

EWRs USED AS COLLATERAL WITH THE CME GROUP

Given the recent volatile market conditions and the expansion of the CME Group's wheat contract, delivery warehouses are utilizing EWRs as collateral for shipping certificates to meet the exchange's regulatory financial requirements. The CME Group, the world's largest and most diverse derivatives exchange, and the delivery warehouses can instantly monitor their positions via the eGrain System. Warehouses can utilize grain in store to cover their obligations at the exchange and it eliminates the possibility of having to increase the amount posted with the CME Group as the value of the grain in store will increase/decrease with the market movements. EWRs can be efficiently used as a replacement for costly letters of credit and bonds to meet financial requirements.



THIS ISSUE

Disaster Recovery **P.1**

EWRs with the CME Group **P.1**

Rice Leads the Way **P.2**

An Inside Look **P.2**

DISASTER RECOVERY: ONLINE DATA BACKUP

How prepared is your business for a natural disaster or another major disruption in business? If you currently do not have a data backup plan, now is a great time to take a look at this important aspect of your business. Frequent backups and safe storage of your business's data, preferably off-site, are extremely important aspects of your business's disaster recovery plan. Attempting to recreate or salvage lost records is next to impossible and can be very costly.

The United States Department of Labor estimates over 40% of businesses never reopen following a major disaster and at least 25% of the remaining companies will close within 2 years. These statistics are very sobering and should make the protection of your business's data a high priority. eGrain, Inc. is now offering the grain industry an affordable and convenient online data backup solution to meet the needs of protecting your data. Our data protection system is an automated process, so there are no tapes to change and take offsite. All data is compressed and encrypted before it is sent to the data center's servers, and

for increased security, these servers can only store encrypted data. In addition, the easy to use web interface allows the user to customize the data backup schedule to meet their business's needs.

Online data backup plans start at \$46/month for up to 25GB of data. Additional space can be purchased and is priced at \$10/month for each additional 5GB. The system supports most operating systems and common databases, allowing it to work well with accounting software and email servers.

Furthermore, there is a 7 day file retention built into the system, so if you accidentally delete a file, you can fully restore it within 7 days. eGrain's online data backup solution provides comprehensive data reports after each backup to ensure that your files are protected.



eGrain, Inc.

3 North Old State Capitol Plaza
Springfield, Illinois 62701

Office (800) 278-6799 Fax (866) 347-2469

www.egrain.com

RICE LEADS THE WAY



The rice industry has been in the forefront in agriculture's transition to an electronic environment. The USDA and eGrain, Inc. successfully implemented the Rice Beta Pilot in selected counties during the 2006 crop year. Nearly 2,000 electronic warehouse receipts (EWRs) were issued during the pilot program and it was deemed a success by all participants. The USDA allowed the use of EWRs for rice price support loans throughout the entire United States starting with the 2007 crop year.

The CME Group began utilizing the eGrain System and EWRs in 2006 for the delivery process of its CBOT Rough Rice futures contract. This has greatly improved the security and efficiency of the rice delivery process for all participants. "EWRs provide traders an efficient way to put up collateral for financing with their lenders," said Drew Earles, eGrain Vice President.

EWRs for rice can be transferred between all subscribers of the eGrain System including:

- Producers
- Rice Dryers
- Pool Marketers
- Rice Millers

In addition, EWRs can be used as collateral for loans with banks and lending institutions and to manage intra-company transfers of inventory between warehouse locations.

The rice industry continues to advocate the use of EWRs and eGrain subscribers appreciate the value of centralizing the issuance and monitoring of warehouse receipts and eliminating trips to the county FSA offices to pay off producer loans and to pick up warehouse receipts. If you are not yet utilizing EWRs, contact eGrain, Inc. today and we can discuss these benefits and many more ways to make your business more efficient.

AN INSIDE LOOK Company News

eGrain, Inc. continues to work with the grain industry to improve the efficiency of business. I am excited for the future of agriculture and its role around the world. This is a breath of fresh air considering the troubles found throughout the world today.

We have been working with several leading companies throughout the United States and the world and I am optimistic about the positive impact technology will continue to have on our industry. Watch for future announcements on these innovative projects. eGrain, Inc. is in the final stages of implementing the eLicensing application with the USDA and hope to have it available to federal warehouses in the near future. This application was developed to assist warehouses manage service license applications, renewals, and payments. The second phase of this application will include the management of warehouse license applications and renewals.

Despite the Groundhog Day predictions, spring is just around the corner and we are about to embark upon the 2010 crop year. It appears that most major growing regions in the U.S. have received ample moisture and producers are optimistic for a great crop.

Drew Earles
Vice President

REDESIGNED WEB SITE

After several months of planning, eGrain, Inc. launched a redesigned web site that provides more information to both eGrain subscribers and the general public. Web site visitors can download fact sheets on all of our services and stay updated on new products and other happenings. In addition, visitors can request a demo of the eGrain System and see a list of subscriber banks.

In February 2010, we completed the initial phase of updating the user interface of the eGrain System. Subscribers will notice simplified screens and more straightforward navigation. eGrain, Inc. continues to strive to improve the business efficiency for our subscribers and the grain industry. Please pass along your comments about these recent modifications.

