

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM S-8
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

MGP INGREDIENTS, INC.

(Exact name of registrant as specified in its charter)

Kansas
(State of Incorporation)

48-0531200
(I.R.S. Employer Identification No.)

MGP INGREDIENTS, INC.
NON-EMPLOYEE DIRECTORS' RESTRICTED STOCK PLAN
(Full Title of Plan)

1300 Main Street
P. O. Box 130
Atchison, Kansas 66002
(913) 367-1480

(Address, including zip code, and telephone number, including
area code, of registrant's principal executive offices)

Carl W. Struby
Lathrop & Gage L.C.
Suite 2800
2345 Grand Boulevard
Kansas City, Missouri 64108
(816) 292-2000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Amount To Be Registered ⁽¹⁾	Proposed Maximum Offering Price ⁽²⁾ Per Share	Proposed Maximum Aggregate Offering ⁽²⁾ Price	Amount of Registration Fee
Common Stock no par value	75,000	\$23.85	\$1,788,750	\$192

- (1) Plus any additional amount that may result from plan adjustments to prevent dilution resulting from stock dividends, stock splits or similar transactions.
- (2) Pursuant to Rule 457(c) and (h) under the Act, the proposed maximum offering price per share and the proposed maximum aggregate offering price are estimated solely for purposes of calculating the registration fee, and are based upon the average of the high and low prices of the Common Stock of the Company as reported by NASDAQ on September 21, 2006.

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents filed by the Company with the Securities and Exchange Commission are incorporated herein by reference and made a part of this Registration Statement:

1. The Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2006;
2. All other reports filed by the Company under Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 since June 30, 2006; and

3. The description of the Company's Common Stock contained in the Company's Registration Statement on Form 8-A (File No. 000-17196) filed September 23, 1988, including any amendment or report filed for the purpose of updating such description.

In addition, all documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference into this Registration Statement and to be a part hereof from the date of filing of these documents.

Any statement contained herein or in a document all or a portion of which is incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or amended, to constitute a part of this Registration Statement.

Item 4. Description of Securities.

Not applicable.

Item 5. Interests of Named Experts and Counsel.

Not applicable.

Item 6. Indemnification of Directors and Officers.

Section 17-6002 (a)(8) of the Kansas General Corporation Code provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 17-6424 of the Kansas General Corporation Code (relating to liability for unauthorized acquisitions or redemptions of, or dividends on, capital stock); or (iv) for any transaction from which the director derived an improper personal benefit. The Company's restated and amended certificate of incorporation contains the provisions permitted by Section 17-6002 (a)(8) of the Kansas General Corporation Code. The effect of these provisions is to eliminate the Company's and its stockholders' rights (through stockholders' derivative suits on behalf of the Company) to recover monetary damages against a director for breach of the fiduciary duty of care as a director except in the situations described in clauses (i) through (iv) above. The limitations described above, however, do not affect the ability of the Company or its stockholders to seek non-monetary based remedies, such as an injunction or rescission, against a director for breach of his fiduciary duty nor would such limitations limit liability under the federal securities laws.

Under Section 17-6303 of the Kansas General Corporation Code, a corporation has the power under specified circumstances to indemnify its directors, officers, employees and agents in connection with actions, suits or proceedings brought against them by a third party or in the right of the corporation, by reason of the fact that they were or are such directors, officers, employees or agents, against expenses, judgments and other amounts incurred in any such action, suit or proceeding.

The Bylaws of the Company provide that each person who is or was or had agreed to become a director or officer of the Company, or each such person who is or was serving or who had agreed to serve at the request of the Company as a director or officer

of another corporation, partnership, joint venture, trust, employee plan or other enterprise (including the heirs, executors, administrators or estate of such person), will be indemnified by the Company, to the fullest extent permitted from time to time by the Kansas General Corporation Code as the same exists or may hereafter be amended (but, if permitted by applicable law, in the case of any such amendment, only to the extent that such amendment permits the Company to provide broader indemnification rights than said law permitted the Company to provide prior to such amendment). The Company may, by action of the Company Board, provide indemnification to employees and agents of the Company, and to persons serving as employees or agents of another corporation, partnership, joint venture, trust or other enterprise, at the request of the Company, with the same scope and effect as the foregoing indemnification of directors and officers. The Company may be required to indemnify any person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Company Board or is a proceeding to enforce such person's claim to indemnification pursuant to the rights granted by the Bylaws or otherwise by the Company. The right to indemnification includes the right to be paid by the Company the expenses incurred in defending any such proceeding in advance of its final disposition, provided that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the Company of an undertaking to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified. In addition, the Company may enter into one or more agreements with any person providing for indemnification greater or different from that provided in the Bylaws.

Pursuant to the Bylaws, if a claim for indemnification is not paid in full by the Company within ninety days after a written claim pursuant to the preceding paragraph has been received by the Company, the claimant may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant will be entitled to be paid also the expense of prosecuting such claim. The Bylaws provide that it will be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Company) that the claimant has not met the standard of conduct which makes it permissible under the Kansas General Corporation Code for the Company to indemnify the claimant for the amount claimed, but the burden of proving such defense will be on the Company. Neither the failure of the Company (including the directors, independent legal counsel or stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Kansas General Corporation Code, nor an actual determination by the Company (including the directors, independent legal counsel or stockholders) that the claimant has not met such applicable standard of conduct, will be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

The Bylaws provide that the right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in the Bylaws will not be exclusive of any other right which any person may have or may in the future acquire under any statute, provision of the Articles of Incorporation, the Bylaws, agreement, vote of stockholders or disinterested directors or otherwise. The Bylaws permit the Company to maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Company or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Company would have the power to indemnify such person against such expense, liability or loss under the Kansas General Corporation Code.

Section 3.1 of the Non-Employee Directors' Restricted Stock Plan provides that no member of the Board or the Committee, and no officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan, and all members of the Board and the Committee and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect to any such action, determination or interpretation. Accordingly, members of the Committee and officers acting at their direction or on their behalf are entitled to indemnification and reimbursement as directors pursuant to the Company's bylaws or any agreement between the Company and its directors providing for indemnification.

The Company currently has directors and officers' liability insurance that insures directors and officers of the Company with respect to claims made for alleged

“wrongful acts” in their roles as directors or officers of the Company and its subsidiaries. The insurance also insures the Company for claims against the Company’s directors or officers in situations in which the Company has an obligation to indemnify its directors and officers.

Item 7. Exemption from Registration Claimed.

Not applicable.

3

Item 8. Exhibits.

- 4.1 Articles of Incorporation of the Company, as amended (Incorporated by reference to Exhibit 3.1 of the Company’s Report on Form 10-Q for the quarter ended September 30, 2004 (File No. 0-17196))
- 4.2 Bylaws of the Company (Incorporated by reference to Exhibit 3(b) of the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2006 (File No. 0-17196))
- *4.3 Non-Employee Directors’ Restricted Stock Plan
- *23.1 Consent of BKD LLP
- *24 Powers of Attorney executed by officers and directors of the Company who have signed the Registration Statement.

* Filed herewith

[No opinion of counsel is being furnished because the securities being registered are not original issuance securities and the Plan is not subject to the requirements of ERISA.]

Item 9. Undertakings.

(a) The Company hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement;

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement.

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to Commission by the Company pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this Registration Statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Company hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the Company’s annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and where applicable, each filing of an employee benefit plan’s annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in this Registration Statement shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the Company pursuant to the foregoing provisions, or otherwise, the Company has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification (other than the payment by the Company of expenses incurred or paid by a director, officer or controlling person of the Company in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Company will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

4

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Company certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Atchison, Kansas, on the 26th day of September, 2006.

MGP INGREDIENTS, INC.

By: /s/ Laidacker M. Seaberg
Name: Laidacker M. Seaberg
Title: President

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated:

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Laidacker M. Seaberg*</u> Laidacker M. Seaberg	President (Principal Executive Officer) and Director	September 26 2006
<u>/s/ Brian Cahill*</u> Brian Cahill	Vice President and Treasurer (Principal Financial and Accounting Officer)	September 26, 2006
<u>/s/ Michael Braude*</u> Michael Braude	Director	September 26, 2006
<u>/s/ John E. Byom*</u> John E. Byom	Director	September 26, 2006
<u>/s/ Cloud L. Cray, Jr.*</u> Cloud L. Cray, Jr.	Director	September 26, 2006
<u>/s/Gary Gradinger*</u> Gary Gradinger	Director	September 26, 2006
<u>/s/Linda E. Miller*</u> Linda E. Miller	Director	September 26, 2006
<u>/s/ Randy M. Schrick*</u> Randy M. Schrick	Director	September 26, 2006
<u>/s/Daryl R. Schaller*</u> Daryl R. Schaller	Director	September 26, 2006
<u>John R. Speirs*</u> John R. Speirs	Director	September 26, 2006

Brian Cahill, by signing his name hereto, does hereby sign this Registration Statement on behalf of each of the above referenced directors and officers pursuant to powers of attorney executed by each of such persons and filed herewith as Exhibit 24.

*By
/s/ Brian Cahill*
Brian Cahill
Attorney-in -Fact

5

EXHIBIT LIST

- 4.1 Articles of Incorporation of the Company, as amended (Incorporated by reference to Exhibit 3.1 of the Company's Report on Form 10-Q for the quarter ended September 30, 2004 (File No. 0-17196))
- 4.2 Bylaws of the Company (Incorporated by reference to Exhibit 3(b) of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2006))
- *4.3 Non-Employee Directors' Restricted Stock Plan
- *23.1 Consent of BKD LLP
- *24 Powers of Attorney executed by officers and directors of the Company who have signed the Registration Statement

* Filed herewith

6

MGP INGREDIENTS, INC.
NON-EMPLOYEE DIRECTORS' RESTRICTED STOCK PLAN

Introduction

1.1 The Plan; Effective Date; Duration. This MGP Ingredients, Inc. Non-Employee Directors' Restricted Stock Plan (the "Plan") shall be effective as of the date of the 2006 Annual Meeting of Stockholders, if approved by stockholders at such Annual Meeting. No award shall be made under the Plan after October 31, 2016. This Plan is intended to be exempt from the provisions of Section 409A of the Internal Revenue Code of 1986, as amended, as a plan which provides for the transfer of restricted property as described in Prop. Reg. § 1.409A-1(b)(6), and is to be construed in accordance with this intent.

1.2 Purpose. The purpose of the Plan is to provide each non-employee member ("Director") of the Board of Directors (the "Board") of MGP Ingredients, Inc. (the "Company") with awards ("Restricted Stock Awards") of shares of common stock, no par value ("Stock"), of the Company, subject to the restrictions and other provisions of the Plan. It is intended that the plan will (a) provide a means of compensating Directors that will help attract and retain qualified candidates to serve as Directors, and (b) permit Directors to increase their stock ownership and proprietary interest in the Company and their identification with the interests of the Company's stockholders.

1.3 Shares of Stock Available Under the Plan.

(a) Subject to the provisions of clause (c) below, the number of shares of Stock that may be delivered under the Plan during the term of the Plan is seventy-five (75,000). If there is an insufficient number of shares available to deliver to all Directors on any date as of which an award is made, the available shares shall be delivered to Directors on such date pro-rata.

(b) Shares of Stock awarded under the Plan ("Restricted Stock") will be previously-issued shares of Stock reacquired by the Company, including shares purchased in the open market.

(c) Appropriate and equitable adjustment shall be made in the number and kind of shares of Stock available under the Plan and covered by Restricted Stock Awards in the event of any recapitalization, reorganization, merger, consolidation, spin-off, combination, repurchase, exchange of shares or other securities of the Company, stock split, reverse stock split, stock dividend, extraordinary dividend, liquidation, dissolution, or other similar corporate transaction or event affecting the Company. If any such adjustment would result in a fractional security being (i) available under this Plan, such fractional security shall be disregarded; or (ii) subject to an award under this Plan, the

A-1

Company shall pay the holder of such award an amount in cash determined by multiplying (x) the fraction of such security (rounded to the nearest hundredth) by (y) the Fair Market Value thereof on the date of such adjustment. The decision of the Committee (as defined in Section 3.1) regarding such adjustment or substitution shall be final, binding and conclusive.

Restricted Stock Awards

2.1 Award Dates.

(a) During the term of this Plan, commencing in 2006, each Director in office on the first business day following the date of each annual meeting of stockholders ("Annual Meeting") shall be awarded shares of Restricted Stock with a Fair Market Value of \$12,500, as determined on such first business day following the Annual Meeting, subject in all cases to the limits imposed in Section 1.3.

(b) A Director who is elected or appointed to the Board on a date other than the date of an Annual Meeting shall be awarded shares of Restricted Stock as of the first business day following such date of election or appointment with a Fair Market Value of \$12,500, as determined on such first business day following the date of election or appointment, subject in all cases to the limits imposed in Section 1.3

(c) The "Fair Market Value" of a share of Restricted Stock on the date as of which fair market value is to be determined shall be: (a) if the Stock is reported on the NASDAQ Stock Market., the closing price of a share of Stock as reported by NASDAQ as of the day on which the award was made; or (b) if the Stock is listed on another established securities exchange or exchanges, the highest reported closing price of a share of Stock on such exchange or exchanges as of day on which the award was made. The Fair Market Value of the Restricted Stock, if not so reported or listed, and the Fair Market Value of any other property on the date as of which Fair Market Value is to be determined, shall mean the fair market value as determined by the Committee in its sole discretion, using a reasonable valuation method consistently applied as provided in Prop. Reg. § 1.409A-1(b)(5)(iv)(B).

2.2 Issuance of Stock. As promptly as practical after the date as of which an award is made, the Company shall issue a certificate ("Certificate"), registered in the name of each Director receiving an award, representing the number of shares of Restricted Stock covered by the Director's award.

2.3 Rights of Holders of Restricted Stock. Upon issuance of a Certificate, the Director in whose name the Certificate is registered shall, subject to the provisions of the Plan, have all of the rights of a stockholder with respect to the shares of Restricted Stock represented by the Certificate, including the right to vote the shares and receive cash dividends and other cash distributions thereon.

A-2

2.4 Vesting Period. The Restricted Stock shall be subject to the restrictions set forth in Sections 2.5 and 2.7 of the Plan. The Restricted Stock shall also be subject to a vesting period (the "Vesting Period") commencing on the date as of which the Restricted Stock is awarded (the "Award Date"). The Restricted Stock becomes fully vested on the occurrence of one of the following events (the "Vesting Events"): (1) the third anniversary of the Award Date with respect to an award of Restricted Stock to a Director; (2) the death of the Director; or (3) a Change in Control, as defined below. Further, the Committee is authorized to accelerate vesting in any given case in the event of the following terminations of the Director's Board service:

(a) the retirement of the Director from the Board at the end of the Director's term;

(b) the termination of the Director's service on the Board as a result of the Director's not standing for reelection for the Board; or

(c) the termination of the Director's service on the Board because of the Director's inability to perform substantially such Director's duties and responsibilities as a Director of the Company due to a physical or mental condition, as determined in the discretion of the Committee.

As used herein the term "Change in Control" means:

(x) The acquisition (other than from the Company) by any person, entity or "group," within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act, (excluding, for this purpose, the Company or its subsidiaries, any employee benefit plan of the Company or its subsidiaries, trustees of the MGP Ingredients, Inc. Voting Trust or of the Cray Family Trust, or any person who acquires Common or Preferred Stock from Cloud L. Cray, Jr. or from any trust controlled by or for the benefit of Cloud L. Cray, Jr. prior to or as a result of his death) of beneficial ownership, (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of at least 30% of the then outstanding shares of common stock and 50% of the then outstanding shares of preferred stock, par value \$10 per share, or 30% of the combined voting power of the Company's then outstanding voting securities entitled to vote generally in the election of directors; or

(y) Individuals who, as of the date hereof, constitute the Board (as of the date hereof the "Incumbent Board") cease for any reason to constitute at least a majority of the Board, provided that any person becoming a director subsequent to the date hereof whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board (other than an election or nomination of an individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the directors of the Company) shall be, for purposes of this Plan, considered as though such person were a member of the Incumbent Board; or

(z) Approval by the stockholders of the Company of a reorganization, merger, consolidation, in each case, with respect to which persons who were the stockholders of the Company immediately prior to such reorganization, merger or consolidation do not,

A-3

immediately thereafter, own collectively as a group more than 50% of the combined voting power entitled to vote generally in the election of directors of the reorganized, merged or consolidated company's then outstanding voting securities, or a liquidation or dissolution of the Company or of the sale of all or substantially all of the assets of the Company.

If any of the events enumerated in clauses (x) through (z) occur, the Committee shall determine the effective date of the Change in Control resulting therefrom for purposes of the Plan.

2.5 Forfeiture of Restricted Stock. As of the date ("Resignation Date") a Director resigns from the Board during the Director's term, the Director shall forfeit to the Company all Restricted Stock awarded to the Director for which the Vesting Period has not ended as of or prior to the Resignation Date.

2.6 Release of Restricted Stock. Restricted Stock shall be released to the Director, free and clear of all restrictions and other provisions of the Plan, on the first business day immediately following the last day of the Vesting Period with respect to such Restricted Stock.

2.7 Restrictions. Restricted Stock shall be subject to the following restrictions during the Vesting Period:

(a) The Restricted Stock shall be subject to forfeiture to the Company as provided in Section 2.5 of the Plan.

(b) The Restricted Stock may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, and neither the right to receive Restricted Stock nor any interest under the Plan may be assigned by a Director, and any attempted assignment shall be void.

(c) Each Certificate representing shares of Restricted Stock shall be held by the Company and shall, at the option of the Company, bear an appropriate restrictive legend and be subject to appropriate "stop transfer" orders. The Director shall deliver to the Company a stock power endorsed in blank to the Company to be used by the Company in the event the Restricted Stock is forfeited.

(d) Any additional Stock or other securities or property (other than cash) that may be issued with respect to Restricted Stock as a result of any stock dividend, stock split, business combination or other event, shall be subject to the restrictions and other provisions of the Plan.

(e) The issuance of any Restricted Stock award shall be subject to and contingent upon (i) completion of any registration or qualification of the Stock under any federal or state law or government rule or regulation that the Company, in its sole discretion, determines to be necessary or advisable; and (ii) the execution by the Director and delivery to the Company of (A) any agreement reasonably required by the Company, and (B) the stock power referred to in Section 2.7(c).

A-4

General Provisions.

3.1 Administration. The Plan shall be administered by a committee (the "Committee") that shall be the Human Resources and Compensation Committee of the Board. The Committee shall have full power, discretion and authority to interpret and administer the Plan. The Committee's interpretations and actions shall be final, conclusive and binding upon all persons for all purposes. No member of the Board or the Committee, nor any officer or employee of the Company acting on behalf of the Board or the Committee, shall be personally liable for any action, determination or interpretation taken or made in good faith with respect to the Plan, and all members of the Board and the Committee and any officer or employee of the Company acting on their behalf shall, to the extent permitted by law, be fully indemnified and protected by the Company in respect to any such action, determination or interpretation.

3.2 No Retention Rights. Neither the establishment of the Plan nor the awarding of Restricted Stock to a Director shall be considered to give the Director the right to be retained on, or nominated for reelection to, the Board, or to any benefits or awards not specifically provided for by the Plan.

3.3 Interests Not Transferable. Except as to withholding of any tax required under the laws of the United States or any state or locality, no benefit payable at any time under the Plan shall be subject in any manner to alienation, sale, transfer, assignment, pledge, attachment, or other legal process, or encumbrance of any kind. Any attempt to alienate, sell, transfer, assign, pledge, attach or otherwise encumber any such benefits whether currently or thereafter payable, shall be void. No benefit shall, in any manner, be liable for or subject to the debts or liabilities of any person entitled to such benefits. If any person shall attempt to, or shall alienate, sell, transfer, assign, pledge or otherwise encumber such person's benefits under the Plan, or if by reason of such person's bankruptcy or any other event, such benefits would devolve upon any other person or would not be enjoyed by the person entitled thereto under the Plan, then the Committee, in its discretion, may terminate the interest in any such benefits of the person entitled thereto under the Plan and hold or apply them to or for the benefit of such person entitled thereto under the Plan or such person's spouse, children or other dependents, or any of them, in such manner as the Committee may deem proper.

3.4 *Amendment and Termination.* The Board may at any time amend or terminate the Plan; provided that:

(a) no amendment or termination shall, without the written consent of a Director, adversely affect the Director's rights under outstanding awards of Restricted Stock; and

(b) Stockholder approval of any amendment shall be required if stockholder approval is required under applicable law or the rules of any national securities exchange or automated quotation system on which are listed or quoted any of the Company's equity securities.

A-5

3.5 *Severability.* If all or any part of the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not serve to invalidate any portion of the Plan not declared to be unlawful or invalid. Any Section or part thereof so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part thereof to the fullest extent possible while remaining lawful and valid.

3.6 *Controlling Law.* The law of Kansas, except its law with respect to choice of law, shall be controlling in all matters relating to the Plan.

A-6

Consent of Independent Registered Public Accounting Firm

The Audit Committee and Board of Directors
MGP Ingredients, Inc.
Atchison, Kansas

We consent to the incorporation by reference on Registration Statement Form S-8 and in the related Prospectus of MGP Ingredients, Inc. relating to its Non-Employee Directors' Restricted Stock Plan, of our report dated August 22, 2006, on our audit of the consolidated balance sheets of MGP Ingredients, Inc. as of June 30, 2006 and 2005, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended June 30, 2006, which report is included in the Annual Report on Form 10-K of MGP Ingredients, Inc. for the fiscal year ended June 30, 2006, our report dated August 22, 2006, with regard to the financial statement schedule that is included in such Form 10-K for the year ended June 30, 2006, and our report dated August 22, 2006, relating to management's assessment of the effectiveness of internal control over financial reporting as of June 30, 2006, and the effectiveness of internal control over financial reporting as of June 30, 2006, which reports appear in the June 30, 2006, annual report on Form 10-K of MGP Ingredients, Inc. We also consent to the reference to our firm under the heading "Experts" in the Prospectus to the Registration Statement.

/s/ **BKD, LLP**

Kansas City, Missouri
September 22, 2006

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Brian Cahill as his or her true and lawful attorney-in-fact and agent, with full power of substitution and in his or her place and stead in any and all capacities, to sign a registration statement on Form S-8 with respect to MGP Ingredients, Inc.'s Non Employee Director Restricted Stock Plan (including post effective amendments) to such registration statement, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises to perfect and complete such filing(s), as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

<u>Name</u>	<u>Title</u>	<u>Date</u>
/s/ Laidacker M. Seaberg Laidacker M. Seaberg	President (Principal Executive Officer) and Director	August 31, 2006
/s/ Brian Cahill Brian Cahill	Vice President and Treasurer (Principal Financial and Accounting Officer)	August 31, 2006
/s/ Michael Braude Michael Braude	Director	August 31, 2006
/s/ John E. Byom John E. Byom	Director	August 31, 2006
/s/ Cloud L. Cray, Jr. Cloud L. Cray, Jr.	Director	August 31, 2006
/s/ Gary Gradinger Gary Gradinger	Director	August 31, 2006
/s/ Linda E. Miller Linda E. Miller	Director	August 31, 2006
/s/ Randy M. Schrick Randy M. Schrick	Director	August 31, 2006
/s/ Daryl R. Schaller Daryl R. Schaller	Director	August 31, 2006
/s/ John R. Speirs John R. Speirs	Director	August 31, 2006
