



KELLOGG COMPANY COUPON REDEMPTION POLICY

The Coupon Redemption Policy (the "Agreement") establishes all terms and conditions applicable to the redemption, handling, and processing of Kellogg Company and all of its subsidiaries (collectively, "Kellogg") coupons, the amounts Kellogg will reimburse to its customers for properly redeemed coupons, and all other matters relating to customers' acceptance and treatment of Kellogg Company coupons. YOUR ACCEPTANCE AND REDEMPTION OF KELLOGG COUPONS CONSTITUTE A BINDING AGREEMENT TO HONOR THE COUPON REQUIREMENTS, TERMS AND CONDITIONS LISTED BELOW:

Redemption at the Store

1. Kellogg coupons are redeemable by qualifying consumers only in the USA, its territories, Puerto Rico and at U.S. Military bases.
2. Coupons are redeemable only by a qualifying consumer purchasing the specific brand(s), product(s), quantity and sizes stated on the coupon, with the face value of the coupon deducted from your retail price. Only one coupon may be redeemed per purchase. Coupons may not be combined or used in multiples on any product purchased.
3. Coupons may include an expiration date. Coupons will not be honored for reimbursement beyond six (6) months after the expiration date.
4. The transfer, assignment, reproduction, or other distribution of Kellogg coupons, not authorized in writing by a designated and authorized Kellogg representative, will not be allowed. Coupons may not be trimmed or altered in any way by the retailer. Coupons are nonassignable and are void if transferred from their original recipient to any other person, firm or group. Coupons are not to be gathered and distributed by any person or group for charitable fund raising purposes. Kellogg does not permit the distribution, collection, sale or assignment of its coupons for any reason. Coupons are not to be taped to product, placed near products, or kept in swap boxes or at check out stands for consumers who forget their coupons.
5. Coupons must be subject to the same controls as retailer maintains for its receipt of cash. Store employees, managers and agents must be advised of these controls accordingly.
6. Kellogg has no obligation for payment of any tax (including sales tax) in connection with any coupon.

Processing Coupons for Payment

7. Clearinghouses and coupon processing centers may submit Kellogg coupons for redemption on behalf of retailers provided they possess written authorization in the form of a coupon clearinghouse agreement with Kellogg's redemption agent. Kellogg reserves the right to deal directly with all retailers on all matters pertaining to any coupon submission.
8. Payment to the clearinghouse or agent on behalf of retailer constitutes full and final payment for the coupon submission by retailer and relieves Kellogg of any and all liability that may arise from non-performance on the part of the clearinghouse or agent to retailer, and further, retailer waives any right to pursue Kellogg for any claims or obligations that are due to the acts or omissions of its clearinghouse or agent.
9. Retailers, clearinghouses and agents must comply with all applicable IRS reporting requirements, including obtaining an appropriate taxpayer identification number.
10. Properly redeemed Manufacturer coupons should be sent to:

Kellogg Company 1354
NCH Marketing Services
P.O. Box 880001
El Paso, TX 88588-0001

Policy for Payment and Denials

11. Retailers will be reimbursed for the following three items (and only these three items):
 - A. Face value of properly redeemed coupons, or if the coupon calls for free merchandise, for the retailer's retail selling price at the time of redemption of the coupon (up to the stated maximum value printed on the coupons);
 - B. Handling/processing allowances have been split into two categories. Each coupon will qualify for only one of the following:
 1. Kellogg will allow \$0.115 for each properly redeemed paper coupon, which fully covers all costs associated with handling/processing coupons, including but not limited to:
 - Front end handling by the retailer
 - Store to headquarters accounting
 - Store occupancy
 - Sundry loss
 - Cost of funds
 - Coupon processing, special handling, invoice preparation and process, deduction or other fees
 2. Kellogg will allow \$0.08 for each properly redeemed paperless coupon, which fully covers all costs associated with handling/processing coupons, including but not limited to the items listed above.
 - C. Reasonable out-of-pocket costs incurred for the physical transportation of these coupons to Kellogg or to its authorized agent, subject to the limitations described in this section. Kellogg will not pay for any administrative or consolidation fees and, except as described in 11(c)(2) below, will not pay any other up charges that retailers or third party retailer agents may assess on or in lieu of such pass-through/out-of-pocket expenses. The transportation costs will be reimbursed as follows: The retailer will be reimbursed at a rate equal to \$5.00 per thousand of coupons properly redeemed (\$5/M).

The above three items represent the only amounts for which retailers will be reimbursed. Thus, the maximum amount that a retailer will be reimbursed for a properly redeemed coupon is the face value (or other amount determined under 11(A) above) plus \$.115 for handling/processing plus \$.005 for transportation. Unauthorized deductions for any consumer coupon-related expenses and/or fees (other than those expressly identified in this Policy) will be marked invalid. Invalid deductions that are deemed uncollectible will be charged against/reduce the customer's available trade funds.

12. Kellogg reserves the right to request evidence of proof of purchase to show that sufficient stock was purchased to cover coupons submitted for payment and reserves the right to audit the coupon sorting and billing service of any agent involved in the handling process.
13. Kellogg reserves the right to deny reimbursement for any coupons exhibiting signs of misredemption, including, but not limited to gang cut, similar cuts and tears, evidence of tape, mint condition, or sequential numbering patterns.
14. If false or misleading verification information is provided on a questionnaire to Kellogg or a certified clearinghouse, redemption privileges with Kellogg may be permanently terminated.
15. Each shipment of coupons will be considered as a whole and Kellogg reserves the right to refuse payment for an entire shipment or any portion if the shipment is found to be improperly redeemed.
16. Any lawsuits involving coupon payment disputes must be officially commenced in an appropriate forum within six (6) months of the original date of notification by Kellogg of such dispute to the retailer, clearinghouse or agent or such claims shall be extinguished. Any such lawsuit shall be governed by the laws of Michigan and shall be venued in a state or federal court located in Michigan. Each party is responsible for its own attorney's fees and costs.
17. Kellogg reserves the right to forward coupons, which Kellogg judges to be misredeemed, to law enforcement agencies for their review and investigative purposes.

Miscellaneous Terms

18. The cash redemption value of each coupon is 1/20 of one cent.
19. It is FRAUD to present coupons for redemption other than as provided by this Agreement.
20. **FAILURE TO OBSERVE THESE TERMS AND CONDITIONS FOR PROPER REDEMPTION OF COUPONS MAY, AT THE SOLE OPTION OF KELLOGG, VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF KELLOGG WITHOUT PAYMENT.**
21. 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.

Inquiries may be directed to 1-800-833-7096