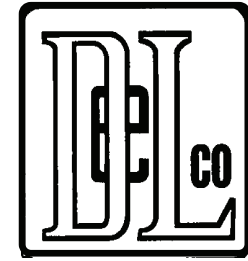
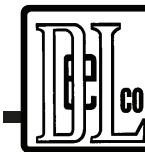


The DeLong Co., Inc. has for many years provided risk management tools to the farmer producers it buys grain from in the Midwestern US. Because of the recent volatility in the commodity markets and the current stress in the financial markets, The DeLong Co. will begin offering Maximum Price Insurance Contracts to their export customers in Asia. These contracts have been in use for over 20 years and are backed by CBOT Option Contracts. We have tried to simplify the use of these contracts and are initially offering one basic contract for the 3 commodities: soybeans, corn and DDGS. We firmly believe that counter party risk is reduced if our customers are assured a maximum price yet can receive some relief if current market prices fall below the contract price. All three contracts follow the same premises:

- Provide a maximum price, if prices go higher, the buyer will never pay more than the contract price.
- Offer some reduction in the contract price by letting the buyer participate in lower prices if the price of the underlying commodity falls. We recognize that there is a time lag between the buyers purchasing of the product and the final delivery date of the product. During this time frame, usually 30-60 days, prices can decline significantly sometimes leaving the buyer in a poor position.
- Recognize that most buyers can survive a \$5-10mt price decline in the market but need some relief when prices fall significantly below that.
- Provide price insurance at a reasonable cost. To do so we have a small deductible and only allow the buyer to participate in 75% of the price decline. You will discover soybean contracts cost more than corn or DDGS because of their higher value and volatility.
- Offer price protection for a period of up to 50-60 days. In most cases this allows the product to be loaded and come very close to reaching its final destination.
- Be flexible. We allow the final pricing of the insurance to take place anytime between the contract date and the final pricing date.
- Refunds will be paid or applied when the original contract obligations have been met with the buyer realizing the final contract effective price.
- MAKE IT SIMPLE. Most of all we strive to keep it simple we finance the cost of the insurance, purchase the various CBOT Options and provide the buyer with a simple Maximum Price Insurance Contract.



Maximum Price Insurance Contracts



The DeLong Co., Inc.

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SOYBEAN EXAMPLE CONTRACT

Buyer receives a maximum price and can also receive a refund back of 75% of the CBOT Price if CBOT drops more than \$0.30 below contract CBOT of \$8.65 MAR CBOT.

Date: 12/17.2008 **Product:** Soybeans
Buyer: XYZ Corp **Seller:** The DeLong Co., Inc.
Contract #: 68721 **Insurance Cost/MT:** \$10.00
Contract Quantity MT: 1000
Price MT: \$440.00 Includes price insurance
CBOT Insurance Month: MAR
CBOT Insurance Start Price: \$8.35 CBOT
Insurance Start Date: 12/18/2008
Insurance End Date: 2/20/2009

Insurance refund pricing may be done anytime between insurance start date and insurance end date. Contracts non priced by the insurance end date will be priced on the CBOT close of that date

CORN EXAMPLE CONTRACT

Buyer receives a maximum price and can also receive a refund back of 75% of the CBOT Price if CBOT drops more than \$0.10 below contract CBOT of \$3.85 MAR CBOT.

Date: 12/18.2008 **Product:** Corn
Buyer: XYZ Corp **Seller:** The DeLong Co., Inc.
Contract #: 68722 **Insurance Cost/MT:** \$4.00
Contract Quantity MT: 1000
Price MT: \$224.00 Includes price insurance
CBOT Insurance Month: MAR
CBOT Insurance Start Price: \$3.75 CBOT
Insurance Start Date: 12/20/2008
Insurance End Date: 2/20/2009

Insurance refund pricing may be done anytime between insurance start date and insurance end date. Contracts non priced by the insurance end date will be priced on the CBOT close of that date

DDGS EXAMPLE CONTRACT

Buyer receives a maximum price and can also receive a refund back of 75% of the CBOT Price if CBOT drops more than \$0.10 below contract CBOT of \$3.85 MAR CBOT.

Date: 12/18.2008 **Product:** DDGS
Buyer: XYZ Corp **Seller:** The DeLong Co., Inc.
Contract #: 68723 **Insurance Cost/MT:** \$4.00
Contract Quantity MT: 1000
Price MT: \$215.00 Includes price insurance
CBOT Insurance Month: MAR
CBOT Insurance Start Price: \$3.75 CBOT
Insurance Start Date: 12/20/2008
Insurance End Date: 2/20/2009

Insurance refund pricing may be done anytime between insurance start date and insurance end date. Contracts non priced by the insurance end date will be priced on the CBOT close of that date

MAR CBOT Soybeans	Total Refund	Effective Contract Price \$MT
\$9.10	\$0	\$440
\$9.00	\$0	\$440
\$8.90	\$0	\$440
\$8.80	\$0	\$440
\$8.70	\$0	\$440
\$8.60	\$0	\$440
\$8.50	\$0	\$440
\$8.40	\$0	\$440
\$8.30	\$1,376	\$439
\$8.20	\$4,129	\$436
\$8.10	\$6,881	\$433
\$8.00	\$9,634	\$430
\$7.90	\$12,386	\$428
\$7.80	\$15,139	\$425
\$7.70	\$17,891	\$422
\$7.60	\$20,644	\$419
\$7.50	\$23,396	\$417
\$7.40	\$26,149	\$414
\$7.30	\$28,901	\$411

DeLong will send total price insurance refund to customer when contract is complete.

Seller _____ Buyer _____

MAR CBOT Corn	Total Refund	Effective Contract Price \$MT
\$4.00	\$0	\$224
\$3.95	\$0	\$224
\$3.90	\$0	\$224
\$3.85	\$0	\$224
\$3.80	\$0	\$224
\$3.75	\$0	\$224
\$3.70	\$1,376	\$223
\$3.65	\$2,752	\$221
\$3.60	\$4,129	\$220
\$3.55	\$5,505	\$218
\$3.50	\$6,881	\$217
\$3.45	\$8,257	\$216
\$3.40	\$9,634	\$214
\$3.35	\$11,010	\$213
\$3.30	\$12,386	\$212
\$3.25	\$13,762	\$210
\$3.20	\$15,139	\$209
\$3.15	\$16,515	\$207
\$3.10	\$17,891	\$206

DeLong will send total price insurance refund to customer when contract is complete.

Seller _____ Buyer _____

MAR CBOT Corn	Total Refund	Effective Contract Price \$MT
\$4.00	\$0	\$215
\$3.95	\$0	\$215
\$3.90	\$0	\$215
\$3.85	\$0	\$215
\$3.80	\$0	\$215
\$3.75	\$0	\$215
\$3.70	\$1,376	\$214
\$3.65	\$2,752	\$212
\$3.60	\$4,129	\$211
\$3.55	\$5,505	\$209
\$3.50	\$6,881	\$208
\$3.45	\$8,257	\$207
\$3.40	\$9,634	\$205
\$3.35	\$11,010	\$204
\$3.30	\$12,386	\$203
\$3.25	\$13,762	\$201
\$3.20	\$15,139	\$200
\$3.15	\$16,515	\$198
\$3.10	\$17,891	\$197

DeLong will send total price insurance refund to customer when contract is complete.

Seller _____ Buyer _____