

China-Dakota Trading Inc.

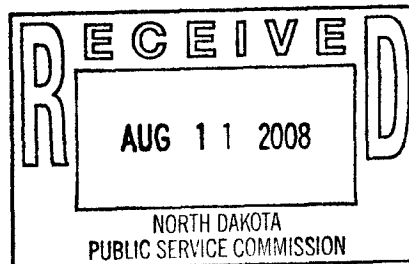
Add: 2120 S 12th St. Apt #308, Bismarck, ND 58504, United States

Tel: 701-751-2672

Fax: 701-751-2672

August 7, 2008

Executive Secretary
Public Service Commission
State Capitol
600 East Boulevard
Bismarck, ND 58505



Dear Executive Secretary:

We would request that the Public Service Commission accept a cash bond of USD\$50,000 in lieu of a surety bond from us. The reason for this request is that up till this date we have been unable to secure a surety bond despite our best efforts. Hence, the next best alternative would be the cash bond which essentially serves the same purpose as a surety bond in protecting holders of outstanding receipts. We have enclosed the following documents in support of our request:

- 1) the letter from Bain Agency; and
- 2) the letter from the Bismarck-Mandan Development Association.

I would like to take this opportunity to ask that the Public Service Commission grant our request and we look forward to hearing from you soon.

Very Truly Yours,

Beijia He
President
China-Dakota Trading, Inc.



Bain Agency, Inc.
217 North Third Street (58501)
P.O. Box 2016 ■ Bismarck, ND 58502-2016
701/223-2233 ■ Fax 701/223-0284

July 24, 2008

Nathan Tan
China Dakota Trading Inc.
P O Box 2615
Bismarck ND 58502

RE: Roving Grain Buyers Bond

Dear Nathan:

Thank you for contacting Bain Agency Inc. regarding your need for the above captioned bond. Please be advised that we have contacted various surety markets in our attempt to place this bond. Unfortunately we have not been successful in our efforts. The main objection for the surety markets is the acceptance of indemnity from a company outside the United States.

My recommendation would be to request an exception from the ND Public Service Commission allowing you to place cash collateral with the commission in lieu of a bond.

We appreciate the opportunity to work with you concerning this matter. If you have any questions or I can be of additional assistance, please feel free to contact me.

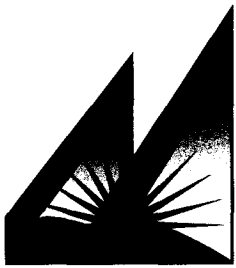
Sincerely,

Bain Agency Inc.

A handwritten signature in black ink, appearing to be "Steve R. Bain", written over a horizontal line.

Steve R. Bain AAI
President

jn



BISMARCK-MANDAN DEVELOPMENT ASSOCIATION

701-222-5530 • fax 701-222-3843 • 1-888-222-5497 info@bmda.org • www.bmda.org

August 8, 2008

Public Service Commission
State Capitol
600 East Boulevard
Bismarck, ND 58505

To Whom It May Concern:

This letter is on behalf of China-Dakota Trading, Inc., a wholly owned subsidiary of the Yantai Xinzhong Trading Company, LTD. of Yantai, China, and its efforts to establish operations here in North Dakota.

The Bismarck-Mandan Development Association (BMDA) was initially introduced to China-Dakota Trading through our legal counsel, Rebecca Thiem. After approximately a year of e-mail and telephone communications, the company's principals Ms. Beijia He and Mr. Nathan Tan, arrived in Bismarck to establish the company.

Since that time, the BMDA has been actively assisting China-Dakota Trading in all facets of establishing their business, such as: arranging for meetings with local producers of dry peas and flax, touring various residential & office spaces and accompanying them to meetings with various government officials. Additionally, Ms. Thiem has aided them in the incorporation process and our Board Chair, Tim Hennessy of US Bank, has worked with them to establish banking relationships and capitalize the business.

One issue that has yet to be resolved however is the procurement of a surety bond. The BMDA and Mr. Steve Bain of the Bain Agency have worked for approximately a month to secure the bond for China-Dakota Trading and for various reasons including the lack of any established credit and their foreign ownership, have not been able to. As such, we are supporting China-Dakota Trading's efforts to post with the Bank of North Dakota a cash amount to cover the value of the bond.

Should you have any questions, please contact myself or Mr. Russell Staiger at (701) 222-5530.

Best Regards,


Brian Ritter
Projects Coordinator

HIGH PLAINS • HIGH STANDARDS

400 East Broadway Avenue PO Box 2615 Bismarck, ND 58502