

**UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF MISSOURI**

<b>In Re:</b>	)	<b>In Proceedings Under Chapter 11</b>
	)	
<b>FARMLAND INDUSTRIES, INC. et al.</b>	)	<b>Case No. 02-50557-JWV</b>
	)	<b>Jointly Administered</b>
<b>Debtors.</b>	)	

**MOTION FOR THIRD EXTENSION OF DEBTORS' EXCLUSIVITY PERIODS TO  
FILE PLAN AND DISCLOSURE STATEMENT AND SOLICIT PLAN ACCEPTANCE**

**COME NOW** Farmland Industries, Inc., et al., debtors and debtors in possession (“Debtors”) and submit their Motion for Third Extension of Debtors’ Exclusivity Periods to File Plan and Disclosure Statement and Solicit Plan Acceptance (the “Motion”). In support of this Motion the Debtors respectfully represent as follows:

1. On May 31, 2002 (“Petition Date”), the Debtors filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code. The Debtors continue in possession of their properties and are operating and managing their business as debtors in possession pursuant to 11 U.S.C. §§ 1107 and 1108.
2. No trustee or examiner has been appointed. Two Committees have been appointed to represent creditors and bondholders in these proceedings (the “Committees”).
3. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
4. Pursuant to 11 U.S.C. §§ 1121(b) and (c)(2), the Debtors are afforded a 120 day exclusive period after the order for relief to file a plan (the “120 Day Exclusivity Period”).
5. Pursuant to 11 U.S.C. § 1121(c)(3), no other party in interest may file a plan unless the Debtors have not filed a plan that has been accepted by each class of the claims

or interests that are impaired under the plan within 180 days of the date of the Order for Relief (the "180 Day Exclusivity Period").

6. On September 4, 2002, Debtors filed a Motion to Extend Debtors' Exclusivity Periods to File Plan and Disclosure Statement and Solicit Plan Acceptance requesting a 120 day extension of both deadlines.

7. On September 27, 2002, the Court entered its Order extending the 120 Day exclusivity period for filing a Chapter 11 Plan and Disclosure Statement by 60 days to November 27, 2002, and extending the 180 Day Exclusivity Period by 60 days to January 26, 2003.

8. On November 6, 2002, Debtors filed a Second Motion to Extend Debtors' Exclusivity Periods to File Plan and Disclosure Statement and Solicit Plan Acceptance requesting a 60-day extension of both deadlines.

9. The Court entered an Order, dated November 15, 200, granting Debtors' motion in part, such that Debtors' 120-day exclusivity period is extended until March 31, 2003 and the 180-day exclusivity period is extended until May 31, 2003, with the limitation that the exclusivity periods extended to March 31, 2003 and May 31, 2003 are terminated as to both Committees and the Agent on behalf of the Lenders, as more specifically set forth in the Order.

10. The Court has recently granted the Debtors' motion seeking approval for auction and bid procedures with respect to the sale of the Debtors' Fertilizer Business, a major asset in these bankruptcy cases. The auction for the Fertilizer Business is presently scheduled to commence on March 26, 2003.

11. Additionally, the Debtors have retained the firm of Goldsmith, Agio, Helms and Lynner to market and sell all or a portion of the Debtors' interest in its protein businesses.

12. The Debtors' sale of their Fertilizer Business and ultimate determination regarding the direction of its protein assets will have a substantial impact upon the Disclosure Statement to be filed by Debtors and implementation of their Plan of Reorganization. In light of the imminent sale of the Debtors' Fertilizer Business and the sensitive juncture of the protein asset sale process, the Debtors, the Committees and Lenders are in agreement that it is in the best interests of the Debtors' bankruptcy estates and parties in interest to extend the exclusivity periods.

13. Termination of the exclusivity periods at this point of these cases would allow any creditor to file a plan, disrupting the reorganization process and impairing value to all creditors. The filing of a rogue plan by a disgruntled purchaser (who has acquired standing through the purchase of claims) would disrupt the processes now in place.

14. It is Debtors' intent to finalize a comprehensive plan and disclosure statement acceptable to all or substantially all of their constituencies during the extended exclusivity periods proposed in this Motion. Accordingly, Debtors seek to extend the 120 Day Exclusivity Period by an additional 60 days to and until May 31, 2003 and the 180 Day Exclusivity Period by an additional 60 days to and until July 30, 2003, provided that the exclusivity periods are terminated with respect to the Committees and the Lenders.

15. This Motion is not intended to and shall not be construed to amend, alter or supersede the provisions of paragraph 18 of the DIP Order.

16. Pursuant to 11 U.S.C. § 1121(d), upon request of a party in interest made within such exclusivity periods, the Court may for cause increase the 120 Day Exclusivity Period and the 180 Day Exclusivity Period.

17. It is understandable and certainly within the norm for debtors in cases of this magnitude and complexity to need additional time to formulate a plan and solicit approval of the same given the complex nature of their businesses and the significant events that are presently underway in these cases.

18. This motion is not filed for the purpose of delaying proceedings hereunder, but is intended to permit Debtors the opportunity to propose a viable plan and submit a comprehensive disclosure statement. No party in interest will be prejudiced by granting the extensions requested herein.

19. Pursuant to the Order Establishing Notice and Motion Procedures previously entered by the Court, Debtors respectfully request that the hearing of this Motion be set on the Court's March 25, 2003, docket.

WHEREFORE, Debtors respectfully request that this Court enter its Order extending the 120 Day Exclusivity Period described in 11 U.S.C. § 1121(c)(3) to and until May 31, 2003, and the 180 Day Exclusivity Period described in 11 U.S.C. § 1121(c)(3) to and until July 30, 2003; and for such other and further relief as the Court deems proper.

Dated: February 28, 2003.

Respectfully submitted,

**FARMLAND INDUSTRIES, INC., et al.**

By: /s/ Laurence M. Frazen

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**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the above-referenced Motion for Third Extension of Debtors' Exclusivity Periods to File Plan and Disclosure Statement and Solicit Plan Acceptance was served on parties which do not receive electronic notice in these proceedings, via U.S. Mail, postage prepaid, on February 28, 2003.

/s/ Laurence M. Frazen