

ZICAM LLC/MATRIX INITIATIVES, INC.
COUPON REDEMPTION POLICY STATEMENT

This policy statement explains the terms and conditions under which Zicam LLC, a wholly owned subsidiary of Matrixx Initiatives, Inc., will reimburse retailers for coupon submissions. Proper store redemption of our coupons authorizes you to submit coupons for reimbursement by Zicam.

Your redemption of coupons signifies compliance with Zicam LLC requirements, as outlined below.

Redemption at the Store

1. Coupons are redeemable only by a consumer purchasing the product(s) indicated, with the face value of the coupon deducted from your retail price. One Coupon per item purchased.
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. Zicam LLC does not permit the unauthorized distribution, collection, sale, or assignment of its coupons for any reason. Therefore, coupons are not to be used in swap boxes, taped to product or placed on hooks near Zicam 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.
6. Coupons only redeemable at retailers located in the U.S. or U.S. Military bases.

Processing Coupons for Payment

1. *Zicam LLC* will accept properly redeemed and identified coupons directly from the retailer, through a retailer clearinghouse, retailer-billing agent, or through a wholesaler-billing agent. 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.
3. To redeem coupons for Zicam® brand products, send properly redeemed coupons to:
Matrixx Initiatives, Inc.
P. O. Box 880217
El Paso, TX 88588-0217

Policy for Payment and Denials

1. You will be reimbursed for the following three items:
 - A) Face value of coupons or if the coupon calls for free merchandise, for your retail-selling price (up to the stated maximum value printed on the coupon).
 - B) 8¢ for handling each coupon properly redeemed.¹
 - C) Retailers will be reimbursed at a rate that covers the transportation reimbursement cost. For retailers who sort and submit directly, reimbursement is for reasonable postage (i.e. first class mail insured) indicated on the package received. Retailers using a clearinghouse or billing agent will be reimbursed at reasonable transportation reimbursement costs.
2. You will NOT be reimbursed for unreasonable postage/transportation or any additional fees.
3. Coupon reimbursements and/or coupon adjustments may not be deducted from product invoices. Invoice deductions and/or deduction fees are not in compliance with Zicam LLC redemption policy.
4. *Zicam LLC* has the right to request evidence of proof of purchase to show that sufficient stock was purchased to cover coupons submitted.

Other Information

1. The cash redemption value of each coupon is 1/100 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 ZICAM LLC; VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF ZICAM LLC, WITHOUT PAYMENT. FAILURE TO ENFORCE ANY TERMS OR CONDITIONS HEREOF SHALL NOT BE DEEMED A WAIVER FOR THEM.

ZICAM LLC 8/1/02

¹ An industry study, independently conducted by Arthur Andersen, identified that the 8¢ covers the following costs:

- Front-End Handling by the retailer
 - Store to Headquarters Accounting
 - Store Occupancy
 - Sundry Loss
 - Cost of Funds
 - Coupon Processing
- This covers any special handling, invoice preparation, or other fees.