

Coupon Redemption Policy – Tootsie Roll Industries, Inc. and Affiliates (“TRI”)

This document explains the terms and conditions under which TRI will reimburse retailers or other customers for coupon submissions. Proper store redemption of our coupons authorizes you to submit coupons for reimbursement by TRI.

YOUR REDEMPTION OF OUR COUPONS INDICATES YOUR ACCEPTANCE AND COMPLIANCE WITH THIS REDEMPTION POLICY (THE “POLICY”). 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 POLICY.

REDEMPTION AT THE STORE

- 1) Coupons are redeemable only by a consumer purchasing the product(s) indicated, including, but not limited to the brand, quantity and size with the face value of the coupon deducted from your retail price. There is a limit of one coupon per purchase of the product and size(s) indicated.
- 2) Coupons may not be reproduced, photocopied, mutilated, trimmed or altered in any way by the retailer or consumer.
- 3) Coupons are non-assignable and are void if transferred from their original recipient to any other person, firm or group. TRI does not permit the unauthorized distribution, collection, sale, or assignment of its coupons for any reason. Therefore, coupons are not to be used in swap boxes, taped to product or placed on hooks near TRI products, gathered and distributed by any person or group for charitable fund-raising purposes, or otherwise used in any way except as described in Paragraph 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 at retail locations located in the U.S. and at U.S. Military bases.

PROCESSING COUPONS FOR PAYMENT

- 1) TRI will only accept properly redeemed and identified coupons directly from the retailer, through a retailer clearinghouse, or through a retailer-billing agent. Coupons from unauthorized intermediary agents will not be accepted.
- 2) All applicable IRS reporting requirements, including obtaining an appropriate taxpayer identification number must be complied with.
- 3) To redeem coupons for TRI products, send properly redeemed coupons to the redemption address identified on the coupon [or in the absence of such address to Tootsie Roll Industries, Inc., 7401 South Cicero, Chicago, Illinois 60629, attention: Susan Anderson].

POLICY FOR PAYMENT AND DENIALS

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

(a) Face value of coupons or, if the coupon calls for free merchandise, for your retail selling price (up to the coupon's stated maximum value).

(b) \$.08 for handling each coupon properly redeemed. (This covers all costs, including front end handling by the retailer; store to headquarters accounting; store occupancy; sundry loss; cost of funds; and coupon processing which covers any special handling, invoice preparation, or other fees.)

(c) Reasonable out-of-pocket expenses incurred for the physical transportation of the coupons to us or our authorized agent. **We will not pay for any administrative or consolidation fees and, except as described in (ii) below, we will not pay any other upcharges that you or your agent (if you use one) may assess on or in lieu of such pass-through/out-of-pocket expenses.** The transportation costs will be reimbursed as follows:

(i) Retailers who sort the coupons they have received and submit them directly will be reimbursed for reasonable postage (i.e., first class mail insured), as indicated on the package received.

(ii) Retailers using a retailer clearinghouse or billing agent will be reimbursed at a per thousand rate equal to \$5.00 per thousand of coupons redeemed (\$5.00/M).

2) You will NOT be reimbursed for unreasonable postage or any additional fees.

3) Coupon claimed amounts, reimbursements and coupon adjustments cannot be deducted from invoices or purchase orders. Any attempt to take such deduction may, at TRI's sole option, void all coupons submitted.

4) TRI reserves the right to request evidence of proof-of-purchase to show that sufficient stock was purchased to cover 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. Any failure to comply may void all coupons submitted.

5) **Applicable Jurisdiction:** Any lawsuit involving coupon processing or payment disputes must 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 Chicago, Illinois. Each party shall be responsible for its own attorneys' fees and costs.

6) If false or misleading verification information is provided on a questionnaire to TRI, or a certified clearinghouse, redemption privileges with TRI will be permanently terminated.

7) Each shipment of coupons will be considered as a whole and TRI reserves the right to refuse payment for an entire shipment if any portion of the shipment is found to be improperly redeemed. Submissions must maintain proper single store identity and address. Electronic clearing or any other exceptions to our standard process require prior written agreement. TRI reserves the right to deal directly with all retailers on all matters pertaining to any coupon submission.

8) Failure to observe these terms and conditions for proper redemption may, at the option of TRI, void all coupons, submitted for reimbursement and all coupons may be retained as property of TRI without payment. TRI reserves the right to forward coupons, which TRI judges to be misredeemed, to law enforcement agencies for their review and investigative purposes.

OTHER INFORMATION

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 Policy.

3) YOU AGREE THAT FAILURE TO OBSERVE THESE TERMS AND CONDITIONS FOR PROPER REDEMPTION MAY AT THE SOLE OPTION OF TRI VOID ALL COUPONS SUBMITTED FOR REIMBURSEMENT AND ALL COUPONS MAY BE RETAINED AS PROPERTY OF TRI, WITHOUT PAYMENT. THE EXERCISE OR WAIVER, IN WHOLE OR IN PART, OF ANY RIGHT, REMEDY OR DUTY PROVIDED FOR IN THIS POLICY WILL NOT CONSTITUTE THE WAIVER OF ANY PRIOR, CONCURRENT OR SUBSEQUENT RIGHT, REMEDY OR DUTY.