



**BOEHRINGER INGELHEIM CONSUMER HEALTHCARE
PRODUCTS
COUPON REDEMPTION POLICY STATEMENT**

This letter explains the terms and conditions under which Boehringer Ingelheim Consumer Healthcare Products (BI) will reimburse customers for coupon submissions. Proper store redemption of our coupons authorizes you to submit coupons for reimbursement by Boehringer Ingelheim Consumer Healthcare Products.

Your redemption of coupons signifies compliance with Boehringer Ingelheim Consumer Healthcare Products requirements, as outlined below.

Redemption at the Store

1. Coupons are redeemable only by retail consumers purchasing the product(s), brand(s), flavor(s), size(s) and quantities indicated prior to the expiration date, with the face value of the coupon deducted from your retail selling price.
2. Coupons may not be reproduced, photocopied, trimmed or altered in any way by the retailer.
3. Coupons are non-assignable and are void if transferred from their original recipient to any other person, firm or group. BI does not permit the unauthorized distribution, collection, sale or assignment of its coupons for any reason. For example, coupons are not to be used in swap boxes, taped to product or placed on books near manufacturer products, gathered and distributed by any person or group for charitable fund-raising purposes, or otherwise used in any way except as described in Requirement 1 above.
4. Coupons are void if taxed, restricted, or prohibited by law.
5. The consumer must pay any applicable sales tax involved in connection with the purchase of coupon items.
6. There is a limit of one coupon per purchase of the product(s) and size(s) indicated.
7. Coupons are only redeemable by authorized dealers located in U.S., including Military Commissaries. BI will not honor coupons submitted by retailers for products purchased from sources outside of BI' normal channels of distribution. Coupons redeemed on salvaged, damaged, close-out or diverted product will not be honored.
8. In-Ad coupons are placed by retailers in their primary advertising vehicle (e.g. newspaper, insert, store circular or direct mail circular) in cooperation with the manufacturer. While the retailer pays for advertising costs, the manufacturer pays for the redemption costs associated with the In-Ad. In-Ad coupons, unlike manufacturer coupons, allow the retailer to control placement, distribution and timing. In-Ads are intended to be discounts on consumer purchases during a specific promotion period by a specific retailer. In-Ad coupons must include the following elements:
 - Correct brand name/size

- Void if sold, transferred or reproduced
- Retailer name
- Offer number
- Deal number
- Retailer value
- Coupon value or feature price
- Expiration date

For In-Ads – account agrees:

Only one dominant vehicle may be used to distribute In-Ad coupons;

For in-store flyers to qualify, the vehicle used must be the account's principal vehicle for promoting products to the consumer. Use of any other form of promotion vehicle must be approved by BI and its subsidiaries on a case by case basis;

The In-Ad coupons will be distributed, printed and circulated only as authorized by the terms and conditions of the program;

To indemnify and hold BI and its subsidiaries harmless from all costs arising from failure to distribute, print and circulate In-Ad coupons as provided herein;

In-Ad coupons will not be distributed in any other manner whatsoever, including, but not limited to, point of sale (shelf or display), checkout stands, clipped, printed, or padded presentation;

In-Ad coupon events shall only be used by retailers/wholesalers that commit to purchase product to support the In-AD event from a sales representative in the same geographical area where the In-Ad event is available;

Not to alter coupon copy without BI's prior approval;

To safeguard BI's and its subsidiaries' In-Ad coupon artwork while in its possession, custody or control in order to prevent theft, misredemption and unauthorized use and will indemnify and hold BI and its subsidiaries harmless from any loss or damage that may result from such failure to safeguard;

Processing Coupons for Payment

1. BI will accept properly redeemed and identified coupons directly from the retailer clearinghouse, a retailer-billing agent or through a wholesaler. Coupons from unauthorized intermediary agents will not be accepted.
2. All applicable IRS reporting requirements, including obtaining an appropriate taxpayer identification number, must be complied with by the retailer.
3. To redeem coupons for BI, send properly redeemed coupons to:

Boehringer Ingelheim Consumer Healthcare Products
P. O. Box 880060
El Paso, TX 88588-0060

OR

NCH/Boehringer Ingelheim Consumer Healthcare Products
26-A Walter Jones

El Paso, TX 79906

Policy for Payment and Denials

1. You will be reimbursed for the following:

- A. Face value of coupons or coupons redeemed for free merchandise, at your retail-selling price (up to the stated maximum value).
- B. 8¢ for handling each coupon properly redeemed. An industry study, independently conducted by Arthur Anderson, identified that the 8¢ covers the following costs:
 - Front-End Handling by the Retailer 4.8¢
 - Store to Headquarters Accounting .4¢
 - Store Occupancy .4¢
 - Sundry Loss .56¢
 - Cost of Funds .96¢
 - Coupon Processing .88¢

This covers any special handling, invoice preparation, or other fees.

- C. Postage Rate
 - Retailers who sort and submit directly will be reimbursed for reasonable postage indicated on the package received.
 - Retailers using a retailer clearinghouse or billing agent will be reimbursed at a rate of \$5.00 per thousand coupons.

D. Payments will be made within 30 days from the receipt of invoice.

2. You will NOT be reimbursed for the following:

- A. Unreasonable postage claims above our stated reimbursement rate as mentioned above.
- B. Submission of invoices not to exceed five (5) per day.
- C. Add-on miscellaneous fees including, but not limited to the following:
 - Shipping consolidation fees
 - Invoice creation fees
 - Minimum invoice fees
 - Fuel surcharge fees

3. Coupon reimbursements and adjustments may NOT be deducted from payment of invoices (product invoices or purchase orders).

4. On request, retailers must provide BI with legitimate proof-of-purchase documentation of sufficient stock items to cover the coupons presented for payment. Failure to provide BI with legitimate proof-of-purchase will deem all coupons null and void and payment for such coupons will be withheld. Handwritten invoices or invoices from salvaged merchandise suppliers or diverters will not be honored as legitimate proof-of-purchase.
5. In the event a retailer payment is withheld, the retailer must appeal the decision of Pharmaton Natural Health Products within ninety (90) days of the date of notification.

Other Information

1. The cash redemption value of each coupon is 1/20 of one cent.
2. It is FRAUD to present coupons for redemption other than as provided by this Redemption Policy.
3. FAILURE TO OBSERVE THESE TERMS AND CONDITIONS FOR PROPER REDEMPTION MAY AT THE SOLE OPTION OF BI, VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF BI, WITHOUT PAYMENT. FAILURE TO ENFORCE ANY TERMS OR CONDITIONS HEREOF SHALL NOT BE DEEMED A WAIVER FOR THEM.
4. It is the retailer's responsibility to ensure all personnel within their organization comply with this policy.
5. Pharmaton Natural Health Products may revise this Coupon Redemption Policy in its sole discretion and without prior notice.