

**CHS Inc.**  
**Audit Committee Charter**

The audit committee of the Board of Directors (the “Board”) of CHS Inc. (the “Company”) shall consist of three or more members of the Board. The members of the audit committee shall be appointed by the Chairman of the Board with the approval of the Board of Directors of the Company. The Chairman of the audit committee shall be appointed by the Chairman of the Board. Members of the committee shall serve at the discretion of the Chairman of the Board and the Board.

No member of the audit committee shall have participated in the preparation of the Company’s financial statements or the financial statements of any current subsidiary of the Company at any time during the past three years. All members of the audit committee shall meet all of the independence and experience requirements of the Securities and Exchange Commission (“SEC”) and the Nasdaq Stock Market, Inc. (“Nasdaq”) that are applicable to the Company (as such requirements may be modified or supplemented from time to time). All members of the audit committee shall have a basic understanding of finance and accounting and be able to read and understand fundamental financial statements.

A majority of the audit committee members currently holding office shall constitute a quorum for transaction of business. Action shall be taken by a majority of the members of the committee at a meeting of the committee duly called and held. Meetings of the audit committee shall be held at least four times each year.

The audit committee shall have the following powers, authority, duties and responsibilities:

1. The audit committee shall be solely responsible for the appointment, compensation, retention and oversight of the work of the independent auditor engaged for the purpose of preparing or issuing an audit report (including resolution of disagreements between management and the auditor regarding financial reporting) or performing other audit, review or attest services for the Company. The independent auditor shall report directly to the audit committee.
2. The audit committee shall oversee the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements, and monitor the integrity of the Company’s systems of internal controls regarding finance, accounting, and legal compliance.
3. The audit committee shall approve, in advance, all audit and non-audit services to be performed by the independent auditors and the fees and compensation to be paid to the independent auditors. The audit committee may designate a member of the audit committee to represent the entire audit committee for purposes of approval of services, subject to review by the full audit committee at the next regularly scheduled meeting. The audit

committee shall ensure that the independent auditors do not perform any services for the Company prohibited by applicable law, including the Sarbanes-Oxley Act of 2002 or the rules of the Public Company Accounting Oversight Board or the SEC.

4. The audit committee shall oversee the independence of the independent auditors. The audit committee shall receive a written statement annually from the auditor delineating all relationships between the auditor and the Company, and the audit committee shall discuss with the external auditor any disclosed relationships or services that may impact auditor objectivity and independence.
5. The audit committee shall approve the internal auditors selected by the management of the Company. The internal auditors shall meet with the audit committee at such times as the audit committee or the internal auditors shall request. Meetings may be held in executive session at the request of the committee or the internal auditors. The audit committee shall approve the functions, budget, charter and organization of the internal audit department and shall review the performance of the internal auditors. The internal auditors shall prepare a plan of their audits annually which shall be approved by the audit committee.
6. The audit committee shall meet with the independent auditors at least quarterly prior to the preparation of each quarterly report and to discuss and approve the scope of the annual audit. The audit committee shall also meet with the independent auditors prior to issuance of the audit report to discuss the findings to be included therein and any material correcting adjustments. The audit committee shall discuss those matters required to be communicated to audit committees in accordance with AICPA SAS 61. Meetings with the independent auditors may be held in executive session at the request of the committee or the independent auditors.
7. The audit committee will review and approve all press releases regarding financial information of CHS prior to their release.
8. The audit committee shall review the 10-Ks and 10-Qs to be filed by the Company including the annual and quarterly financial statements of the Company to be included therein. The audit committee shall also review the Company's annual report to its members. Review should include discussion with management and independent auditors of significant issues regarding accounting principles, practices, critical accounting estimates and underlying judgments. Based on such review, the audit committee should determine whether to recommend to the Board of Directors the annual audited financial statements to be included in the Company's Annual Report filed under the rules of the SEC.

9. The audit committee, in consultation with management and the independent auditors, shall consider the integrity of the Company's financial reporting processes and controls. It shall discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. The audit committee shall review significant findings prepared by the independent auditors with management's responses.
10. The audit committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the independent auditors as well as anyone in the organization. The audit committee has the authority to retain, at the Company's expense, special legal, accounting, or other consultants or experts it deems necessary in the performance of its duties. The Company shall at all times make adequate provisions for the payment of all fees and other compensation, as approved by the audit committee, to the Company's independent auditors or to any consultants or experts employed by the audit committee.
11. The audit committee shall receive from the independent auditor a timely report of: (i) all critical accounting policies and practices used, (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management of the Company, ramification of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, and (ii) other material written communications between the independent auditor and the management of the Company, such as any management letter or schedule of unadjusted differences.
12. The audit committee shall establish procedures for the receipt, retention and treatment of complaints or other indications of deficiencies received by the Company regarding accounting, internal controls or other auditing matters, including confidential, anonymous submissions by employees and all reports or complaints received by the Company under the Reporting and Investigating Violations Policy of the Company's Corporate Compliance Program that could have a material adverse financial impact on the Company. The audit committee shall establish a plan of action and deadline to correct any deficiency.
13. The audit committee shall review and approve quarterly with management of the Company all off balance sheet transactions.
14. The audit committee shall review and approve all transactions between the Company and a related party such as an officer, director or employee, other than transactions in the ordinary course of business.
15. The audit committee shall ensure that the Company does not hire any person who is a former partner or manager of an independent auditor of the

Company unless such person has not performed audit services for the Company for a period of at least one-year prior to employment.

16. The audit committee shall review changes in accounting policies and the methods of applying those policies with management and the independent auditors.
17. The audit committee shall review all other recommendations made by the independent and internal auditors and management's proposed action in response to the recommendations.
18. The audit committee shall review, evaluate, and report to the full Board on management policies and procedures for the management of price risk, including review of the Company's hedging and risk management policies and use of options, derivatives, swaps and other hedging tools.
19. The audit committee shall review this charter annually and recommend any proposed changes to the Board of Directors.
20. The audit committee shall conduct a self-assessment of its performance annually.