



PRESS RELEASE

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FOR IMMEDIATE RELEASE

U.S. DEPARTMENT OF AGRICULTURE'S FARM SERVICE AGENCY AGREES TO ELECTRONIC WAREHOUSE RECEIPT TRIAL SYSTEM eGrain, Inc. Prepares for the Utilization of EWRs for Grain and Oilseed Price Support Benefits

eGrain, Inc. said today that the U.S. Department of Agriculture's Farm Service Agency (FSA) has agreed to a trial system that will allow grain and oilseed producers and warehouse operators participating in FSA's price support programs to utilize electronic warehouse receipts (EWRs) for the 2010 crop year. Warehouse operators from selected counties in eight states (Arkansas, Illinois, Iowa, Kansas, Missouri, North Dakota, South Dakota and Texas) that issue warehouse receipts to corn, soybean and wheat producers (or their agents) for FSA commodity loans can participate in the trial system. Banks, marketing firms and any other entities that may become the holder of a warehouse receipt in their normal course of business may also participate and eliminate the time and expense associated with physically handling paper warehouse receipts.

After successful verification through the eGrainSM System, producers will be able to use EWRs to quickly and efficiently request loans and loan deficiency payments from their FSA county office in a paperless environment. EWRs can be created, issued and transferred electronically in a matter of minutes, eliminating the cost and inconvenience of physically transporting warehouse receipts. FSA offices will be able to instantly transfer EWRs back, when the loans are redeemed.

The U.S. grain industry has been utilizing the eGrainSM System to issue, transfer and cancel EWRs since 2006 for marketing and financial transactions. "FSA's approval of this trial system will now allow participating grain companies to make use of EWRs for all of their business processes," said Drew Earles, Vice President, eGrain, Inc. "The use of EWRs will greatly improve the efficiency of business for all participants."

Currently, grain and oilseed warehouse operators can issue EWRs as collateral for loans with lending institutions, for intra-company transactions when relocating grain between warehouses, as collateral to cover margins and/or meet financial requirements at futures exchanges, for transferring ownership between warehouses, processors, ethanol plants and end users, and for transferring ownership through the delivery

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process at futures exchanges. EWRs are legally equivalent in every way to paper warehouse receipts and the same business processes apply to both receipt types. In addition, entities utilizing EWRs do not have to worry about the hassles of safeguarding warehouse receipts since EWRs will never become lost.

eGrain, Inc. has extensive prior experience in working with FSA beginning with the 2006 beta rice pilot program, which allowed the use of EWRs for rice price support benefits. "Our proven performance record with FSA and the grain industry should make the implementation of this trial system and the transition to EWRs an efficient process," said Earles.

The FSA is undergoing a major project to modernize and innovate farm program delivery systems (better known as MIDAS) to provide better service to customers in today's internet age through the use of web-based technologies and this EWR trial system is an intermediate process in achieving these goals.

Grain and oilseed businesses, producers, banks and other entities interested in additional information or in participating in the trial system should contact eGrain, Inc.

About eGrain, Inc.

The people of eGrain, Inc. continually strive to improve the efficiency and profitability of the agriculture industry through the use of electronic documents. Headquartered in Springfield, Illinois, eGrain, Inc. was approved by the USDA – Farm Service Agency on June 1, 2005 to establish and maintain a central filing system for the purpose of electronically filing grain and rice warehouse receipts and other United States Warehouse Act (USWA) documents under agreement number 19-12. The eGrainSM System is a powerful, web-based central filing system that is easy to use and accessible 24 hours a day, 7 days a week. For more information about eGrain, Inc. and our services, visit www.egrain.com or call (800) 278-6799.

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