

CHS INC
Form 8-K
December 18, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

December 13, 2006

CHS Inc.

(Exact name of registrant as specified in its charter)

Minnesota

0-50150

41-0251095

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

5500 Cenex Drive, Inver Grove Heights,
Minnesota

55077

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

651-355-6000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 1.01 Entry into a Material Definitive Agreement.

On December 13, 2006, National Cooperative Refinery Association (NCRA), a subsidiary in which we have an approximate 74.5% ownership interest, renewed its existing committed line of revolving credit of \$15 million for an additional year with a new maturity date of December 16, 2007.

In addition, NCRA also sold certain of its ultra-low sulfur fuel assets (cost of approximately \$325 million) to the City of McPherson, Kansas. NCRA simultaneously invested the proceeds in Industrial Revenue Bonds issued by the City of McPherson and leased back, through a capital lease, the ultra-low sulfur fuel assets which it had sold to the City of McPherson. The lease payments made by NCRA fund the principal and interest payments on the bonds to NCRA. The term of the lease is ten years, at which time NCRA would have the option of extending the lease or purchasing the assets for a nominal amount. NCRA has the right at anytime to prepay all or part of the capital lease by offsetting the lease obligation to the City of McPherson against the Industrial Revenue Bonds it owns as a result of the transaction. No cash was exchanged in the transaction.

Item 9.01 Financial Statements and Exhibits.

(c) The following exhibits are being filed with this report:

10.1 Third Amendment to 2003 Amended and Restated Credit Agreement between National Cooperative Refinery Association and the Syndication Parties.

10.2 City of McPherson, Kansas Taxable Industrial Revenue Bond Series 2006 registered to National Cooperative Refinery Association in the amount of \$325 million

10.3 Bond Purchase Agreement between National Cooperative Refinery Association, as purchaser, and City of McPherson, Kansas, as issuer, dated as of December 18, 2006

10.4 Trust Indenture between City of McPherson, Kansas, as issuer, and Security Bank of Kansas City, Kansas City, Kansas, as trustee, dated as of December 18, 2006

10.5 Lease agreement between City of McPherson, Kansas, as issuer, and National Cooperative Refinery Association, as tenant, dated as of December 18, 2006

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CHS Inc.

December 18, 2006

By: */s/ John Schmitz*

Name: John Schmitz

Title: Executive Vice President and Chief Financial Officer

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
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