

	<b>Perfetti Van Melle USA</b>	Edition/Revision: 1/1
		Date of issue: 5/8/2014
Procedure: Coupon Redemption Policy – FI14		

**1. Introduction**

This following explains the Coupon Redemption Policy in place at PVM USA. It includes all applicable terms and conditions necessary for redemption of consumer coupons issued by PVM USA.

**2. Purpose**

This Coupon Redemption Policy (the "Agreement") establishes all terms and conditions applicable to the redemption, handling, and processing of PVM USA's coupons, the amounts PVM USA will reimburse to its customers for properly redeemed coupons, and all other matters relating to customers' acceptance and treatment of PVM USA's coupons.

**3. Scope**

This policy applies to all redemption, handling and processing of any PVM USA coupons.

**4. Binding Agreement**

ACCEPTANCE AND REDEMPTION OF PVM USA'S COUPONS CONSTITUTE A BINDING AGREEMENT TO HONOR THE COUPON REQUIREMENTS, TERMS AND CONDITIONS LISTED HEREIN.

**5. Redemption at the Store**

- 5.1. PVM USA's coupons are redeemable by qualifying consumers only in the USA, its territories, Puerto Rico and at U.S. Military bases.
- 5.2. 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 the retail price.
- 5.3. Coupons may include an expiration date. Coupons will not be honored for reimbursement beyond six (6) months after the expiration date.
- 5.4. Only one coupon may be redeemed per purchase. Coupons may not be combined or used in multiples on any product purchased.
- 5.5. The transfer, assignment, reproduction, or other distribution of PVM USA's coupons, not authorized in writing by a designated and authorized PVM USA representative, will not be allowed.
- 5.6. Coupons are non-assignable and are void if transferred from their original recipient to any other person, firm or group. PVM USA does not permit the distribution, collection, sale or assignment of its coupons for any reason.

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- 5.7. Coupons may not be trimmed, photocopied or altered in any way by the retailer. Coupons are not to be taped to products, placed near products, or kept in swap boxes or at checkout stands for consumers who forget their coupons.
- 5.8. Coupons are not to be gathered and distributed by any person or group for charitable fund-raising purposes.
- 5.9. Coupons must be subject to the same controls as the retailer maintains for its receipt of cash. Store employees, managers and agents must be advised of these controls accordingly.
- 5.10. PVM USA has no obligation for payment of any tax (including sales tax) in connection with any coupon.
- 5.11. Coupons are void if taxed, restricted or prohibited by law, or when reproduced, altered or in mint/mass cut condition.

### 6. Processing Coupons for Payment

- 6.1. Clearinghouses and coupon processing centers may submit PVM USA's coupons for redemption on behalf of retailers provided they possess written authorization in the form of a coupon clearinghouse agreement with PVM USA's redemption agent. PVM USA reserves the right to deal directly with all retailers on all matters pertaining to any coupon submission.
- 6.2. Payment to the clearinghouse or agent on behalf of retailer constitutes full and final payment for the coupons submission by retailer and relieves PVM USA 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 PVM USA for any claims of obligations that are due to the acts or omissions of its clearinghouse or agent.
- 6.3. Retailers, clearinghouses and agents must comply with all applicable IRS reporting requirements, including obtaining an appropriate taxpayer identification number.
- 6.4. Properly redeemed PVM USA coupons should be sent to:

<p>If by US Mail:</p> <p>Perfetti Van Melle USA Inc. c/o NCH P.O. Box 880053 El Paso, TX 88588-0053</p>	<p>If by other methods:</p> <p>NCH/Perfetti Van Melle USA Inc. 26-A Walter Jones El Paso, TX 77906</p>
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## 7. Policy for Payment and Denials

7.1. Retailers will be reimbursed for the following three items (and only these three items):

7.1.1. 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).

7.1.2. Handling/processing allowances for both paper and paperless coupons. PVM USA will allow **\$0.08** for each properly redeemed paper coupon, which fully covers all costs associated with handling/processing coupons, including but not limited to:

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

7.1.3. Reasonable out-of-pocket costs incurred for the physical transportation/postage of these coupons to PVM USA or its authorized agent, subject to the limitations described in this section.

- The transportation/postage costs will be reimbursed at a rate equal to **\$5.50** per thousand of coupons properly redeemed (**\$5.5/M**).
- PVM USA will not pay for any administrative or consolidation fees.
- PVM USA 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 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 (1) the face value plus (2) **\$0.08** for handling/processing plus (3) **\$0.055** for transportation/postage.

7.2. Coupon reimbursement may not be deducted from product invoices. Unauthorized deductions for any consumer coupon-related expenses and/or fees will be marked invalid. Invalid deductions that are deemed uncollectible will be charged against and reduce the customer's available trade funds.

7.3. PVM USA reserves the right to request evidence of proof of purchase to show that sufficient stock was purchased to cover coupons submitted for payment.

7.4. PVM USA reserves the right to audit the coupon sorting and billing service of any agent involved in the handling process.

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- 7.5. PVM USA reserves the right to deny reimbursement for any coupons exhibiting signs of mis-redemption, including, but not limited to, gang cuts, similar cuts and tears, evidence of tap, mint condition, or sequential-numbering patterns.
- 7.6. If false or misleading verification information is provided to PVM USA or a certified clearinghouse, redemption privileges with PVM USA may be permanently terminated.
- 7.7. PVM USA reserves the right to forward coupons, which PVM USA judges to be mis-redeemed, to law enforcement agencies for their review and investigative purposes.
- 7.8. Each shipment of coupons will be considered as a whole and PVM USA reserves the right to refuse payment for an entire shipment of any portion if the shipment is found to be improperly redeemed.
- 7.9. 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 PVM USA of such dispute to the retailer, clearinghouse or agent or such claims shall be distinguished. Any such lawsuit shall be governed by the laws of Kentucky and shall have a venue in a state or federal court located in Kentucky. Each party is responsible for its own attorney's fees and costs.

**8. Miscellaneous Terms**

- 8.1. The cash redemption value of each coupon is 1/1000 of one cent (\$0.001).
- 8.2. It is FRAUD to present coupons for redemption other than as provided by this Agreement.
- 8.3. FAILURE TO OBSERVE THESE TERMS AND CONDITIONS FOR PROPER REDEMPTION OF COUPONS MAY, AT THE SOLE OPTION OF PVM USA, VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF PVM USA WITHOUT PAYMENT.
- 8.4. 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.

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