UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MISSOURI

In Re:	)	**In Proceedings Under Chapter 11**
	)	
FARMLAND INDUSTRIES, INC., et al.	)	**Case No. 02-50557**
	)	**Jointly Administered**
Debtors.	)	
	)	

NOTICE OF SALE OF MISCELLANEOUS ASSETS

Six Trucks; Miscellaneous Shop Equipment, Office Equipment, and Tanks; plus Miscellaneous Inventory Items located at the SFA Farm Supply Store in Sumner, MS

PLEASE TAKE NOTICE that, pursuant to an ORDER APPROVING PROCEDURES FOR SALES OF MISCELLANEOUS ASSETS OF DEBTORS PURSUANT TO SECTION 363 OF THE BANKRUPTCY CODE, entered September 27, 2002 (the "Order"), SFA, Inc.,] hereby intends to sell Six Trucks; Miscellaneous Shop Equipment, Office Equipment, and Tanks; plus Miscellaneous Inventory Items located at the SFA Farm Supply Store in Sumner, MS (the "Assets"). In support thereof, the affidavit (the "Affidavit") of Timothy R. Daugherty, Vice President of Administration of Farmland Industries, Inc., is hereby submitted.

Once the approval of the Required Groups (as defined in the Order) is obtained, Debtors will be authorized to sell the Assets at the proposed price as set forth in the Affidavit free and clear of all liens and claims (with any such liens and claims attaching to the proceeds of the sale).

FARMLAND INDUSTRIES, INC., et al.

By: /s/ Laurence M. Frazen

Laurence M. Frazen
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Attorneys for Debtors and Debtors in Possession

The foregoing described sale is approved:
____ Bank
____ Unsecured Creditors' Committee
____ Bondholders' Committee

AFFIDAVIT OF TIMOTHY R. DAUGHERTY

STATE of MISSOURI)
) SS.
COUNTY of PLATTE)

The undersigned, Timothy R. Daugherty, being duly sworn upon oath, does hereby state that, to the best of his knowledge SFA, Inc., ("Seller") does intend to sell assets (the "Assets") as follows:

1. Description of assets sold, including the present location and ownership of the assets:

Assets are located at the SFA Farm Supply Store in Sumner, MS and include:

- 1995 Chevrolet C3500 Truck (serial # 1GBKC34FDSH119345) -- $5,000
- 1986 International Truck with Tender Body (serial #2HSFBG2R6GCA14197) -- $2,500
- 1992 Ford F700 with 2000 gallon fuel body (serial #1FDXF70JNVA21223) -- $500
- 1990 Ford F250 (serial #1FDKF37H6LNB22725) -- $1,000
- 1995 GMC 1500 (serial #2GTEC19K5S1558330) -- $1,000
- 1996 GMC C7H with 2,300 gallon fuel body (serial # 1GDM7H1JT503780) -- $5,500
- 16 ft. Flatbed Trailer -- $250
- 2 KBH 1000 Gallon Nurse Tanks -- $750
- 2 KBH Tank Haulers and 17 –6,000 gallon poly tanks -- $3,500
- Shop Equipment -- $850
  - Battery Tester
  - 20 Ton Jack
  - Coats 20-20 Tire Changer
  - Coats 40-40 Tire Changer
  - Accuturn Tire Changer
  - 2 Floor Fans
  - Air Compressor
  - ¾" Air Wrench
  - ½" Air Wrench
  - Battery Charger
- Office Equipment -- $850
  - Mita Copier
  - 5 Calculators
  - Computers
  - Canon Typewriter
  - 8 Telephones
  - Desk and Chairs
  - 13" Television
- Plastic Parts Bins -- $20

- 90 Customer Fuel Tanks -- $7,500
- Assorted Liquid Pumps -- $20
- Inventory (will finalize numbers on day of closing)
    - Chemicals (current inventory of $18,949.45 X 25% = $4,737.36)
    - Tires and Tubes (current inventory of $13,800.16 X 44% = $6,072.07)
    - Misc. (current inventory of $3,428.85 X 15% = $514.33)

2. Asset History

Original Purchase Price:	Total $169,602
Date of Original Purchase:	Varies
Depreciation Life:	Varies
Depreciated Value:	$21,567
Net Book Value:	$21,567
Age of Assets:	Varies

3. Purchase Price

Amount of Purchase Price: $40,563.76

Methodology to determine purchase price:

No buyer was identified that would consider purchasing the operation as a unit. Proposals from liquidators and auction companies were considered but greater value was identified by having multiple entities bid for pieces of the operation. All items in the facility were offered to 7 or more entities for bid – the highest bid was selected for each respective item.

4. Purchaser

Name of Purchaser:

Tallahatchie Farmers Supply, Inc.
RR 2, Box 57, 3373 Tippo Rd
Charleston, MS 38921-9508

Any prior miscellaneous sales to Purchaser: NO

The Purchaser has no connection with the Debtors which would otherwise prohibit it from making an arms-length offer to purchase the Assets.

5. Once the approval of the Required Groups is obtained, Debtors will be authorized to sell the Assets at the proposed price pursuant to the Order (as defined in the Notice to which this Affidavit is attached).

6. A copy of the proposed Bill of Sale is attached hereto as Exhibit A.

/s/ Timothy R. Daugherty
Timothy R.Daugherty

SUBSCRIBED AND SWORN to before me this 13th day of November, 2002.

/s/ Edith L. Hensley
Notary Public

[NOTARIAL STAMP]

EXHIBIT A
Bill of Sale

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that SFA, Inc., an Arkansas corporation ("Seller"), for good and valuable consideration to it in hand paid (receipt of which is hereby acknowledged), does hereby by these presents, irrevocably sell, assign, transfer, and deliver unto Tallahatchie Farmers Supply, Inc., a Mississippi corporation ("Buyer"), its successors and assigns, all of Seller's right, title and interest in and to all of the assets listed on Exhibit A attached hereto (the "Transferred Assets") and by this reference made a part hereof, wherever such assets may be located and whether or not reflected on the balance sheet of Seller.

TO HAVE AND TO HOLD, unto Buyer, its successors and assigns, FOREVER.

THE TRANSFERRED ASSETS ARE SOLD "AS IS" AND "WHERE IS" WITH ALL FAULTS. SELLER HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

This Bill of Sale is delivered in accordance with the Order Approving Procedures for Sales of Miscellaneous Assets of Debtors Pursuant to Section 363 of the Bankruptcy Code, entered by the US Bankruptcy Court for the Western District of Missouri on September 27, 2002 (the "Order", capitalized terms used herein without definition shall have the meanings ascribed thereto in the Order). The delivery of this Bill of Sale to Buyer constitutes a certification by Seller that Seller has delivered a Notice of Sale in compliance with the Order, that the approval of the Required Groups has been obtained and title to the Transferred Assets is being transferred hereby free and clear of liens pursuant to the Order.

This instrument shall be binding upon, inure to the benefit of and be enforceable by Seller and Buyer and their respective successors and assigns.

IN WITNESS WHEREOF, the duly authorized officer of Seller has hereunder set his hand on the _____ day of _____, 2002.

_____

By_____
Title:_____

DESCRIPTION OF TRANSFERRED ASSETS

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