

## **National Fluid Milk Processor Promotion Board Coupon Redemption Policy**

This policy establishes all terms and conditions applicable to redemption, processing, payment and other matters relating to National Fluid Milk Processor Promotion Board (“MilkPEP”) coupons. It states our commitments and your responsibilities for the efficient and fair reimbursement of coupons.

MilkPEP will reimburse legitimate retail sellers of fluid milk (defined as organic or regular milk from a cow, does not include soy or rice milk) for face value of cents-off coupons plus eight cents for coupon handling costs, as well as established postage fees. Your acceptance and redemption of MilkPEP coupons constitutes a binding agreement and signifies your agreement to honor the following coupon redemption policy requirements.

### **Redemption at the Store**

1. Coupons are redeemable only by a consumer purchasing product(s), quantity and sizes stated on the coupon, with the face value of the coupon deducted from your retail price. Only one coupon shall be redeemed for each item purchased.
2. Coupons may not be reproduced, photocopied, mutilated, trimmed or altered in any way by the retailer.
3. Coupons are non-assignable and are void if transferred from their original recipient to any other person, firm or group. MilkPEP 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 fluid milk products, gathered and distributed by any 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 is required to pay any applicable sales tax.
6. Coupons will be redeemed only at retail locations located in the United States, excluding Hawaii and Alaska, and at U.S. Military bases.

### **Processing Coupons for Payment**

7. MilkPEP will only accept properly redeemed and identified coupons directly from the retailer or through an authorized retailer clearinghouse, retailer-billing agent, or wholesaler-billing agent. Coupons from any other sources will not be honored. MilkPEP reserves the right to deal directly with all retailers on all matters pertaining to any coupon submission.

8. All applicable IRS reporting requirements, including obtaining an appropriate taxpayer identification number, must be complied with.

9. To redeem coupons for milk, send properly redeemed coupons to:

MilkPEP/Universal PO Box 222510 Hollywood FL 33022-2510

Any questions concerning claims for payment, contact UMS Retailer Relations at 954 929-8080

Any questions regarding this policy should be sent in writing to:

Inland Marketing Services

3030 Airport Road

LaCrosse, WI 54603

Attn: Coupon Redemption

e-mail: customerservice@milkpep.org

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

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

10.1 Face value of properly redeemed coupons or, if the coupon calls for free merchandise, for your retail-selling price (up to the stated maximum value printed on the coupon)

10.2 8¢ (\$.08) for handling each properly redeemed coupon

10.3 Reasonable out-of-pocket costs incurred for the physical transportation of the coupons to us or to 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.

Transportation costs will be reimbursed as follows:

i) Retailers who sort the coupons they have redeemed and submit them directly without the use of any third party agent will be reimbursed for incurred reasonable postage (i.e. first class mail insured) or other shipping charges, as indicated on the package received.

ii) Retailers who use a clearinghouse or billing agent will be reimbursed at our established rate of nine dollars per thousand coupons redeemed (\$9/M). The above three items (10.1-10.3) represent the only amounts for which retailers will be reimbursed. Retailers agree not to deduct or attempt to collect any additional amounts from MilkPEP or processor brands carried in their stores in any way. Any attempted deduction or collection, and any associated deduction or collection fee, constitutes breach of this agreement and will not be accepted.

11. Coupon reimbursements and coupon adjustments cannot be deducted from product invoices or purchase orders. Invoice deductions and deduction fees are not in compliance with MilkPEP.

12. MilkPEP reserves the right to request proof of purchase to show sufficient stock was purchased to justify the number of coupons submitted. Upon request, you must produce satisfactory evidence of your purchase. MilkPEP reserves the right to audit the coupon sorting and billing service of any retailer or agent involved in the handling process.

13. MilkPEP and our agent make every effort to make payment within thirty days from receipt of a coupon submission and invoice. The eight cents handling fee covers any and all costs associated with this time period.

14. If variances occur between your coupon invoice and our payment, an explanation will be enclosed with the payment. You have six months to inquire about a variance.

Lack of inquiry within six months of any variance constitutes your agreement with the adjustment. Appeals made more than six months from the date of payment will not be considered by MilkPEP.

### **General Terms**

15. Any lawsuit involving coupon processing or payment disputes shall be brought within six months of the original date of notification by MilkPEP of such dispute to the retailer, clearinghouse or agent or such claims shall be deemed extinguished. Any such lawsuit shall be governed by the District of Columbia law and shall be filed and conducted in a state or federal court located in the District of Columbia. Each party shall be responsible for its own attorneys' fees and costs.

16. If false or misleading verification information is provided on a questionnaire to MilkPEP or a certified clearinghouse, redemption privileges with MilkPEP may be permanently terminated.

17. Each shipment of coupons will be considered as a whole and MilkPEP reserves the right to refuse payment for an entire shipment if any portion of the shipment is found to be improperly redeemed.
18. Failure to observe these terms and conditions for proper redemption may, at the option of MilkPEP, void all coupons submitted for reimbursement and all coupons may be retained as property of MilkPEP without payment. MilkPEP reserves the right to forward coupons, which MilkPEP judges to be misredeemed, to law enforcement agencies for their review and investigative purposes.
19. The cash redemption value of each coupon is 1/40 of one cent.
20. It is FRAUD to present coupons for redemption other than as provided by this agreement.
21. The exercise or waiver, in whole or in part, of any right, remedy or breach under this agreement shall not constitute the exercise or waiver of any other right, remedy or breach under this agreement.
22. The express terms of this agreement shall not be varied by any course of dealing, performance or usage of trade. Any different, conflicting or additional terms in any invoice, purchase order, or other document provided by the retailer, clearinghouse or agent are hereby expressly rejected.

MilkPEP

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