

Electronic Contracts

ELECTRONIC SIGNATURES

Signing contracts electronically is simple and secure and eliminates the need for stamps and envelopes. Some states allow price later and credit sales contracts to be electronically signed by both producers and the grain dealers. Electronic signatures eliminate the need for the grain dealer to mail or hand-deliver contracts to their producers. The eGrainSM System captures the date and time of the signatures, making record keeping a straightforward task. In addition, electronic signatures make it easy for grain dealers to meet the signature requirements of various states.

TRACKING CONTRACTS

The eGrainSM System is a powerful, web-based central filing system. Grain dealers and producers can instantly sort their price later contracts to determine which contracts still need to be signed and the number of bushels remaining to be settled on each contract. Furthermore, users can produce customized reports or import information into accounting software. Reports can be generated for specialty grains, individual producers or the entire facility.



KEY BENEFITS

- Easily manage all price later and credit sales contract functions
- Quickly sort price later contracts by those that have been signed and by the number of bushels remaining to be settled
- Avoid the costs of having to print, mail or hand-deliver contracts to collect signatures
- Multiple location grain dealers can centralize the purchasing, issuing and managing of their price later contracts
- Grain dealers do not need to physically store large quantities of unused paper contracts, eliminating loss or damage

Overview

Price later and credit-sales contracts are marketing tools that are widely used by grain producers and licensed grain dealers. These contracts can benefit the producer by delaying receipt of grain income into a later tax period. Producers surrender title of the grain at harvest and still maintain pricing flexibility later in the season when commodity prices may be higher. In addition, price later contracts can be used by grain dealers to ensure a consistent flow of low volume commodities such as specialty grains. Grain dealers can call for delivery of the commodity when supply is needed, while the producer can wait and price the commodity at a later date when prices may be more favorable.

eGrain, Inc. has developed an easy-to-use, web-based price later contract system that offers many benefits and efficiencies for both grain dealers and their producers. Grain dealers login to their own account and create a price later contract in the form of a PDF document. Once

the contract is created, the grain dealer can update changes in basis, terms, service fees and settlements. Some states even allow price later contracts to be electronically signed by both the producer and the grain dealer. In addition, the eGrainSM System allows grain dealers to print their price later contracts to be signed by the producer and filed like a traditional paper contract.

Grain dealers can give their producers the opportunity to save both parties time and money. Producers can go online at their convenience to view, print, sign and return by mail or fax, the price later contracts that have been electronically created. Furthermore, grain dealers avoid the costs of having to print, mail or hand-deliver contracts to their producers for signature. All contract activity is tracked on the eGrainSM System, so examiners can easily review the transactions.



EDI FUNCTION

The eGrain System has an Electronic Data Interchange (EDI) function that allows state examiners to electronically transfer price later contract information to their system, thus reducing data input and time at the facility during audits.

STATE SPECIFIC

eGrain, Inc. works closely with the various states and industry organizations to stay current on the latest changes in state laws that might influence electronic contracts. The eGrainsm System is designed to include the unique language and contract requirements necessitated by the individual states.

CONTACT US

Contact eGrain, Inc. to subscribe to the eGrainsm System or to schedule a demo. Further information on all of our services can be found on the web at www.egrain.com or call us toll free at (800) 278-6799.



Uses and Benefits

The eGrainsm System is a secure, web-based system where grain contracts can be electronically created and settlements recorded by licensed grain dealers, eliminating the need to use pre-printed forms. eGrain, Inc. can easily customize any grain contract to work on the eGrainsm System so warehouses can utilize electronic signatures with producers and other grain companies. The eGrainsm System currently creates and manages the following types of electronic contracts:

- Price Later Contracts
- Credit Sales Contracts
- Basis Contracts
- Deferred Payment Contracts

Producers can be setup to receive automated email confirmation when contracts are issued, settlements are posted and/or the basis is rolled. Both producers and grain dealers can instantly create a variety of customized reports that can be imported into third party applications such as Microsoft® Excel and accounting systems.

Grain dealers in multiple locations can share the same supply of electronic contracts on the eGrainsm System. Furthermore, grain dealers can instantly purchase new contracts as they are needed so there is no more waiting for new contract forms to arrive and distribute.

Company Information

The people of eGrain, Inc. continually strive to improve the efficiency and profitability of the agriculture industry through the use of electronic documents. Located 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 highly secure and powerful web-based central filing system that is easy to use and accessible 24 hours a day, 7 days a week. The eGrainsm System is approved and recommended by the USDA and state officials that make up the Association of Grain Regulatory Officials (AGRO). Both federal and state licensed grain warehouses are eligible to utilize EWRs and the eGrainsm System.

The eGrainsm System is innovative in its design and was granted U.S. Patent 7,827,078 for its method and system for managing commodity transactions.

SERVICES AVAILABLE

- Electronic Warehouse Receipts
- Electronic Price Later or Credit-Sales Contracts
- eLicensing for Warehouses
- Online Data Backup



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