



SB002-2024

To: All Canadian Bourgault Dealers
Attn: Dealer Principals and Sales Managers

February 1, 2024

From: Colin Rush

Subject: 2025 Dealer Sales & Performance Bonus

2025 Bourgault Dealer Sales & Performance Bonus

The Volume Bonus is an integral part of our overall product pricing, but also an important incentive to build and foster our business relationship with each of your locations and their distinct market area. Just over a year ago Bourgault changed the performance bonus component to be evaluated on an individual dealer location basis and was expanded to include ALL sales from a location (there was no longer a minimum qualifying amount), and it was increased to a maximum of 2.5%. The results are in! Dealership locations rose to the occasion and focused on investing in the following four performance areas (see chart below) resulting in high product as well as customer satisfaction with Bourgault and your dealership! The program details will remain identical to last year's roll out for 2023/2024.

- A. The **Sales Bonus** portion of the overall Volume Bonus will remain the same as in years past, with qualifying wholegoods sales volume being based on dealership organization (that is, using the sum of qualifying sales of all locations for each dealership entity).
- B. The **Performance Bonus** portion of the overall Volume Bonus will remain the same as in years past:

<p>PDI</p> <p>0.75%</p> <p>Performance Bonus</p>	<p>A thorough PDI performed, completed, documented, and submitted with any required feedback by a trained technician for each serial number.</p> <ul style="list-style-type: none">• An audit-style process may be performed by a Bourgault representative as part of the overall performance assessment.
<p>Service and Warranty Administration</p> <p>0.5%</p> <p>Performance Bonus</p>	<p>100% of the Technical Service Bulletins must be completed by the deadlines specified.</p> <p>100% of warranty registrations must be submitted within 30-days of PDI.</p> <p>100% of mandatory tools available at the location.</p>
<p>Customer Development & Satisfaction</p> <p>0.75%</p> <p>Performance Bonus</p>	<p>Set-up / Start-up completed for each new seeding system.</p> <p>Prospective sales event to generate new sales at the Dealership.</p> <p>New Owner clinic at the Dealership.</p> <ul style="list-style-type: none">• Dealership organizations are able to host clinics for multiple stores at a single location with approval from their Territory Sales Manager.
<p>Marketing</p> <p>0.5%</p> <p>Performance Bonus</p>	<p>Bourgault dealers are required to send at least one-third of their sales staff from each location to mandatory Bourgault events. Mandatory events will be identified via Sales Bulletin throughout the year.</p> <ul style="list-style-type: none">• ie: ProSeed Dealer Meeting.



Sales & Performance Bonus Schedule

The 2024 / 2025 schedule has not been changed as there are no price increases over the past year.

Sales Bonus

Wholegoods Sales Volume By Dealership Organization	Sales Bonus (% of Wholegoods Sales Volume)
\$0 to \$499,999	0%
\$500,000 to \$999,999	0.5%
\$1,000,000 to \$2,499,999	1.5%
\$2,500,000 to \$ 3,999,999	2.5%
\$4,000,000 to \$ 5,499,999	3.5%
\$5,500,000 to \$ 7,999,999	4.5%
\$8,000,000 and over	5.5%

Performance Bonus

Wholegoods Sales Volume By Dealership Location	Performance Bonus (% of Wholegoods Sales Volume)
\$ All Sales *New*	Up to 2.5%

Example:

- Dealership A has 3 locations with annual qualifying sales as follows:
 - Location 1: \$2,925,000
 - Location 2: \$1,250,000
 - Location 3: \$3,975,000
- Sales Bonus Calculation:
 - $\$2,925,000 + \$1,250,000 + \$3,975,000 = \$8,150,000$
 - Dealership A qualifies for a Sales Bonus of 5.5% on \$8,150,000
- Performance Bonus is based on each location, with qualifying percentage established by Territory Sales Manager and Customer Service Representative using the criteria above:
 - Location 1: 2.5%
 - Location 2: 1.75%
 - Location 3: 2.5%
- Performance Bonus Calculation:
 - $(\$2,925,000 \times 2.5\%) + (\$1,250,000 \times 1.75\%) + (\$3,975,000 \times 2.5\%)$

Terms and Conditions:

- Sales and Performance Bonus will be established using the dealer's sales from June 1st to May 31st.
- Sales volume will be determined by using list price, less program discounts, on wholegoods invoices that are paid in full by the program end date.
- Parts, freight, GST, shipping stands and any miscellaneous charges or credits that are not directly related to a piece of equipment or wholegoods kit are not included.
- Invoices for demo / rental units are eligible for volume bonus provided they are paid in full by the end of the program period.
- Invoices related to service / warranty and insurance claims are not eligible.
- All interest charges owing at program end will be deducted from the VB amount.
- Volume bonus cheques will be distributed no later than July 31st.

Bourgault wishes all dealers success with the Model Year 2025 order programs! For questions or more information on the 2025 Dealer Sales & Performance Bonus contact your Territory Manager.

Sincerely,

Colin Rush

NORTH AMERICAN SALES & MARKETING LEADER