



SARGENTO FOODS INC.
COUPON REDEMPTION POLICY
January 1, 2003

Sargento Foods Inc. ("Sargento") will reimburse retailers for coupons submitted in accordance with the terms and conditions of this Coupon Redemption Policy (this "Policy"). A retailer shall not directly or indirectly submit coupons to Sargento for reimbursement except in accordance with this Policy. A retailer's acceptance or redemption of Sargento's coupons constitutes the retailer's binding agreement to comply with this Policy. This Policy constitutes the entire agreement between the parties and supersedes all prior agreements, understandings, course of dealings and arrangements between the parties with respect to Sargento's coupons. Any additional or different terms or conditions in any purchase orders, quotations, invoices, licenses or other communications, whether or not such terms or conditions materially alter this Policy, shall (a) be deemed objected to by Sargento without need for further notice of objection, (b) be of no force or effect and (c) not, in any circumstance, be binding on Sargento unless expressly accepted by Sargento in writing. No course of dealings between the parties shall in any way terminate, amend, modify or supplement this Policy.

1. Coupons are redeemable only at retail locations in the 50 United States of America and Puerto Rico, FPOs and APOs.
2. Coupons are redeemable only: (a) by an individual consumer in a retail transaction for the purchase of the brand, variety, size and quantity of the product indicated on the coupons; and (b) if the retailer deducts the face value of the coupons or, if the coupon calls for "free" products, the retailer's retail selling price (up to the maximum value specified in the coupons for such "free" products).
3. Coupons must be redeemed by the consumer on or before their expiration dates.
4. The cash redemption value of each coupon is 1/100 of one cent.
5. Consumer must pay any and all applicable sales and other taxes.
6. Only one coupon will be honored for each item purchased. Multiple coupons may not be used for the purchase of a single item.
7. Coupons are void: (a) where prohibited, taxed, regulated or restricted by law; (b) when reproduced, photocopied, mutilated, trimmed or altered in any way; (c) when similarly torn or cut, in mint condition or sequentially numbered; or (d) when bartered,

exchanged, sold, assigned or transferred from or sold by their original recipient to any person, firm or group.

8. Coupons are nonassignable. Sargento does not permit the unauthorized barter, exchange, distribution, collection, sale, assignment or transfer of coupons for any reason. Coupons are not to be used in swap boxes, taped to product or placed on hooks near Sargento products, gathered and distributed by any person or group for charitable fund-raising purposes or otherwise used in any way except as described in section 2 of this Policy.
9. Retailers will be reimbursed for the following three items:
 - (a) For the face value of each properly redeemed coupon or, if the coupon calls for "free" products, for the retailer's retail selling price (up to the maximum value specified in properly redeemed coupons for such "free" products).
 - (b) 8¢ for handling each properly redeemed coupon.
 - (c) For physical transportation/mailing, at a rate that covers the reasonable out-of-pocket transportation costs. Sargento will not pay for any administrative or consolidation fees and, except as provided in section 9(c)(ii) below, Sargento will not pay any other upcharges or margins that a retailer or any agent assesses on or in lieu of such expenses.
 - (i) For retailers who sort and submit directly, reimbursement is for reasonable postage indicated on the package received subject to section 11 of this Policy.
 - (ii) Retailers using a clearinghouse or billing agent will be reimbursed at a rate of \$5.00 per thousand of coupons redeemed (\$5.00/1000).
10. No other handling or other fees will be allowed or reimbursed by Sargento.
11. Postage will be reimbursed at current actual uninsured rates. First class postage rates will apply for mailings of less than 13 ounces and United Parcel Service rates for mailings that exceed 13 ounces.
12. Sargento's actual count of coupons received will be final and shall govern their payment.
13. Sargento reserves the right to deny reimbursement, retain and declare void any coupons presented for redemption if, in its reasonable discretion, such coupons are not properly submitted, including, without limitation, if: (a) coupons are submitted for reimbursement in violation of this Policy; (b) there is insufficient stock to cover the number and type of coupons submitted; (c) there is an inability to verify the retailer's address or business operations; (d) there are suspicious circumstances; or (e) there are

any other irregularities. Sargento reserves the right to forward submitted coupons to law enforcement agencies or the postal authorities for their review and investigation.

14. Any payments related to coupon reimbursements or coupon adjustments may not be deducted from payments of Sargento invoices except with the prior written agreement of Sargento. Any deductions from a Sargento invoice for payments related to coupon submissions are expressly prohibited by this Policy without the prior written agreement of Sargento.
15. Coupons must be presented by the retailer or the retailer's agent approved by Sargento or Sargento's agent. Sargento reserves the right to deal directly with retailers on all matters pertaining to any coupon submission and to audit the coupon sorting and billing service of any agent involved in the coupon process.
16. Upon Sargento's request, the retailer shall provide proof of purchase of sufficient stock to cover coupons presented for payment. Sargento reserves the right to audit the coupon sorting, billing or other related processes or services of any retailer or any agent involved in the handling of Sargento coupons.
17. If a retailer payment or any portion thereof is withheld, delayed or denied, the retailer must appeal this decision in writing to Sargento within six months of the date of notification by Sargento or its agent. If the retailer fails to appeal any such decision within such six-month period, such decision shall be final and binding upon the retailer. Any lawsuit involving coupon processing or payment disputes shall be brought within 18 months of the original date of coupon payment or such claims shall be deemed extinguished. Any such lawsuit shall be filed and conducted in a state or federal court located in the Eastern District of Wisconsin. Each party shall be responsible for its own fees and costs, including, without limitation, attorneys' fees.
18. If any retailer fails to observe this Policy, Sargento may, at its sole option, void all coupons submitted for reimbursement by such retailer and all unpaid coupons may be retained as property of Sargento. Sargento may, at its sole option, suspend or permanently terminate redemption privileges for any party that provides false or misleading information to Sargento or Sargento's agent.
19. Failure to enforce any term or condition of this Policy shall not be deemed a waiver of such term or condition or any other term or condition by Sargento.
20. Sargento will accept properly redeemed and identified coupons directly from the retailer or through a retailer clearinghouse, a retailer billing agent or a wholesaler billing agent acting for and at the risk of the retailer. Coupons from unauthorized intermediary agents will not be accepted.
21. The retailer and its agents shall comply with all applicable Internal Revenue Service reporting requirements and shall obtain appropriate taxpayer identification numbers.

22. To redeem coupons for Sargento, the retailer shall send properly redeemed coupons to:

Sargento Foods Inc.	OR	NCH/ Sargento Foods Inc.
P. O. Box 880727		26-A Walter Jones
El Paso, TX 88588-0727		El Paso, TX 79906

23. The retailer shall include with each coupon shipment an invoice with the retailer's store name and address, showing quantities and values of coupons submitted for redemption. Payment generally will be issued 30 days after receipt of coupons by Sargento or its agent (although Sargento does not guaranty payment within any particular time frame). If the retailer uses an agent to process coupons, Sargento gives no assurance of payment for coupons that are mishandled by the retailer's agent. If the retailer's agent fails to properly submit coupons, the retailer must look solely to the agent for payment. In no event will payment be issued to retailers who do not maintain a physical address.

24. Redeeming coupons in violation of the terms and conditions of the coupon offer or this Policy is improper, could constitute fraud and could result in criminal prosecution.

25. All federal, state and local laws, rules and regulations apply to the submission and redemption of coupons by the retailer and its approved agents.

26. Each shipment of coupons will be considered as a whole and Sargento reserves the right to refuse payment for an entire shipment if any portion of the shipment is found to be improperly redeemed.

27. Sargento reserves the right, in its sole discretion and without prior notice to any party, to modify, supplement, revise or eliminate any of the terms and conditions of this Policy.

Any questions concerning coupon submissions, payments, and/or retailer verification should be directed to NCH Marketing Services Retailer Relations Hot Line at 1-800-833-7096.