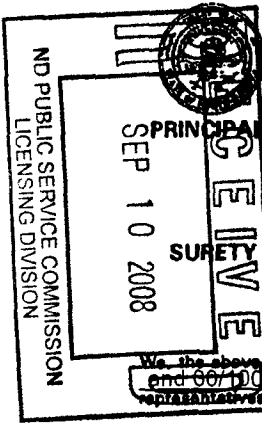


Bond was issued in triplicates.



**GRAIN ELEVATOR WAREHOUSE BOND
PUBLIC SERVICE COMMISSION
SFN 7573 (4-95)**

BOND NO: 08916922

Name THARALDSON ETHANOL PLANT I, LLC			
Address 1020 36th St. SW	City Fargo	State ND	Zip Code 58103
Name FIDELITY AND DEPOSIT COMPANY OF MARYLAND			
Address 1400 American Lane	City Schaumburg	State IL	Zip Code 610916-1056

We, the above named PRINCIPAL and SURETY are bound to the State of North Dakota in the penal sum of One Million Five Hundred Thousand Dollars. The payment of the penal sum shall bind ourselves, our heirs, legal representatives, successors, and assigns, jointly and severally.

The PRINCIPAL is the operator of a public warehouse(s) doing business in North Dakota. The warehouse(s) operated by the PRINCIPAL is(are) located as follows: 3549 153rd Ave. S, Casselton, ND 58012

The warehouse(s) described above is(are) to be operated pursuant to the law for receiving grain for buying, selling, storing, or shipping for compensation. The surety bond shall cover the warehouse(s) operated by the PRINCIPAL as a whole and not a specific amount for each.

The condition of this obligation is as follows: If the PRINCIPAL shall (1) faithfully perform all duties as a public warehouseman, (2) comply with the provisions of law and the rules of the North Dakota Public Service Commission (Commission) relating to the storage and purchase of grain by a warehouseman, and (3) pay for all grain purchased and all sums for which the PRINCIPAL shall become liable to the holders of receipts, then this obligation shall be void, otherwise it shall remain in effect, provided, however, that this surety bond shall not accrue to the benefit of any person entering into a credit-sale contract with the PRINCIPAL.

Liability for this undertaking commences on August 5, 2008, and shall be continuous unless the SURETY by certified mail notifies the PRINCIPAL and the Commission that the surety bond has been canceled. The cancellation notice shall state that the surety bond will be canceled ninety (90) days after the receipt of the cancellation notice or on a later date specified by the SURETY. In no event shall the aggregate liability of the SURETY accumulate for each successive annual license renewal period during which the bond is in force but, for losses during any annual license renewal period, shall be limited in the aggregate to the bond amount stated or changed by appropriate endorsement or rider.

The liability of the SURETY for any violation of the obligations hereof by the PRINCIPAL during the period of time the bond remains in effect, shall remain in force thereafter for such period of time as may be permitted under the laws of the State of North Dakota.

This bond, including definitions of the terms used herein, are governed by the provisions of Chapters 60-02 and 60-04 of the North Dakota Century Code.

Counter-signed by North Dakota Resident Agent:

N/A

Name/Signature	Address	City, State(ND), Zip Code
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THIS SECTION TO BE COMPLETED BY PRINCIPAL

ACKNOWLEDGMENT OF PRINCIPAL

State of North Dakota,
County of Cass)
On this 3rd day of September, 2008,
before me personally appeared Matt Tharaldson
known to me to be the person or said corporation described in and who executed the within instrument as PRINCIPAL and acknowledged to me that he/she or said corporation executed the same.

[Signature]
Signature of Principal

[Signature]
Notary Public

My Commission expires Sept 13, 2010

THIS SECTION TO BE COMPLETED BY SURETY

**ACKNOWLEDGMENT OF SURETY
(Corporate Officer)**

State of IL)
County of Cook)
On this 5th day of August, 2008,
before me personally appeared Linda Iser
known to me to be Attorney-in-Fact
of said corporation that is described in and that executed the within instrument as SURETY, and acknowledged to me that such corporation executed the same.

Linda Iser, Attorney-in-Fact
Name and Title of Person Signing for Surety

[Signature]
Signature

[Signature]
Notary Public

My Commission expires 2/28/09

(SEAL) **RYAN THORPE**
North Dakota Public Service Commission Notary Public Telephone 701-328-4097
State Capital Bismarck, ND 58505-0880
My Commission Expires SEP 13 2010

(SEAL) **OFFICIAL SEAL
BRIAN O'LEARY
NOTARY PUBLIC - STATE OF ILLINOIS
MY COMMISSION EXPIRES FEB. 20, 2009**

ATTACH VALID POWER OF ATTORNEY FROM SURETY.

**Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by WILLIAM J. MILLS, Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Sandra MARTINEZ, Linda ISER, Kathleen J. MAILES, Karen DANIEL, Susan J. PREIKSA, Susan A. WELSH, Robert E. DUNCAN, Joellen M. MENDOZA, James A. CUTHBERTSON and Geoffrey E. HEEKIN, all of Chicago, Illinois, EACH** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: ~~any and all bonds and undertakings~~, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Sandra MARTINEZ, Linda ISER, Kathleen J. MAILES, Karen DANIEL, Susan J. PREIKSA, Susan A. WELSH, Robert E. DUNCAN, Joellen M. MENDOZA, James A. CUTHBERTSON, Geoffrey E. HEEKIN, dated April 17, 2003.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 24th day of November, A.D. 2004.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Eric D. Barnes

Eric D. Barnes Assistant Secretary

William J. Mills

By: *William J. Mills* Vice President

State of Maryland }
City of Baltimore } ss:

On this 24th day of November, A.D. 2004, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Dennis R. Hayden

Dennis R. Hayden Notary Public
My Commission Expires: February 1, 2009

EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND

“Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertakings, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto.”

CERTIFICATE

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company,

this 5th day of August, 2008.

Gerald F. Haley
Assistant Secretary