

January 25, 2010

Freudenberg Household Products LP 2188 Diehl Road Aurora, IL 60502

Phone: 630-270-4100 • 800-838-0151

## Dear :

Freudenberg Household Products would like to inform you that we have implemented a new coupon redemption policy, a copy of which is attached. The following is an overview of the policy:

- FHP's coupon policy will be treated as a contract between FHP and customers who present coupons for reimbursement. By submitting coupons to FHP or its clearinghouse, NCH Marketing Services, Inc., you (or your agent on your behalf) has agreed to comply with the terms and conditions of FHP's policy. Once you have read the policy over, please do not hesitate to contact us regarding any questions you may have.
- The key element of the new coupon policy is a change in Freudenberg Household Products shipping and handling payment rate. Effective March 1, 2010, FHP will pay retailers a \$.10 Customer Handling Fee per valid redeemed coupon. It is our goal to ensure that our Valued Customer is fully compensated for reasonable costs incurred for handling our coupons therefore we have developed a Customer Handling Fee that should cover your costs associated with handling our coupons, which includes all handling, shipping and transportation related fees.
- FHP will no longer accept any additional or miscellaneous charges assessed by you or your agent during the coupon clearing and audit process. As part of this new arrangement, you agree to no longer take any unauthorized deductions from FHP's invoices for coupon-related charges.
- FHP will respond aggressively and appropriately if you fail to fully comply with the new coupon policy. While it is not FHP's intention to make this a contentious issue with you, its customer, FHP will actively enforce this payment policy against all customers on a consistent basis. Of course, we will welcome an open discussion with you at any time regarding compliance issues.

FHP has implemented these changes in the interest of maintaining FHP's coupon redemption programs in the face of rising costs. By boldly increasing the Handling Fee by \$.10, FHP has acknowledged the inflationary rise in costs experienced by some retailers while also providing a benefit to those who have been successful in holding costs down. If you'd like to know more about our decision to increase the Handling Fee payment, please feel free to contact us.

Sincerely.

Mike Berg

Sr. Vice President, Sales

Freudenberg Household Products





