



## Proper Coupon Redemption Policy

08/--/2013

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Dear Retailer:

This Coupon Redemption Policy and the legal copy on Kaz USA, Inc. ("Kaz") coupons state the only terms and conditions under which Kaz will reimburse its customers for coupon submissions ("Policy"). A customer's acceptance and redemption of coupons for Kaz products constitutes acceptance of and binding agreement with all the terms and conditions in this Policy. It is the customer's responsibility to ensure its employees are aware of and in compliance with this Policy.

Redemption of Kaz coupons in accordance with all terms and conditions of this Policy authorizes a customer to receive appropriate payment for properly redeemed coupons. Kaz will not pay additional fees and charges. Coupon payments or postage reimbursement may not be deducted from payment of any Kaz product invoices. Such deductions for either whole or partial payment amounts will not be accepted by Kaz and will be added to a customer's next invoice for immediate payment and/or shipments may be suspended until the amount is repaid. Kaz reserves the right to withhold trade funds to collect on coupon deductions deemed to be inappropriate.

1. Coupons are redeemable only in the United States of America, U.S. territories or U.S. military commissaries.
2. Coupons are redeemable only by a consumer purchasing the brands/sizes/quantities indicated thereon, prior to the expiration date, with the face value of the coupon deducted from the retail price of the Kaz product. Coupons not issued or authorized by Kaz will not be paid and will be returned to the customer.
3. Multiple Kaz coupons (two or more, in any form including a paper and digital coupon together) may not be applied against the purchase of the same item.
4. Coupons are not redeemable by an individual who is purchasing products for resale which may be evidenced by larger than normal quantities of coupons presented in single or multiple purchases.
5. Kaz (or its agent) reserves the right to withdraw and/or refuse payments for current coupon offers (paper or digital) due to fraud or errors, including, but not limited to counterfeiting, unauthorized distribution, significant data errors, or system security breaches.
6. Paper or digital coupons may not be reproduced, photocopied, trimmed, or altered in any way by the customer.
7. The terms and conditions of coupon offers clearly set forth the offer and the intent of the manufacturer and override any technical issues, conflicts, limitations, or scanning problems in the bar code.
8. The consumer must pay any and all applicable taxes in connection with the purchase of the product.
9. Coupons are void where prohibited, taxed or restricted by law; or when reproduced, altered, or transferred from or sold by their original recipient to any other person, firm or group. Kaz does not permit the unauthorized distribution, collection, sale, auction, trade or assignment of its coupons for any reason.

10. Coupons must not be accepted from the consumer after the stated expiration date. Invoices for paper coupons received by Kaz (or its agent) more than 180 days after the expiration date on the face of the coupon will not be honored. Invoices for digital coupons must be presented to Kaz (or its agent) within 30 days after expiration of the coupons.
11. For paper coupons, Kaz (or its agent) reserves the right to deny reimbursement, retain and declare void any coupons presented for redemption that 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. Kaz (or its agent) will notify and work with a customer to identify and eliminate any problems. Customers who do not respond to repeated notification and do not demonstrate willingness to eliminate problem areas will be suspended from receiving reimbursement for Kaz coupons.
12. Kaz may, in its sole discretion, consider reimbursing a customer for coupons misredeemed by third parties, where the customer provides full cooperation to Kaz (or its agent) in identifying and resolving the causes of such misredemption and, as appropriate, enabling criminal prosecution and/or civil litigation against such third parties.
13. For digital coupons, Kaz (or its agent) reserves the right to deny reimbursement for coupons that exhibit signs of misredemption, including, but not limited to accuracy or quality issues in data files, excessive or unusual patterns of redemption, use of multiple coupons (digital and paper) for a single purchase, or excessive “make good” coupons or point of sale overrides.
14. On request, retailers must provide Kaz (or its agent) with proof of purchase of Kaz products sufficient to cover coupons presented for payment. Product purchases must support the amount of coupons submitted, and if the amount of coupons submitted excess the normal industry redemption figures, Kaz (or its agent) may request supporting data.
15. Properly redeemed and identified coupons may be submitted directly by the customer or through an authorized clearinghouse only. Submission of coupons by unauthorized intermediary agents will not be accepted.
16. Kaz (or its agent) reserves the right to audit the coupon sorting and billing service of any agent involved in the handling process, or to pay customers directly for coupon submissions processed through an unauthorized agent.
17. Disclosure of redemption data to a third party by a customer is prohibited.
18. Kaz (or its agent) will reimburse paper coupon submissions for the face value of the coupons (or, if a free coupon, the retail selling price) plus any applicable handling fees, within 30 days from the date of receipt of the invoice and coupons. Any inquiries for payment discrepancies should be made in writing within 120 days of the invoice date. Kaz (or its agent) will reimburse digital coupon submissions for the face value of the coupons (or, if a free coupon, the retail selling price), plus any applicable handling fees, within 15 days from the date of receipt of the invoice data file.
19. Kaz may establish different handling fees for different types of coupons. For paper coupons, customer acknowledges that Kaz (or its agent) will reimburse for the most cost effective ground transportation for the last leg of shipment from the U.S. point of origin to Kaz (or its agent).

20. Each shipment of paper coupons will be considered as a whole and Kaz (or its agent) reserves the right to refuse payment for an entire shipment if any portion of the shipment is found to be improperly redeemed. Kaz's (or its agent's) actual count of coupons received will be final and shall govern the payment of coupons under this Policy. Coupons submitted for reimbursement become the property of Kaz.
21. Failure to observe this Policy may, at the option of Kaz and in addition to other available legal remedies, void all coupons submitted for reimbursement, and all coupons may be retained as property of Kaz without payment. Kaz reserves the right to forward coupons or coupon data files which Kaz judges to be misredeemed to law enforcement authorities for review and investigative purposes.
22. Any use not consistent with the terms of this Policy shall be treated as a material breach of this Policy. Acceptance or redemption of any coupon shall not constitute a waiver of Kaz's right to seek enforcement of any portion of this Policy. Kaz reserves all of its rights and remedies in connection with any dispute over coupons submitted for redemption or these terms and conditions, up to and including cessation of the business relationship.
23. Kaz reserves the right, in its sole discretion, and without prior notice to any party, to modify, revise or eliminate any of the provisions of this Policy. It is the responsibility of the customer to obtain updated copies of this Policy.
24. Send properly redeemed Kaz coupons to:

Kaz USA, Inc.  
CMS dept. 28785  
1 Fawcett Drive  
Del Rio, Texas 78840

Any questions about this Policy should be addressed to the above address. Any knowledge of coupon fraud should be reported to Kaz Customer Service at 1-800-241-1131, or to a local law enforcement agency.