



COUPON REDEMPTION POLICY

Effective Date: November 1, 2004

Redemption of coupons issued by Seneca Foods Corporation indicates acceptance and compliance with this policy. No purchase order, invoice, retailer policy or similar document shall be construed to modify any of the terms of this agreement.

Redemption at the Store:

- 1) Coupons are redeemable only by consumers purchasing the quantity and size of the specific brands and product(s) stated on the coupon prior to its expiration date, with the face value of the coupon deducted from the retail price. Only one coupon shall be honored for each item purchased.
- 2) Coupons may not be reproduced, photocopied, mutilated, trimmed or altered in any way by the retailer. Any such situation may be prosecuted by law.
- 3) Coupons are non-assignable and are void if transferred from their original recipient to any other person, firm or group. Seneca Foods Corporation does not permit the unauthorized distribution, collection, sale or assignment of its coupons for any reason.
- 4) Coupons are void if taxed, restricted or prohibited by law.
- 5) The consumer is required to pay any applicable sales tax.
- 6) Coupons will be redeemed only at retail locations located in the United States, its territories and at U.S. military bases.

Processing Coupons for Payment:

- 1) Seneca Foods Corporation will accept only properly redeemed and identified coupons directly from the retailer, its authorized clearinghouse or billing agent.
- 2) All applicable IRS reporting requirements, including obtaining an appropriate taxpayer identification number, must be complied with.
- 3) To redeem coupons for Seneca Foods Corporation, properly redeemed coupons must be sent to:

Seneca Foods Corporation
P. O. Box 880082
El Paso, TX 88588-0082

OR

NCH/Seneca Foods Corporation
26-A Walter Jones
El Paso, TX 79906

Policy for Payment and Denials:

- 1) Retailers will be reimbursed for the following three (3) items only:

- a) Aggregate face value of coupons or for coupons calling for free merchandise, the retail selling price (up to the stated maximum value).
 - b) \$.08 for handling each coupon properly redeemed, to cover expenses such as:
 - i) front-end handling by the retailer
 - ii) store to headquarters accounting
 - iii) store occupancy
 - iv) sundry loss
 - v) cost of funds
 - vi) coupon processing
 - c) Reasonable out-of-pocket costs incurred for the physical transportation of the coupons to Seneca Foods, or to Seneca Foods' authorized agent. Seneca will not pay for any administrative or consolidation fees, except as described in (ii) below. Seneca will not pay any upcharges that a retailer or retailer agent may assess on, or in lieu of such pass-through/out-of-pocket expenses. Transportation costs will be reimbursed as follows:
 - i) Retailers who sort and submit coupons they have redeemed without the use of a third party agent will be reimbursed for incurred reasonable postage (i.e. first class mail insured) or other shipping charges, as indicated on the package received. No premium overnight or 2nd day charges will be accepted.
 - ii) Retailers using a clearing house or billing agent will be reimbursed at a rate equal to \$5.00 per thousand for postage and shipping costs.
- 2) Seneca Foods Corporation shall not be responsible for any additional coupon promotion costs, including but not limited to, costs associated with "coupon doubling" promotions.
 - 3) Coupon reimbursements and coupon adjustments cannot be deducted from product invoices or purchase orders. Invoice deductions and deduction fees are not in compliance with Seneca Foods Corporation's redemption policy.
 - 4) Only coupons received by Seneca Foods Corporation within 6 months of the expiration date will be researched for reimbursement.
 - 5) Seneca Foods Corporation reserves the right to request evidence of proof of purchase to show that sufficient stock was purchased to justify the number of coupons submitted and reserves the right to audit the coupon sorting and billing service of any retailer or agent involved in the handling process.
 - 6) Applicable Jurisdiction
 - a) 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 Rochester, New York. Each party shall be responsible for its own attorneys' fees and costs.

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-OR-

Mandatory Arbitration

- b) Retailer and Seneca Foods Corporation agree that all disputes between them, or arising from the relationship between them, and all disputes arising from or related to this Redemption Policy, including the scope of this arbitration agreement, shall be resolved by binding arbitration by the National Arbitration Forum, under the Code of Procedure then in effect. Any award of the arbitrator(s) may be entered as a judgment in any court having jurisdiction. In the event a court having jurisdiction finds any portion of this agreement unenforceable, that portion shall not be effective and the remainder of the agreement shall remain effective. Information may be obtained and claims may be filed at any office of the National Arbitration Forum, www.arbitration-forum.com, or at P.O. Box 50191, Minneapolis, MN 55405. This Agreement shall be governed by and interpreted under the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (FAA). The arbitrator shall follow existing substantive law to the extent consistent with the FAA and applicable statutes of limitations and shall honor any claims or privilege recognized by law. If any party requests so, the arbitrator shall write an opinion containing the reasons for the award. No claim submitted to arbitration is heard by a jury and no claim may be brought as a class action or as a private attorney general. Any arbitration hearing will take place within the Rochester, New York federal judicial district.
- 7) If false or misleading verification information is provided on a questionnaire to Seneca Foods Corporation, or a certified clearinghouse, redemption privileges with Seneca Foods Corporation may be permanently terminated.
- 8) Each shipment of coupons will be considered as a whole and Seneca Foods Corporation reserves the right to refuse payment for an entire shipment if any portion of the shipment is found to be improperly redeemed.
- 9) Failure to observe these terms and conditions for proper redemption may, at the option of Seneca Foods Corporation, void all coupons submitted for reimbursement and all coupons may be retained as property of Seneca Foods Corporation without payment. Seneca Foods Corporation reserves the right to forward coupons, which Seneca Foods Corporation judges to be misredeemed, to law enforcement agencies for their review and investigative purposes.

Miscellaneous Terms:

- 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 Agreement.
- 3) Retailer agrees that failure to observe these terms and conditions for proper redemption may at the sole option of Seneca Foods Corporation void all coupons submitted for reimbursement and all coupons may be retained as property of Seneca Foods Corporation, without payment. The exercise or waiver, in whole or in part, of any right, remedy or duty provided for in this agreement will not constitute the waiver of any prior, concurrent or subsequent right, remedy or duty under this agreement.