Proudfit	Rt. 2, Indianola, IA 50125	
Jack Hanrahan	Rt. 1, Prole, IA 50229	
Paul Hollingsworth	Rt. 1, Winterset, IA 50273	
Marvin L. Weisert	Blooming, IL	

At the 1986 Annual Meeting a Board of nine Directors shall be elected, which shall thereafter be the number of Directors, unless changed by the Articles of Incorporation or By-Laws. The territory

of each district in which that director shall reside and the length of the initial term of office, in order to achieve staggered three-year terms eventually, shall be as follows:

Territory	Length of Initial Term
Union County	One Year
Madison County	One Year
Clarke, Lucas, Wayne, or Decatur County	One Year
Adair County south of Highway 92	Two Years
Warren County	Two Years
Clarke County	Two Years
Adair County north of Highway 92	Three Years
Madison or Warren County	Three Years
Wayne County	Three Years
GROWMARK Representative	Three Years

After the initial terms set forth above, each Director elected shall thereafter serve three-year terms of office.

III.

PRINCIPAL PLACE OF BUSINESS

The principal place of business of Rolling Hills FS, Inc. shall be at Winterset, Madison County, Iowa.

IV.

NOMINATING COMMITTEE

The surviving Corporation shall have a Nominating Committee composed of nine (9) members, three from within the territory encompassing Adair and Union Counties, three from the territory encompassing Madison and Warren Counties, and three from the territory encompassing Clarke, Lucas, Decatur and Wayne Counties. All nine members shall be current Class A member patrons, and at least one from each territory shall be a current member of a County Farm Bureau Board of Directors.

V.

AUTHORIZED CAPITAL STRUCTURE
OF THE MERGING COMPANIES
AND THE SURVIVING CORPORATION

M & W FARM SERVICE COMPANY

Stock	Par	Dividends	Vote	No. Shares	Value
Class A Membership	$ .25	Determined by Board of Directors	Yes	10,000	$ 2,500
Organization	1.00	4% non-cumulative	Yes	10,000	$ 10,000
Class B Membership	5.00	4% non-cumulative	No	33,000	$165,000
Class C Membership	5.00	None	No	150,000	$750,000
Preferred	25.00	6% cumulative	No	8,000	$200,000

ADAIR COUNTY FARM SERVICE COMPANY

Stock	Par	Dividends	Vote	No. Shares	Value
Class A Membership	$ .25	Determined by Board of Directors	Yes	10,000	$ 2,500
Organization	1.00	4% non-cumulative	Yes	10,000	$ 10,000
Class C Membership	5.00	None	No	100,000	$ 500,000
Preferred	5.00	6% cumulative	No	30,000	$ 150,000

SURVIVING CORPORATION

Stock	Par	Dividends	Vote	No. Shares	Value
Class A Membership	$ .25	Determined by Board of Directors	Yes	10,000	$ 2,500
Organization	1.00	4% non-cumulative	Yes	10,000	$ 10,000
Class C Membership	5.00	None	No	29,100	$ 145,500
Class D Membership	5.00	None	No	118,000	$ 590,000
Class E Membership	5.00	None	No	200,000	$1,000,000
Preferred	5.00	6% cumulative	No	50,000	$ 250,000
Senior Preferred	100.00	0-8% non-cumulative	Under Certain Conditions	25,000	$2,500,000

The capital structure of the Surviving Corporation shall be as set forth above.

VI.

STOCK EXCHANGE

A. Each of the approximately 1,164 shares of outstanding Class A Membership Stock issued by M & W, ($.25 par value), shall be exchanged for Class A Membership Stock ($.25 par value) in the Surviving Corporation, on a one-for-one basis.

B. Each of the approximately 1,100 shares of outstanding Organization Stock ($1.00 par value) issued by M & W shall be exchanged for Organization Stock ($1.00 par value) in the Surviving Corporation, on a one-for-one basis.

C. Each of the 29,088 shares of outstanding Class B Membership Stock, four per cent (4%) non-cumulative ($5.00 par value) issued by M & W shall be exchanged for Class D Membership Stock, non-divided bearing ($5.00 par value) in the Surviving Corporation, on a one-for-one basis, unless there is impairment in the capital stock account supporting such Class B Membership Stock, in which case the following procedure shall be followed:

Upon completion of the audit for the year ending September 30, 1985, the impairment of the capital stock account supporting Class B Membership Stock shall be calculated. The dollar value of Class B capital stock account remaining after fiscal year end, giving consideration to impairment, shall be divided by a figure equal to the Class B Membership Stock capital account, if it were not impaired (number of shares outstanding mulitplied by $5.00 par value per share). The fraction so obtained shall be that fraction of a share of Class D Membership Stock ($5.00 par value) of the Surviving Corporation to which each share of Class B Membership Stock of M & W shall be entitled.

D. Each of the 88,747 shares of outstanding Class C Membership Stock ($5.00 par value) issued by M & W will be exchanged for Class D Membership Stock in the Surviving Corporation according to the following procedure:

There is substantial impairment of the capital stock accounts at M & W, because of operating losses during the past. Upon completion of the audit for the year ending September 30, 1985, the impairment of the capital stock account supporting Class C Membership Stock shall be calculated. The dollar value of the Class C capital stock account remaining after fiscal year end, giving consideration to impairment, shall be divided by a figure equal to the Class C Membership Stock capital account if it were not impaired (number of shares outstanding multiplied by $5.00 par value per share). The fraction so obtained shall be that fraction of a share of Class D Membership Stock ($5.00 par value) of the surviving Corporation to which each share of Class C Membership Stock of M & W shall be entitled.

E. Each of the 3,071 shares of M & W Preferred Stock ($25.00 par value) outstanding as of September 26, 1985, shall be exchanged for Preferred Stock ($5.00 par value) of the Surviving Corporation on a basis of five Surviving Corporation Preferred shares for each one share of M & W Preferred. Additionally, M & W will be five years in arrears on Preferred Stock dividends as of September 30, 1985, because M & W has not generated earnings with which to pay such dividends. The value of all Preferred Stock dividend arrearage owed to M & W Preferred Stockholders as of September 30, 1985, approximately $24,000 will be used to purchase an equivalent amount at par value of Preferred Stock in the Surviving Corporation, which will be allocated to the holders of M & W Preferred Stock in proportion to their holdings. The capital stock accounts of M & W Class C--and perhaps Class B-- Stock will be further impaired, as explained in subsections C. and D. immediately above to the extent of the approximately $24,000 to provide the capital for this allocation of additional Preferred Stock to present holders of M & W Preferred Stock in lieu of cash dividends.

F. All stock, regardless of class, that is exchanged as set forth in this Article, shall be issued in the name of the holders of record as shown on the books and records of M & W as of the effective date of the merger. The surviving Corporation shall not issue fractional shares of Preferred stock and if the exchange results in the

holder being entitled to a fractional share of Preferred Stock, Class B or Class C Membership Stock, then said amount, at the election of the surviving Corporation, shall either be paid in cash or credited to the account of the holder thereof of said Preferred stock.

G. The unallocated surplus of Adair, to be determined by interim audit as of September 30, 1985, will, for purposes of any liquidation of the Surviving Corporation in the future, be frozen as of September 30, 1985, and allocated to the holders of Class C Membership Stock of Adair as of September 30, 1985, pro rata to the number of shares held by each. The liquidation preference, as set forth in the Amended and Substituted Articles of Incorporation of Rolling Hills, the Surviving Corporation for this allocation of surplus to Adair Class C shares, shall be junior to the right of the holders of Senior

Preferred and Preferred Organization and Class A Stock outstanding at the time of liquidation to receive the full par value for all shares then outstanding, but such preference shall be senior and prior to the right of Class C, Class D, and Class E Stockholders to receive the par value for all shares of those classes then outstanding shares at the time of liquidation. If sufficient funds would remain upon liquidation after all the previously noted allocations, any remaining surplus would be allocated to Class E Stockholders pro rata to their shares held.

VII.

ARTICLES AND BY-LAWS

The Articles and By-Laws of Adair shall be the Articles and By-Laws of the Surviving Corporation.

VIII.

DEBTS AND LIABILITIES

The Surviving Corporation agrees to assume all of the debts and liabilities of M & W.

M & W agrees to convey all of its real, personal, and mixed property of whatsoever nature and kind to the Surviving Corporation, and the necessary officers of M & W shall execute all the instruments both necessary and incidental to carry out the Plan of Merger.

The Surviving Corporation shall pay all expenses of consummating the Plan of Merger, if approved by the voting shareholders of both companies.

IX.

PENSION PLANS

Prior to the corporate merger, Adair County Farm Service Company and M & W Farm Service Company each separately maintained Endorsement

"A" to Group Retirement Income Policy No. 3, issued by Country Life Insurance Company, for the benefit of their respective eligible employees. On the effective date of corporate merger, Adair County Farm Service Company (to be named Rolling Hills FS, Inc.) will assume the rights and obligations for Endorsement "A" to Group Retirement Income Policy No. 3 previously maintained by M & W Farm Service Company.

In order to provide one retirement plan for the benefit of all eligible employees after the corporate merger, Endorsement "A" to Group Retirement Income Policy No. 3, as previously maintained by M & W Farm Service Company, shall be merged into and become a part of Endorsement "A" to Group Retirement Income Policy No. 3, as maintained by Adair County Farm Service Company (to be named Rolling Hills FS, Inc.), which plan shall be the surviving plan. The effective date of plan merger shall be the effective date of corporate merger.

X.

ARTICLES OF MERGER

The foregoing is the Plan of Merger of the respective companies involved and when approved will be documented in the Articles of Merger. The Articles of Merger, if approved by the respective Boards of Directors and voting shareholders by the requisite majorities, shall be executed and delivered to the Secretary of State of the State of Iowa for filing and payment of fees.

XI.

OTHER PROVISIONS

1. From and after the date of approval of this Plan by both Boards of Directors, until the effective date of merger, neither of the parties, without the consent of the other, shall:

   A. Issue any stocks or other corporate securities except such stock as may be issued in payment of patronage refunds or in furtherance of any existing redemption or exchange policies in effect as of the date of this Agreement.
   B. Incur any obligations or liabilities (fixed or contingent) except in the ordinary course of business.

   C. Discharge or satisfy any lien or encumbrance or pay any obligation or liability other than current liabilities incurred in the ordinary course of business.

   D. Declare a dividend on stock or make payment or distribution to stockholders.

   E. Purchase or redeem any shares of stock.

F. Mortgage, pledge, subject to lien or otherwise encumber any assets.

G. Sell, assign or transfer any tangible or intangible assets or cancel any debts or claims except in the ordinary course of business.

2. Notwithstanding any of the foregoing provisions of this Plan of Merger, the Plan may be terminated and abandoned by and in the sole discretion of the Board of Directors of either of the parties hereto by giving written notice to the other party at any time prior to the effective date of merger or by mutual consent in writing of the Boards of Directors of both parties at any time prior to the effective date of merger, notwithstanding any action or approval by the stockholders of either M & W or Adair, in the event of (1) any event or occurrence which materially affects the terms and conditions of this Agreement or the assumptions of the parties based thereon, or (2) any act by a party not a party to this Agreement which seeks or may result in enjoining or restraining the performance of the terms and conditions herein contained. It is understood by both parties that the willingness of GROWMARK, Inc. to make a capital infusion into the Surviving Corporation by purchase of Senior Preferred Stock is an event which will materially impact the Plan. It is also understood that exercise by any significant percentage of stockholders of their rights as dissenters may cause GROWMARK, in its discretion, to refuse to purchase Senior Preferred Stock, and, thus, to cause abandonment of the Plan.

XII.

PROCEDURE

The following will have to be done:

1. Each of the respective Boards of Directors of M & W and Adair will approve the Plan of Merger and recommend the adoption of the Articles of Merger to the stockholders, at which time the respective Boards will set a date for a Special Meeting of the stockholders and then direct that notice thereof be given to all stockholders having voting privileges. This Plan of Merger shall be presented to the County Farm Bureau Boards of each county within the primary trade of each Company for their information and support after the approval by the Boards of Directors of M & W and Adair.

2. Notice of the Special Stockholders Meeting shall be sent to all stockholders having voting privileges.

3. A two-thirds approval by the issued and outstanding stock having voting privileges voting in favor is required to pass the issue. It is understood that the Iowa Farm Bureau Federation will only vote its stock in favor of merger in the event that a majority of those holders of Class A Membership voting stock vote in favor of it.

The foregoing Plan of Merger was approved by the Board of Directors of M & W Farm Service Company on this 26th day of September, 1985, and it recommends to its stockholders the approval of the Articles of Merger to carry this plan into effect.

M & W FARM SERVICE COMPANY

By Maurice V. Moffitt
(President)

Attest:

Don Hall
(Secretary)

The foregoing Plan of Merger was approved by the Board of Directors of the Adair County Farm Service Company on this 26th day of September, 1985, and it recommends to its stockholders the approval of the Articles of Merger to carry this plan into effect.

ADAIR COUNTY FARM SERVICE COMPANY

By Thomas L. Murphy
(President)

Attest:

Terry J. Rayner
(Secretary)

OFFICE OF THE SECRETARY OF STATE
DES MOINES, IOWA

This instrument recorded in Book — , Page — October 1, 19 85

Expires Perp. , Cert. No. C025346 Receipt No.

Filed by Stephen M. Morain, Atty., 5400 University Ave., WDM, Ia. 50265

Filing Fee $4,228.55 Recording Fee Mary Jane Odell Secretary of State