

Carbon by Indigo

2024 Cover Crop Promotion – Terms and Conditions

These Terms and Conditions (these “**Terms**”) apply to the 2024 Cover Crop Promotion by Indigo Carbon PBC, a Delaware public benefit corporation (“**Indigo**”), as contemplated hereunder (the “**Promotion**”). Participation and eligibility for the Promotion are subject in all respects to these Terms.

NOTE: this Promotion adjusts certain payment rights, timelines and terms with respect to Participant’s participation in Carbon by Indigo with respect to certain fields enrolled in this Promotion and for the timelines and carbon credit generation processes contemplated hereunder.

Eligibility – Eligible States

This Promotion applies only to qualifying fields in the following states:

Alabama, Illinois, Indiana, Iowa, Kansas, Kentucky, Minnesota, Mississippi, Missouri, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas, Virginia and Wisconsin.

Indigo may, in its discretion, include additional states.

Eligibility- General

To participate in the Promotion, a “**Participant**” must be a participant in good standing in the Carbon by Indigo program operated by Indigo (the “**Program**”). Participation in good standing includes, without limitation, full and completed enrollment in the Program through valid execution of a Program participation agreement (the “**Participation Agreement**”). Participation in the Promotion and the Program are subject in all respects to the terms and conditions of the Participation Agreement. In the event of a conflict between the terms of this Promotion and the terms of the Participation Agreement with respect to the Next Credit Generation Process (as defined below) or the Program carbon credits arising thereunder, the terms of this Promotion shall prevail.

In addition, Participant must be actively participating in the Program during the Promotion Period (as defined below) and continuously through the date of payment contemplated in these Terms. Active participation shall be determined by Indigo in its discretion and includes, without limitation, enrollment of participating fields and land in the Program, submission of all required data and documentation for such enrolled fields/land, and good faith, bona fide participation in the final filing process to generate carbon credits on enrolled fields/land under the Program.

Participant must enroll in this Promotion and accept its Terms in the manner specified by Indigo in order to participate.

Promotion Period; Early Termination

The “**Promotion Period**” means the period from June 1, 2024 to September 3, 2024. Indigo may extend the Promotion Period in its sole discretion.

[PROMOTION PERIOD HAS BEEN EXTENDED TO SEPTEMBER 23, 2024]

The Promotion Period is subject to early termination in accordance with the terms below.

To be eligible for the Promotion, the relevant field must meet all requirements to be a Qualified Promotion Field (as defined below) during the Promotion Period and until the Payment Date (as defined below).

Limited Availability; Early Termination

Indigo may, in its discretion, establish a limit to the number of fields that may enroll in the Promotion.

Indigo may terminate the Promotion Period (and the offer of the Promotion) early at any time. Any Qualified Promotion Field that meets enrollment requirements prior to an early termination of the Promotion shall continue to be subject to the terms of the Promotion.

Promotion

Subject to these Terms and the terms of the Participation Agreement, the Promotion shall operate as follows: for each Qualified Promotion Field (as defined below) that achieves the Promotion Activities during the Promotion Period, Indigo will guarantee a **minimum payment of \$20.00 USD per acre of Qualified Promotion Field** (the “**Promotion**”).

Minimum Payment Rate) for the first carbon credit filing process after the Promotion Period (the **“Next Credit Generation Process”**).

As used herein, a **“Qualified Promotion Field”** means land that meets all of the following requirements:

- The field is agricultural production land meets all qualification requirements for participation in the Program; **and**
- The field is enrolled in the Program and maintains enrollment in the Program through the Payment Date; **and**
- The field is operated by, and under the control of, a Participant that is a participant in good standing in the Program; **and**
- The field is actively participating in the Program during the Promotion Period and through at least the Payment Date (as defined below), which participation includes, without limitation, timely execution (within the deadline and timelines established by Indigo) of all Program activities related to the final filing, verification and generation of Carbon Credits under the Program; **and**
- The field has successfully implemented the agronomic practice of planting a **cover crop** on the following conditions:
 - The cover crop must have been planted for the first time on the field on or after June 1, 2023 **and** no earlier than twelve (12) months prior to the enrollment date of the field; and
 - The cover crop must be a Program qualifying cover crop, planted in a manner that meets Program requirements for cover crops, and be planted on the entirety of the field (for the avoidance of doubt, the practice of leaving a cash crop on a field in lieu of harvesting does not qualify); and
 - The cover crop must remain (or have remained) planted for a period of at least thirty (30) days after planting.

Special Rule for Previously Enrolled Fields If a field was previously enrolled in the Program prior to the beginning of the Promotion Period, such field is eligible for the Promotion if (i) such field has never completed final filing under the Program, as defined by Indigo; and (ii) first-time cover crop introduction must have been implemented:

- if the field was enrolled in the Program prior to May 1, 2023, no later than the date that is 24 months prior to enrollment of the field in the Program, and
- if the field was enrolled in the Program on or after May 1, 2023, no later than the date that is 12 months prior to enrollment of the field in the Program.

If a field meets all of the requirements for a Qualified Promotion Field and is successfully enrolled in the Program during the Promotion Period (as determined by Indigo), Indigo will guarantee the minimum payment rate for Qualified Promotion Fields for the first generation of carbon credits on such field.

Payment

With respect to the Next Credit Generation Process only, with respect to the Qualified Promotion Fields, the payment provisions contained herein shall supersede the payment provisions contained in the Participation Agreement. The payments contemplated hereunder shall be the sole payment right of Participant with respect to Program carbon credits generated on the Qualified Promotion Fields for any carbon credits arising from the Next Credit Generation Process.

The anticipated **“Payment Date”** for the Promotion will be the same payment date for carbon credit revenue under the Program for the first round of carbon credits generated under the Next Credit Generation Process. It is anticipated that the Payment Date will be between January 2026 and March 2026.

The Promotion constitutes a minimum rate per acre on enrolled fields that meets all requirements of a Qualified Promotion Field and does not constitute any additional payment.

If the total value of carbon credits generated off the Qualified Promotion Field from the Next Credit Generation Process under the Program **exceeds** the aggregate Promotion payment (Promotion payment multiplied by the number of acres within the Qualified Promotion Field), then Participant shall receive (i) the Promotion payment, plus (ii) at least fifty percent (50%) of the difference between (a) the amount of payment Participant would have received for participation in the Program for the Qualified Promotion Field(s) under the terms of the Participation Agreement in the absence of the Promotion, *minus* (b) the total Promotion payment. The actual percentage in excess of 50% shall be determined by Indigo in its discretion.

If the total value of carbon credits generated off the Qualified Promotion Field from the Next Credit Generation Process under the Program is **below** the aggregate Promotion payment, then the Promotion payment shall be the amount paid by Indigo to Participant for the Qualified Promotion Fields.

The Promotion shall apply only to the Next Credit Generation Process and shall not apply for any other time or carbon credit generation process.

For each Qualified Promotion Field that meets all Promotion requirements, Indigo agrees to waive any payment vesting requirements for RP5 Credits. Such payments will be paid in full on the Payment Date. The foregoing applies only to Program payments related to the Qualified Promotion Field for the Next Credit Generation Process only.

Miscellaneous

Indigo may disqualify any Participant and/or any field from the Promotion in the event of bad faith acts, or a failure to actively participate in the Program in good faith. This Promotion is subject to the terms and conditions of the Program and the Participation Agreement. In the event of Participant's termination of participation in the Program for any reason or no reason on or prior to the Payment Date, or Participant is otherwise no longer a good faith participant in good standing in the Program, Participant shall be ineligible and disqualified from the Promotion. In the event of any questions of interpretation of the terms of the Promotion, Indigo's interpretation shall govern.