



This COUPON REDEMPTION POLICY sets forth all terms and conditions governing the redemption, handling and processing of coupons issued by King's Hawaiian, the amounts that King's Hawaiian will reimburse its retailers for properly redeemed coupons and all other matters relating to the acceptance and treatment of coupons by retailers. A RETAILER'S ACCEPTANCE AND REDEMPTION OF KING'S HAWAIIAN'S COUPONS SHALL CONSTITUTE THE RETAILER'S ACCEPTANCE OF, AND AGREEMENT TO BE BOUND BY, THIS POLICY. NEITHER ANY COURSE OF DEALING BETWEEN KING'S HAWAIIAN AND ANY RETAILER, NOR ANY PURCHASE ORDER, INVOICE, RETAILER-POLICY, OR SIMILAR DOCUMENT SHALL BE CONSTRUED TO MODIFY ANY OF THE TERMS OR CONDITIONS SET FORTH IN THIS POLICY.

It is the intent of King's Hawaiian, 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 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. Coupons are redeemable only by retailers located in the U.S., its territories, and on U.S. military bases.

### **Processing Coupons for Payment**

7. King's Hawaiian will accept properly redeemed and identified coupons only (a) directly from the retailer, or (b) from King's Hawaiian's authorized intermediaries or clearing houses. 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 King's Hawaiian.

8. All parties submitting coupons for redemption must comply with all applicable laws and regulations, including IRS reporting requirements, and must have an IRS taxpayer identification number.
9. To redeem King's Hawaiian coupons, properly redeemed coupons should be sent to:

King's Hawaiian  
P.O. Box 880457  
El Paso, TX 88588-0457

OR

NCH/King's Hawaiian  
26-A Walter Jones  
El Paso, TX 77906

### **Policy for Payment and Denials**

10. Retailers will be reimbursed for the following:
- A. Face value of properly redeemed coupons or, if the coupon calls for free merchandise, for the retail selling price (up to the stated maximum value or cap amount printed on the coupon), plus
- B. 14 cents (\$0.14) per coupon for each coupon properly redeemed (the "Coupon Handling Fee").

King's Hawaiian has set the Coupon Handling Fee at 14 cents (\$0.14) per coupon to fully compensate the retailer and its agents for all costs incurred in processing a coupon from point of sale to redemption at the King's Hawaiian designated site, assuming reasonable and efficient coupon processing methods are utilized by the retailer and its agents. The Coupon Handling Fee is intended to cover all handling, processing and transportation expenses of any kind. Other expenses, such as clearinghouse charges and administrative fees, are costs determined between the retailer and its clearinghouse or agent, and are not the responsibility of King's Hawaiian and no such expense will be accepted for reimbursement by King's Hawaiian. **King's Hawaiian will not pay any additional amounts above the amounts stated in Sections 10.A. and 10.B. above.**

Solely to facilitate reconciliation and for reference purposes only, the Coupon Handling Fee will be allocated in the following manner: When a retailer or its clearinghouse submits an invoice for payment, 8 cents (\$0.08) per coupon will be paid as a "handling fee" and 6 cents (\$0.06) per coupon will be paid as reimbursement for shipping and postage, the total of which will equal the Coupon Handling Fee of 14 cents (\$0.14) per coupon. King's Hawaiian will not pay any additional fees or costs, or permit any additional deductions from amounts due from its retailers for the processing of coupons, regardless of whether any additional deductions are characterized as covering postage, shipping, transportation, miscellaneous or other fees or costs.

11. No retailer may take unauthorized deductions from King's Hawaiian product invoices for any amounts relating directly or indirectly to coupon redemption. If such unauthorized deductions are made, King's Hawaiian reserves the right to take action, including but not limited

to, suspending shipments/credit to the retailer and/or a reduction in the retailer's promotional funding to offset all such unauthorized coupon related deductions.

12. King's Hawaiian 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 retailer agent involved in the handling process.

13. 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 exclusively in the state or federal courts located in the County of Los Angeles, State of California. Each party shall be responsible for its own attorneys' fees and costs.

14. If false or misleading verification information is provided on a questionnaire to King's Hawaiian or certified clearinghouse, coupon redemption privileges with King's Hawaiian may be permanently terminated.

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

16. It is FRAUD to present coupons for redemption other than as provided by this Coupon Redemption Policy.

17. FAILURE TO OBSERVE THESE TERMS AND CONDITIONS FOR PROPER REDEMPTION MAY, AT THE SOLE OPTION OF KING'S HAWAIIAN, VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF KING'S HAWAIIAN, WITHOUT PAYMENT. THE EXERCISE OR WAIVER, IN WHOLE OR IN PART, OF ANY RIGHT, REMEDY OR DUTY PROVIDED FOR IN THIS POLICY SHALL NOT CONSTITUTE A WAIVER OF ANY PRIOR, CONCURRENT OR SUBSEQUENT RIGHT, REMEDY OR DUTY UNDER THIS POLICY.

18. King's Hawaiian may revise this Coupon Redemption Policy at any time, in its sole discretion.

Effective Date: November 1, 2011

