

**Imperial Sugar Company**  
3 Sugar Creek Center Blvd  
Suite 500  
Sugar Land, TX 77478  
USA

T 1 281 491 9181  
T 1 800 72 SUGAR (78427)

[www.ldcom.com](http://www.ldcom.com)  
[www.imperialsugarcompany.com](http://www.imperialsugarcompany.com)

**IMPERIAL SUGAR COMPANY AND SUBSIDIARIES  
COUPON REDEMPTION POLICY STATEMENT  
EFFECTIVE: 08/01/2014**

YOUR REDEMPTION OF OUR COUPONS INDICATES YOUR ACCEPTANCE AND COMPLIANCE WITH THIS REDEMPTION POLICY (The Agreement), NOTWITHSTANDING ANY COURSE OF DEALINGS BETWEEN US, NO PURCHASE ORDER, INVOICE, RETAILER-POLICY, OR SIMILAR DOCUMENT SHALL BE CONSTRUED TO MODIFY ANY OF THE TERMS OF THIS AGREEMENT.

It is the intent of IMPERIAL SUGAR COMPANY and its subsidiaries (ISC), to process coupon reimbursements in the most efficient and cost effective way possible, to ensure that we can continue to provide consumers the promotional incentive that coupons offer.

**Redemption at the Store**

- 1) Coupons (paper and digital) are redeemable only by a consumer purchasing the specific product(s) indicated on the coupon (i.e. the specific brand, size and quantity indicated), and only in accordance with the terms set forth on the face of the coupon and in this redemption policy. The face value of the coupon should be deducted from the retail selling price. Only one coupon shall be honored for each item purchased.
- 2) Retailers are to use reasonable care in accepting coupons. Retailers shall not accept coupons that have been reproduced, photocopied, mutilated, trimmed or altered in any way.
- 3) Coupons are non-assignable and are void if transferred from their original recipient to any other person, firm or group prior to store redemption. Coupons are not to be used in swap boxes, taped to product or gathered and distributed by any other person or group for charitable fund raising purposes, or otherwise used in any way except as described in Section 1 above.
- 4) Coupons are void if taxed, restricted or prohibited by law.
- 5) The consumer must pay any applicable sales tax.
- 6) ISC encourages retailers participating in digital coupon promotions to use industry standard formats for reading, writing and transmitting data and to implement industry standards for digital coupon promotions to promote efficient and strong controls.
- 7) Coupons are redeemable only by retailers located in the U.S., its territories, and on U.S. military bases. ISC will not honor coupons submitted by retailers for products purchased from sources outside of ISC's normal channels of distribution. Coupons redeemed on salvaged, damaged, close-out or diverted product will not be honored.

**Processing Coupons for Payment**

- 8) ISC will only accept properly redeemed and identified coupons: (a) directly from the retailer, or through (b) retailer clearinghouse, (c) retailer-billing agent, or (d) wholesaler-billing agent. Coupons will not be honored if presented through unauthorized persons or companies. Coupons will be considered void when presented by an agency or broker not authorized by ISC.
- 9) All parties submitting coupons for redemption must comply with all acceptable laws and regulations, including IRS reporting requirements, and must have an IRS taxpayer identification number.
- 10) To redeem coupons for Imperial Sugar Company, send properly redeemed coupons to:

IMPERIAL SUGAR COMPANY  
P.O. Box 880527  
El Paso, TX 88588-0527

OR

NCH/IMPERIAL SUGAR COMPANY  
26-A Walter Jones  
El Paso, TX 77906

**Policy for Payment and Denials**

- 11) You will be reimbursed for the following amounts:
  - a. Face value of coupons or, if the coupon calls for free merchandise, for the retail selling price (up to the stated cap amount), plus
  - b. \$0.14 cents per coupon “Customer Handling Fee” for each coupon properly redeemed\*
    - i.) ISC has developed a set cost per coupon above face value of \$0.14 per coupon referred to by ISC as a “Customer Handling Fee” to fully compensate the Customer and their agents for all associated costs, including all handling and transportation expenses of any kind. **ISC will not pay any additional fees or cost related to postage, shipping or transportation fees.** Due to system limitations and for ease of reconciliation, the \$0.14 per coupon Customer Handling Fee will be computed in the following manner when a retailer through its clearinghouse submits an invoice for payment: a settlement of \$.08 per coupon handling fee, plus a supplemental handling of \$.06 per coupon (billed as shipping/postage) will be paid to arrive at the \$0.14 per coupon Customer Handling Fee. **ISC will not pay or accept any additional deduction fees or costs related to postage, shipping, transportation, and/or miscellaneous fees.**

- c. The Customer Handling Fee mentioned above constitutes full and complete compensation to the Customer and its agent for the customary and reasonable expenses incurred in processing the coupon from point of sale to redemption at ISC's designated site. The Customer Handling Fee takes into account the total cost of coupon handling by the Customer and its agent, including postage, shipping, and transportation, when reasonable and efficient coupon processing methods are utilized by Customer and agent. Other expenses, such as clearinghouse charges and handling fees, are costs negotiated between Customer and its clearinghouse or agent, and are not the responsibility of ISC and therefore the fees involved will not be passed to ISC.
- 12) The Customer agrees not to take unauthorized deductions from ISC's product invoices for any amount relating directly or indirectly to coupon redemption. If such authorized deductions are made, ISC reserves the option to take action, including but not limited to, suspending shipments/credit to the Customer and/or reduction in the Customer's promotional funding to offset any unauthorized coupon related deduction balances.
- 13) ISC 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 any agent involved in the handling process.
- 14) For digital coupons, ISC will deny reimbursement for coupons which exhibit signs of misredemption, including, but not limited to: accuracy or quality issues in data files, excessive or unusual patterns or redemptions, use of multiple coupons (digital and paper) for a single purchase and excessive "made good" coupons or point of sale overrides.
- 15) For paper coupons, ISC will deny reimbursement for any coupons which exhibit signs of misredemption, including, but not limited to: gang cuts, similar cuts or tears, evidence of tape, mint condition, uniform mix, sequential number patterns or excessive or larger than normal quantities of coupons in single or multiple transactions that would indicate the coupons were used to purchase products for resale and not for individual consumer use.
- 16) This Agreement is governed by the laws of the State of New York applicable to contracts made and performed in New York. Any action relating to or arising out of this Agreement, including any action involving coupon processing or payment disputes ("Action"), shall be brought within 6 months of the original date of the submission of the coupon, coupon payment or other act or failure to act alleged to give rise to such Action or such claims shall be deemed extinguished. Any such Action shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules then in effect, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. The arbitration shall take place in the Borough of Manhattan, New York, New York. Each party shall be responsible for its own attorneys' fees and cost.

- 17) If false or misleading verification information is provided on a questionnaire to IS or certified clearinghouse, redemption privileges with ISC may be permanently terminated.
- 18) Each shipment of coupons will be considered as a whole and ISC reserves the right to refuse payment for an entire shipment if any portion is found to be improperly redeemed.
- 19) It is FRAUD to present coupons for redemption other than as provided by this Redemption Policy.
- 20) FAILURE TO OBSERVE THESE TERMS AND CONDITIONS FOR PROPER REDEMPTION MAY, AT THE SOLE OPTION OF ISC, VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF ISC, WITHOUT PAYMENT. FAILURE TO ENFORCE ANY TERMS OR CONDITIONS HEREOF SHALL NOT BE DEEMED A WAIVER OF THEM.
- 21) ISC may revise this Coupon Redemption Policy at any time, in its sole discretion.

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\*The (\$0.14) Customer Handling Fee reimbursement covers the following costs:

- Front-end handling by the retailer
- Store to headquarters accounting
- Store occupancy
- Sundry loss
- Cost of funds
- Coupon processing
- Any other special handling, invoice preparation or other fees

**Imperial Sugar Company**  
**Effective Date: 08/01/2014**