

ASSUMPTION OF LIABILITY CERTIFICATE

Obligee: State of ND Pub Serv Comm Grain Elevator Div, 12th Fl 600 E. Blvd Ave Bismarck, ND 58505

Principal: Beach Co-Op Grain Co. PO Box 247 Beach, ND 58621

Effective 08/01/04 this Certificate assumes liability on Bond Number 141552335

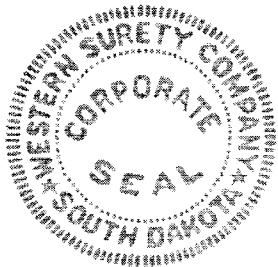
executed and previously filed by American Casualty Company of Reading, PA (\$305,000)

hereinafter referred to as the Company, in favor of the above-named Obligee.

This certifies that, in consideration of the Agreements and covenants herein contained and other good and valuable consideration, WESTERN SURETY COMPANY hereby assumes liability as surety under the above described bond.

BY ISSUANCE OF THIS CERTIFICATE IT IS AGREED:

1. That the liability of WESTERN SURETY COMPANY under said bond (a) shall be subject to all of the terms, conditions, limitations and warranties contained in said bond and any amendment thereto or agreement between the Obligee and the Company affecting the same; and (b) shall in no event be greater than would have been the liability of the Company had this Certificate not been issued.
2. That all rights of the Company, which would have been available to the Company by reason of its suretyship under the aforementioned bond, or otherwise, if this Certificate had not been executed, shall inure to the benefit of and be fully enforceable by WESTERN SURETY COMPANY.
3. Signed and dated this 7th day of July, 2004.



BY: Paul T. Bruflat
Paul T. Bruflat, Senior Vice President
Western Surety Company

Certified Mail No. 7003-1680-0002-0652-6666

ENDORSEMENT FOR INCREASE OR DECREASE

This endorsement forms a part of Grain Elevator Warehouseman's Bond No. 141552335 written on behalf of Beach Co-op Grain Co. – Beach, ND, as Principal, to the **State of North Dakota, Public Service Commission, Bismarck, ND,** as Obligee, issued by **American Casualty Company of Reading, PA,** as Surety, with liability commencing August 1st, 19 96.

Effective August 1st, 19 99, it is understood and agreed that the amount of the above described bond shall be and is hereby **DECREASED**

From:

Five hundred fifty-five thousand and No/100ths-----(\$ 555,000.00----)

To:

Three hundred five thousand and No/100ths-----(\$ 305,000.00----)

It is also understood and agreed that in no event shall the liability, embodied in this bond, be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions or other terms of this bond except as above stated.

Signed, sealed and dated this 14th day of July, 19 99.

American Casualty Company of Reading, PA

BY: Jacci Wacker
Jacci Wacker, Attorney-In-Fact

ACCEPTED BY ND
Public Service Commission

BY: Susan K. Richter
(Title)

CNA INSURANCE COMPANIES

MINNEAPOLIS
700 PIPER JAFFRAY TOWER (55402)
P.O. BOX 9322
MINNEAPOLIS, MN 55440

FIREMEN'S INSURANCE COMPANY OF NEWARK, NJ BOND NO. BND 1182718

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA
BOND NO. 141552335

ASSUMPTION OF LIABILITY CERTIFICATE

OBLIGEE: STATE OF NORTH DAKOTA
PSC GRAIN ELEVATOR DIV
600 E BLVD
BISMARCK, ND 58505-0480

PRINCIPAL: BEACH CO-OP GRAIN CO
P O BOX 247
BEACH, ND 58621

\$555,000 Bond

THIS CERTIFICATE ASSUMES LIABILITY ON BOND NUMBER BND 1182718 EXECUTED AND PREVIOUSLY FILED BY FIREMEN'S INSURANCE COMPANY OF NEWARK, NJ, HEREINAFTER REFERRED TO AS THE COMPANY, IN FAVOR OF THE CAPTIONED OBLIGEE, EFFECTIVE AUGUST 1, 1996.

THIS CERTIFIES THAT AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, IN CONSIDERATION OF THE AGREEMENTS AND COVENANTS HEREIN CONTAINED AND OTHER GOOD AND VALUABLE CONSIDERATION, ASSUMES LIABILITY UNDER THE ABOVE DESCRIBED BOND.

BY ISSUANCE OF THIS CERTIFICATE IT IS AGREED:

1. THAT LIABILITY OF AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA UNDER SAID BOND (A) SHALL BE SUBJECT TO ALL OF THE TERMS, CONDITIONS, LIMITATIONS AND WARRANTIES CONTAINED IN THE ABOVE DESCRIBED BOND AND ANY AMENDMENT THERETO OR AGREEMENT BETWEEN THE OBLIGEE AND THE COMPANY AFFECTING THE SAME; AND (B) SHALL IN NO EVENT BE GREATER THAN WOULD HAVE BEEN THE LIABILITY OF THE COMPANY HAD THIS CERTIFICATE NOT BEEN ISSUED.

2. THAT ALL RIGHTS OF THE COMPANY, WHICH WOULD HAVE BEEN AVAILABLE TO THE COMPANY, BY REASON OF ITS SURETYSHIP UNDER THE AFOREMENTIONED BOND, OR OTHERWISE, IF THIS CERTIFICATE HAD NOT BEEN EXECUTED, SHALL INURE TO THE BENEFIT OF AND BE FULLY ENFORCEABLE BY AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA.

3. THAT THIS CERTIFICATE ASSUMES LIABILITY UNDER AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA BOND NO. 141552335 FOR LIABILITY ACCRUED UNDER FIREMEN'S INSURANCE COMPANY OF NEWARK, NJ BOND NO. BND 1182718.

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA

BY: _____

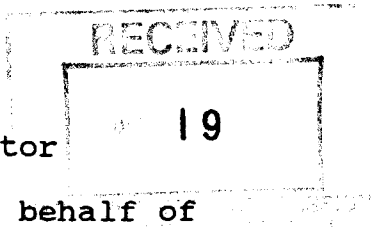
Jacci Wacker
ATTORNEY-IN-FACT



For All the Commitments You Make®

OBLIGEE

ENDORSEMENT FOR INCREASE OR DECREASE



This endorsement forms a part of Grain Elevator

Warehouseman's Bond No. BND 118 27 18 written on behalf of Beach Co-op Grain Co. - Beach, ND, as Principal, to the State of North Dakota, Public Service Commission, Bismarck, ND, as Obligee, issued by Firemen's Insurance Company of Newark, NJ, as Surety, with liability commencing August 1, 1990. *

EFFECTIVE August 1, 19 96, it is understood and agreed that the amount of the above described bond shall be and is hereby **INCREASED / ~~DECREASED~~**

From:

Five hundred thousand and No/100ths----- (\$ 500,000.00-----)

To:

Five hundred fifty-five thousand and No/100ths----- (\$ 555,000.00-----)

It is also understood and agreed that in no event shall the liability, embodied in this bond, be cumulative.

Nothing herein contained shall vary, alter or extend any of the provisions, conditions or other terms of this bond except as above stated.

Signed, sealed and dated this 8th day of August, 1996.

Beach Co-op Grain Co.
(Principal)

By: * [Signature] President
(Title)

ACCEPTED by ND
Public Service Comm.

American Casualty Company of Reading, PA

By: [Signature]
(Title)

By: [Signature]
Jacci Wacker, Attorney-In-Fact

* Effective 8/1/96, American Casualty Company of Reading, PA assumes the liability of Firemen's Insurance Company of Newark, NJ and changes the bond number. An Assumption of Liability Certificate has been completed.

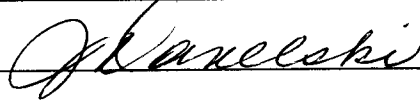
SURETY COMPANY ACKNOWLEDGMENT

State of **Minnesota**

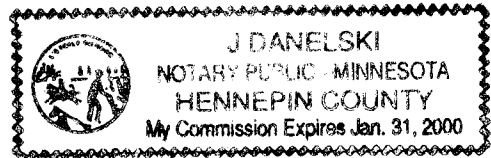
County of **Hennepin**

I, **J. Danelski** Notary Public of **Hennepin** County, in the State of **Minnesota** do hereby certify that **Jacci Wacker**, Attorney-in-Fact, of the **American Casualty Company of Reading, PA**, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he/she signed, sealed and delivered said instrument, for and on behalf of the **American Casualty Company of Reading, PA.**, for the uses and purposes therein set forth.

Given under my hand and notarial seal at my office in the City of **Minneapolis** in said County, this **8th** day of **August** A.D. 1996.



(Notary Public)



American Casualty Company
of Reading, Pennsylvania



For All the Commitments You Make®

Office/Chicago, Illinois

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men by these Presents, That AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, and having its principal office in the City of Chicago, and State of Illinois, does hereby make, constitute and appoint Jacci Wacker, Individually

of Minneapolis, Minnesota

its true and lawful Attorney-in-fact with full power and authority hereby conferred to sign, seal and execute in its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA thereby as fully and to the same extent as if such instruments were signed by the duly authorized officers of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA and all the acts of said Attorney, pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Law duly adopted by the Board of Directors of the Company.

"Article VI—Execution of Obligations and Appointment of Attorney-in-Fact

Section 2. Appointment of Attorney-in-fact. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may, from time to time, appoint by written certificates attorneys-in-fact to act in behalf of the Company in the execution of policies of insurance, bonds, undertakings and other obligatory instruments of like nature. Such attorneys-in-fact, subject to the limitations set forth in their respective certificates of authority, shall have full power to bind the Company by their signature and execution of any such instruments and to attach the seal of the Company thereto. The Chairman of the Board of Directors, the President or any Executive, Senior or Group Vice President may at any time revoke all power and authority previously given to any attorney-in-fact."

This Power of Attorney is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the Company at a meeting duly called and held on the 17th day of February, 1993.

"Resolved, that the signature of the President or any Executive, Senior or Group Vice President and the seal of the Company may be affixed by facsimile on any power of attorney granted pursuant to Section 2 of Article VI of the By-Laws, and the signature of the Secretary or an Assistant Secretary and the seal of the Company may be affixed by facsimile to any certificate of any such power and any power or certificate bearing such facsimile signature and seal shall be valid and binding on the Company. Any such power so executed and sealed and certified by certificate so executed and sealed shall with respect to any bond or undertaking to which it is attached, continue to be valid and binding on the Company."

In Witness Whereof, AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA has caused these presents to be signed by its Group Vice President and its corporate seal to be hereto affixed on this 10th day of May, 1995.

AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA



M.C. Vonnahme

M.C. Vonnahme Group Vice President

State of Illinois, County of Cook, ss:

On this 10th day of May, 1995, before me personally came

M. C. Vonnahme, to me known, who, being by me duly sworn, did depose and say: that he resides in the Village of Darien, State of Illinois; that he is a Group Vice President of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, the corporation described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.



Linda C. Dempsey

My Commission Expires October 19, 1998 Linda C. Dempsey Notary Public

CERTIFICATE

I, George R. Hobaugh, Assistant Secretary of AMERICAN CASUALTY COMPANY OF READING, PENNSYLVANIA, do hereby certify that the Power of Attorney herein above set forth is still in force, and further certify that Section 2 of Article VI of the By-Laws of the Company and the Resolution of the Board of Directors, set forth in said Power of Attorney are still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said Company this 8th day of August, 1996.



George R. Hobaugh

George R. Hobaugh Assistant Secretary