e.CLIPSE™

SYSTEMS INC.

Comprehensive Crop Management Information System (MIS) with Integrated Production/Financials

Perfect name for near-perfect software—bringing unparalleled benefits to crop producers, accountants and advisors

Imagine early man's reaction to his first solar eclipse. But knowledge and understanding turned fear to festivity. Today we celebrate the phenomenon with telescopes and cameras. We even gave eclipse a second definition, one synonymous with outdo, surpass, *excel*.

At first sight the MIS called *e.CLIPSE* may perplex, even overwhelm. A closer look and a little experience with the software dispel those impressions and show you why you need the system.

The roots of *e.CLIPSE* date back to our 1982 introduction of integrated production-financial records—an innovation in data linkage that may never matched.

A number of our crop producer clients represent the larger, more growth-oriented operations. Some are the biggest in the business. Through the years they've relied on our software, especially the financials, to bring them through toughest times. They'll tell you FBS is best and would sign an affidavit.

Only recently did we adopt the name *e.CLIPSE* for a definitive MIS. We wanted something signifying modernity and mastery in the software marketplace.

So why didn't we just go ahead and label *e.CLIPSE* perfect? We thought about it but realized perfect software would never need to be upgraded.

The only integrated software designed to meet Farm Financial Standards Council guidelines for managerial accounting

A direct and singular benefit of managerial accounting is better business planning decisions. An MA system uses financial accounting records as basic data to aid your decision-making, planning and control.

Under the system, traditional “enterprise analysis” is replaced by “profit- and cost-center accounting.” This is the key to knowing where you’re making the most money. Widely used by other industries for half a century, MA is being adapted to production agriculture by the Farm Financial Standards Council and a coalition of commodity organizations. FBS, however, embraced p&c-center accounting in the early ‘80s.

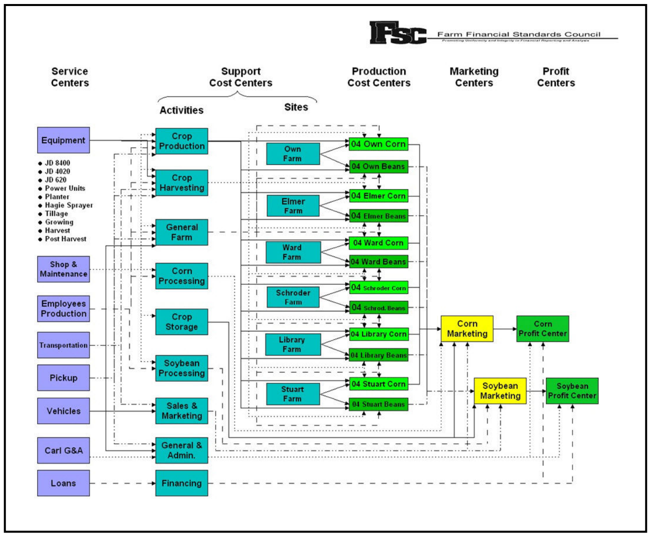
The value of the FFSC standards lies in the industry-wide consistency they bring to the recording and analysis of ag financial data. These recommendations also move farm and ranch accounting closer to compliance with GAAP (Generally Accepted Accounting Principles).

Windows-based *e.CLIPSE* is an inventory valuation and job-costing system using activity-based costing (ABC) logic to determine how resources should be allocated to each crop stage and field in an operation. These resources include equipment, vehicles and indirect labor. By linking directly with production data, *e.CLIPSE* automatically maintains critical details relating to production activities. This enables the activation of predetermined “cost drivers” plus an accurate assignment of indirect costs through the life of each crop.

Direct costs, such as seed and custom-applied fertilizer and chemicals, are even easier since they can be posted directly to groups through *TransAction Plus* accounting. Work-in-process (WIP) is automatically posted to the balance sheet at the end of each accounting period. Cost-of-goods is computed at each sale or transfer between production stages.

SeRVware™
Because Software and Service Are Inseparable.

e.CLIPSE: Built from the ground-up on the Farm Financial Standards.



We help you customize E.CLIPSE Managerial Accounting based on the format we pioneered for the Farm Financial Standards Council's Crop Case Study. (Available for download from www.ffsc.org.)

Key programs of *e.CLIPSE* and a quick check of important features

Crop Audit Plus

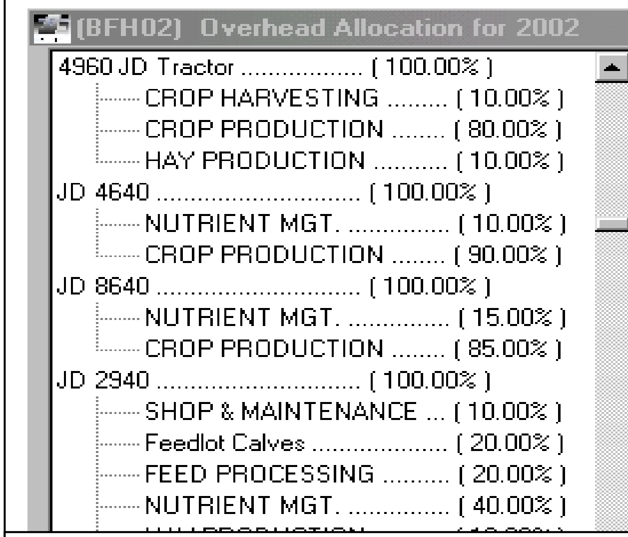
By itself, a complete crop management system that improves profitability through better planning, production and marketing. Integrated within *e.CLIPSE*, *Crop Audit Plus* provides the field production detail, operation histories, and product and crop inventories required to supply cost drivers and inventory documentation.

- Input and crop inventories
- Crop projects (job-costing)
- Standardized reporting functions
- Custom reporting functionality

TransAction Plus

The accounting hub of *e.CLIPSE* integrates with *accounts payable, accounts receivable, payroll, asset depreciation, Smart Feeder* and *Crop Audit*. It also automates cost center and work-in-process allocations when linked to *Crop Audit Plus* and *Inventory Valuation*.

- Incorporates FFSC standards
- Managerial accounting focus
- Standardized reporting functions
- Custom reporting functionality
- Inventory adjustments



e.CLIPSE includes an overhead cost allocation system.

Inventory Valuation Interface

What this module does:

- Posts:
  - Cost allocations from *support operations cost centers* to *production* centers (crops) and projects (crops by field) based on activity-based cost standards (*management* report type)
  - Cost allocations from *finance* and G&A *cost center* to the Crop profit center (*management* report type)
  - Work-in-process changes to the crop profit center (*accrual* report type)
  - Crop and input asset changes to the crop profit center (*accrual* report type)
- Transfers completed crop inventories to marketing centers at harvest based on actual production costs

Now let's take closer look at how integrated records make your job easier

And let's start with a question. How many times do you find yourself inputting the *same* information into your records system?

You should never have to load a set of data more than once. But if you're operating several programs, say production records, an accounting module and a spreadsheet—all stand-alone—this won't be the case. When you make an entry in one, you must repeat the step for the other two. Time-consuming. A higher risk of error. And just plain unnecessary.

Suppose you do make an error in a repetitive entry. Think of the time you'd spend in just finding where you made the mistake and correcting it.

But if your programs were *integrated* or "linked," they would automatically *share* information. For example, when you record a sale in accounting, your entry simultaneously updates your production inventory. Multiple modules. *One* entry. We call it *SinglePoint™* data entry.

While you'd be cutting keyboard time by weeks through the year, your records would be more complete and accurate. And you could access them instantly at any time for urgent decisions.

FBS pioneered this concept in integration 20 years ago and has taken it to levels that may never ever be matched.

(BFH02) Current Totals Entry 12 of 37

Center: 021 02 Corn

Project: 021_11 02 Corn / Pauls

1 - 011_COMkt - 1z 011_COMkt

	Projected	Remaining
Quantity	34,398.00	-517.22
Cost/Unit	1.89	0.00

	Total	Harvested
Quantity	34,398.00	34,915.22
Acres	191.10	191.10
Seed	34.33	0.19
Chemicals	35.76	0.20
Fertilizer	65.29	0.36
Fuel	0.00	0.00
Custom Hire	10.93	0.06
External Services	0.07	0.00
Supplies	0.00	0.00
Storage & Drying	0.00	0.00
Insurance	0.00	0.00
Freight & Trucking	0.00	0.00
Marketing Expense	0.00	0.00
Land	50.00	0.27
Crop Production	38.00	0.21
Crop Harvest	10.04	0.05
Crop Processing	27.41	0.15

e.CLIPSE maintains real-time direct and indirect production costs for each field "project."

	ACTUAL VALUE	% of TOTAL	ACTUAL PER BU	ACTUAL PER ACRE
DIRECT EXPENSE				
Fertilizer	18,277.74	29.90	0.18	28.49
WIP Adj.	403.61	0.66	0.00	0.63
Herbicides	16,707.23	27.33	0.16	26.04
Insecticides	780.59	1.28	0.01	1.22
WIP Adj.	285.21	0.47	0.00	0.44
Seed	24,681.03	40.37	0.24	38.47
WIP Adj.	0.00	0.00	0.00	0.00
Total DIRECT EXPENSE	61,135.41	100.00	0.60	95.29
SERVICE CENTERS				
Shop & Maintenance	14,134.40	11.49	0.14	22.03
Crop Production Acti	19,253.34	15.65	0.19	30.01
Hay Production Acti	0.00	0.00	0.00	0.00
Crop Harvest Activit	7,747.20	6.30	0.08	12.07
Crop Process Activit	15,278.94	12.42	0.15	23.81
General Crop	14,134.40	11.49	0.14	22.03
Transportation	20,371.93	16.56	0.20	31.75
Land	32,080.00	26.08	0.31	50.00
Total SERVICE CENTERS	123,000.21	100.00	1.21	191.71

Detailed cost of production by crop, farm and field, including "drill-down" to cost center

(BFH02) Current Totals Entry 1 of 33

Center: 1 Corn Inventory

Project: 011_COMkt 01 Corn Marketing

1 - 011_COMkt - 1z 011_COMkt

	Harvested	Remaining	Sold
Quantity	01,859.54	69,693.54	32,166.00
Cost/Unit	1.75	1.75	1.75

	Production	Total	Remaining	Sold
Quantity	101,859.54	101,859.54	69,693.54	32,166.00
Acres	642.50	642.50		642.50
Seed	0.24	0.00	0.24	0.24
Chemicals	0.17	0.00	0.17	0.17
Fertilizer	0.24	0.00	0.24	0.25
Fuel	0.00	0.00	0.00	0.00
Custom Hire	0.00	0.00	0.00	0.00
External Services	0.00	0.00	0.00	0.00
Supplies	0.00	0.00	0.00	0.00
Storage & Drying	0.00	0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00
Freight & Trucking	0.00	0.00	0.00	0.00
Marketing Expense	0.00	0.00	0.00	0.00
Land	0.31	0.00	0.32	0.31
Crop Production	0.19	0.00	0.19	0.19
Crop Harvest	0.06	0.00	0.06	0.06
Crop Processing	0.15	0.00	0.15	0.15
Transporation	0.10	0.00	0.10	0.10
General Crop	0.14	0.00	0.14	0.14
Shop	0.14	0.00	0.14	0.14
Total Dollars	178,106.91	0.00	121,880.63	56,226.28
Dollars/Unit	1.75	0.00	1.75	1.75
Dollars/Acre	277.21	0.00	121,880.63	87.51

Automatically updates physical inventories and cost of sales with each entry.

In the final analysis, *e*.CLIPSE may be the only way you'll meet FFSC standards for growth and profitability

A brief review. *e*.CLIPSE is a complete management information system that concurrently maintains production and financial information with one set of entries for every phase of a cropping operation. It automates time-consuming or difficult chores such as field entries and cost allocations. It also gives you detailed cost-of-production information on every phase of your operation.

e.CLIPSE performs all these MIS functions and does them as quickly, easily and accurately as possible. Do you know any other software you can start working with now−or in fhe foreseeable future—that will do this for you?

Detail for: Transportation, Source: Shadow Account

Date	Cen. No.	Center Desc	Quantity	Amount	Orig. Amount	Ovhd %	Oper %	Cost Driver
	48	Paul Hanson	0.000	1,495.58	2,468.94			
	99	Dave Buster	0.000	3,632.00	5,995.80			
	113	1981 2T Ford	0.000	714.30	1,179.18			
	114	1975 Louisville	0.000	751.25	1,240.19			
	115	1976 Louisville, D.	0.000	172.56	284.87			
	121	1990 Ford 9000 Truck	0.000	2,648.00	4,371.39			
	122	94 Chevy Pickup	0.000	299.63	494.64			
	124	96 Ford Pickup	0.000	1,135.31	1,874.20			
	126	1994 Featherlite	0.000	675.33	1,114.86			
	127	1985 GMC General	0.000	2,900.54	4,788.29			
	240	Gas at Bins	0.000	673.09	1,111.15			
	242	Gas at Home	0.000	877.33	1,448.33			
	TRANS	TRANSPORTATION	0.000	3,134.13	5,173.91			
		TOTALS	0.000	19,109.05	31,545.75	0.19		
						$/Unit		
Std. Cost	011	01 Corn		20,371.93		0.20		Harvest Quantity
		Total Std. Cost		20,371.93	20,371.93	0.20		
		Variance		1,262.88	1,262.88	0.01	Under	