COTTON YIELD PERFORMANCE GUARANTEE

Program Details 2024 Season

Eligibility

This program is for SOURCE DC for use on cotton. An eligible grower purchases SOURCE DC and applies a minimum of 4 gallons of SOURCE DC in Season 2024 (512 acres at labeled rate and timing).

Description

For growers with advanced harvesting equipment (JD Gen 3/4 or newer, capable of active yield monitoring), Sound Agriculture offers a financial refund up to 1x return if Return on Investment (ROI) from increased yield does not offset the price paid by the grower for the product.

SOURCE WORKS AND WE STAND BEHIND THAT PROMISE.

When you buy and apply a minimum of 512 acres worth of SOURCE DC on cotton in the 2024 Season at the labeled rate and timing, you will achieve a return on investment equal to or greater than the price of the product or we will refund the difference.

Calculation and Requirements

The value of yield is determined by the difference between treated and non-treated (within each field) yield/acre multiplied by the value per lb of cotton lint based on the 2024 crop price (March 2025 ICE futures as of February 2024)[1]. The maximum payout/acre for the Performance Guarantee is the $/acre paid by the grower for SOURCE DC.

Program Requirements

- Farming practices must be identical across treated and non-treated areas except for SOURCE application. Practices required to be identical but not limited to the following:
  - Seed (varieties, seeding rates, seed treatments)
  - Applied fertilizer
  - Crop protection (products, timing, rates)
  - Soil type
  - Irrigation (timing, rates) if applicable
- Treated and non-treated areas must be substantially similar in terms of topography and drainage.
- Data must be submitted for all treated and non-treated areas.
- Grower must submit required data as defined below by Jan 31, 2025.
- Invoice must be paid by June 30, 2024 to be eligible for 2024 Yield Performance Guarantee

[1] Average of ICE US Cotton Futures on February 1 and 29 of March 2024 futures.



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For Customer Service contact 833-768-6320 or support@sound.ag

Additional Requirements

- The total acres of the non-treated areas must represent at least 5% of the total field to enable analysis on multiple passes. Layouts for treated and non-treated areas are described below.
- Check strips are required on 30% of all fields (minimum of 3 fields). Grower must share all as-applied acres. Payout will be based on as-applied acres.
- Fields must be harvested with a JD Gen 3/4 or similar newer monitor capable of active yield monitoring.
- Digital spray map must be shared.
- Areas for analysis must be harvested the same day.
- Grower must submit required data as defined below by January 31, 2025.

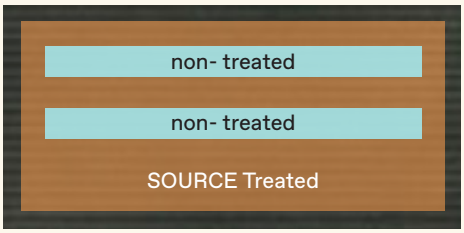
EXAMPLE PROTOCOL 1:

Keep fertility and practices constant across the entire field. The total acres of the non-treated areas must represent at least 5% of the total field.

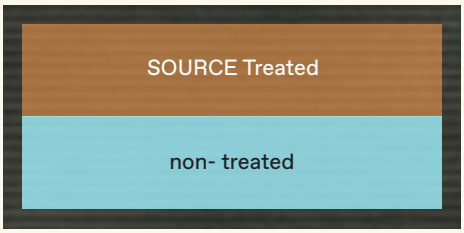
Correct

Check strips allow for fair comparison between standard regions of the field.

Option 1

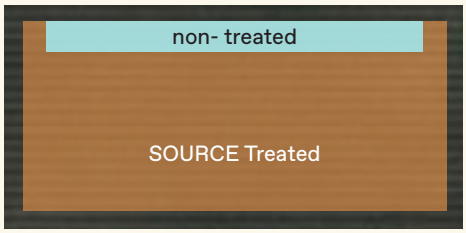


Option 2

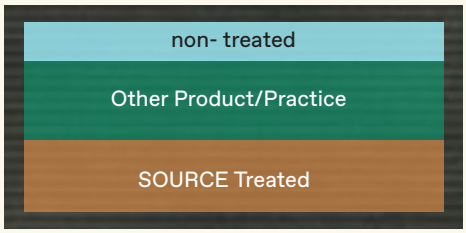


Incorrect

Check strip is along headlands.



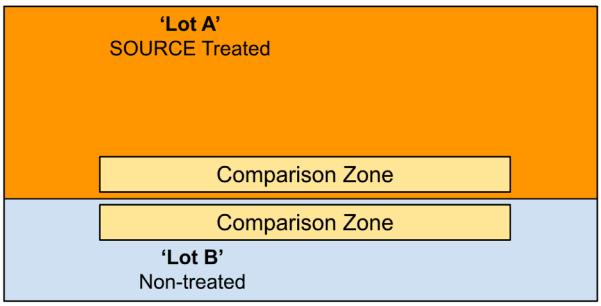
Check strip is not side-by-side SOURCE Treatment



EXAMPLE PROTOCOL 2:

Check strips allow for fair comparison between standard regions of the field. In this case, SOURCE was applied on 60 acres and the non-treated check was 20 acres (or 33% of treated acres). The minimum acreage permitted for the check strip area is 5% of the treated area in each field.

Yield map data will be analyzed to determine the yield difference in treated and untreated zones.



Example Calculations

Example 1: Positive yield response, greater than 1x ROI

Treated area yields: +25 lb/acre
Treated area (with 4 gallons of SOURCE DC): 512 acres
Cotton price / lb: $0.80
SOURCE DC Price / acre: $18
Additional $ yield / acre: $20
Net return (Additional $ yield - Cost of SOURCE) / acre: $2.00
Product Promise payment / acre: $0
Total Product Promise Payment: $0
Net return (Additional $ yield - Cost of SOURCE) / acre: $2.00
Program payment / acre: $0

Example 2: Positive yield response, less than 1x ROI

Treated area yields: +5 lb/acre
Treated area (with 4 gallons of SOURCE DC): 512 acres
Cotton price / lb: $0.80
SOURCE DC Price / acre: $18
Additional $ yield / acre: $4
Net return (Additional $ yield - Cost of SOURCE) / acre: -$14.00
Product Promise payment / acre: $14 .00
Total Product Promise Payment: $7,168

Making a Performance Guarantee Claim

Performance Guarantee Claims should be made by the grower and directly to Sound Agriculture. There is no need to engage a Sound Dealer for the claims process, and Sound Dealers are not authorized to receive Performance Guarantee Claims.

There are two steps to make a Performance Guarantee Claim.

1. **Fill out Claims Form** (on our website under Grower Resources)
2. **Share digital data**

Sound Agriculture will review the claim promptly and contact you to follow up. Analysis will include determination of average yield of treated and non-treated areas and calculate the difference, based on as-applied and yield monitor data. We will endeavor to respond to a claim and determine the amount of the payment within 30 days, but this is not a binding commitment and depends on any follow-up questions or reasonable requests for additional information from the grower.

For more information on product guarantees and how to submit your data, scan the QR code:

Privacy and Information Security:

All information provided to Sound Agriculture will only be used by us to analyze, improve, support, and enhance the Products and otherwise for any business purpose. We may use service providers to collect, process, and store your information, and we may share your information in non-identifiable format with third parties. Though we have safeguards in place to protect your data, no transmission or electronic storage of information is guaranteed to be secure. As such, we disclaim any responsibility or liability for unauthorized access, use or disclosure of any information submitted to Sound Agriculture.

Contact Information:

For additional help, please contact us at support@sound.ag.

Force Majeure:

Notwithstanding anything to the contrary herein, Sound shall not be held responsible for any delay or failure in the performance of SOURCE to the Buyer, to the extent that such delay or failure in the performance of SOURCE is caused by a fire, drought (USDA D3 or greater), flood, earthquake, explosion, pandemic, war, strike, embargo, government requirement, civil or military authority, act of God, or other similar causes beyond the parties' control.

