



Kroger Neighbor to Neighbor Donation Program Donating \$1 Million to Local Organizations

Dear Customer:

Thank you for your interest in the Kroger "Neighbor to Neighbor" Donation Program. We are excited to start our new program year. Our Neighbor to Neighbor Program is a great way for nonprofit organizations to raise money. It will allow churches, schools (K-12), or any 501 (c)(3) charitable organizations the opportunity to earn a portion of \$1 million that will be donated annually. The program's earning period is July 1, 2010 through April 30, 2011.

The program enrollment process and the earnings payout plan are outlined in the application brochure. The program is available to qualifying organizations in Texas and Louisiana **only**. The following information is required for enrollment:

- ❑ If you are an...
 - Organization; you will need a Copy of your IRS 501 (c)(3) certification letter
 - Church; you will need a Letter of request from Senior Clergy
 - School (K-12); you will need a Letter of request from the Principal
(The letter of request needs to state that the priest/principal is aware of being enrolled into the program.)
- ❑ Organization Application
- ❑ Terms and Conditions

Note: All applicable forms should be signed and dated.

Kroger will begin processing enrollment applications beginning June 1, 2010. Please allow approximately 10 business days from receipt of your application for processing. Then you will need to visit the website www.krogerneighbortoneighbor.com to retrieve your group's bar code. Organizations will **only** be contacted in the event that additional information is needed.

Again, thank you for your interest in the Kroger Neighbor to Neighbor program. We look forward to giving back to the community.

Sincerely,

The Kroger Co.



Kroger's 2010-2011 Neighbor to Neighbor Donation Program Gives Back to Your Organization... Be Sure to Earn Your Share!

At Kroger, we are committed to helping your organization. The Kroger 2010-2011 Neighbor to Neighbor Donation Program is designed to make your fund-raising the easiest way in town for your organization to earn money by simply using the Kroger *Plus* Card.

Q & A

Who can participate in the Kroger 2010-2011 Neighbor to Neighbor Donation Program?

Nonprofit 501(c)(3) status state-accredited organizations, churches, synagogues, and schools (K-12) throughout our Southwest Kroger Division, which encompasses Louisiana and Texas.

How many Kroger Neighbor to Neighbor accounts can an organization have?

An organization may only have one account. (Example: ABC HIGH SCHOOL account could represent: PTA, cheerleaders, football, basketball, band, etc. Distribution of the funds will be at the discretion of the principal of the school).

How much can my organization earn?

The Kroger Neighbor to Neighbor Donation Program will donate \$1 million annually. Each organization will earn a percentage of the \$1 million equal to the percentage of total earned contributions attributable to that organization.

How will your Organization earn?

Participants will present the Letter to their cashier upon checkout at Kroger. The cashier will scan the barcode with the Kroger *Plus* Card. Once a card is scanned with the Organization barcode, it will be active for the remainder of the program year of July 1, 2010-April 30, 2011.

Each time participants shop at Kroger using their enrolled Kroger *Plus* Card, Kroger will contribute a portion of their eligible purchases to the Kroger Neighbor to Neighbor fund.

What will your Organization earn?

Kroger Neighbor to Neighbor Donation Program will donate \$1 million annually. Each organization will earn a portion of the \$1 million equal to the percentage of total earned contributions attributable to that organization

Your **annual check** will be mailed around mid May 2011 to your organization's primary contact person identified on the Organization Application.

You are now ready to get started!

Be sure to review all materials provided to begin earning for your organization. And remember to remind participants to go Krogering, because we enjoy contributing to the success of your organization!

Organization's To Do List

- Read Organization Letter
- Fill out Application form and Sign
- Read and Sign Terms & Conditions form
- Mail in Application to The Kroger Co. or email to neighbortoneighbor@kroger.com or fax 936-442-6708

After you have sent in your application...

- Please allow 10 business days from the receipt of your application for your organization to be updated to the website. Then you can find your organization specific barcode on www.krogerneighbortoneighbor.com (see enclosed sample letter).

NOTE: You will not be notified of your organization's activation. You will need to check the website after the allowed timeframe.

- Make copies of your organization's customer letter to distribute to friends, staff, parents, and customers.
- Encourage them to link their Kroger plus card to your organization and start accumulating funds from July 1, 2010 to April 30, 2011!



Customer Letter



Step One:

Read through this letter to understand the advantage of being a part of the Kroger Neighbor to Neighbor Donation Program.

Step Two:

Take the letter with you to your neighborhood Kroger store the next time you go shopping.

Step Three:

Present the letter with **your organization's barcode** to your cashier upon checkout. After they have scanned your KrogerPlus Card you will be enrolled for the current year of the Kroger Neighbor to Neighbor Donation Program. Every time you shop at Kroger and use your enrolled KrogerPlus Card, Kroger will contribute a percentage of your eligible purchases to the Kroger Neighbor to Neighbor Donation fund. Once a card is scanned with the barcode, it will be active for the remainder of the program year.

Q & A

How many Kroger Neighbor to Neighbor accounts can an organization have?

One per organization.

Can a household "link" their Kroger Plus Card to more than one organization at a time?

No, the system allows for one organization per household. To change organizations, you must present your KrogerPlus Card and the new organization's barcode to the cashier.

Do I have to enroll each program year?

Yes, all organization's and participants must re-enroll for each new enrollment period. The current Neighbor to Neighbor Program is effective **July 1, 2010 through April 30, 2011.**

How much can my organization earn?

The Kroger Neighbor to Neighbor Donation Program will donate \$1 million annually. Each organization will earn a percentage of the \$1 million equal to the percentage of total earned contributions attributable to that organization.

Kroger Cashier: 1. Scan customer's KrogerPlus Card 2. Scan the attached Organization's barcode.

The customer's KrogerPlus Card is now enrolled in the Kroger Neighbor to Neighbor Donation Program & contributing funds to their organization. When you scan the barcode, the description on the receipt will say "**Loyalty Div 0.00**". This means the barcode was properly scanned. The following Friday, the customer's receipt will display a message at the bottom of the receipt saying "**Your card is contributing to Neighbor to Neighbor #12345**"



Please feel free to contact a Kroger Neighbor to Neighbor Donation Program Representative with any additional questions.

**Kroger Neighbor to Neighbor • 19245 David Memorial Drive • Shenandoah, TX 77385
866-995-7643 • email: neighbortoneighbor@kroger.com • Fax: 936-442-6708**

Barcode: 100000_____

ORGANIZATION APPLICATION

Kroger 2010-2011 Neighbor to Neighbor Donation Program

Organization's Name: _____

Organization's Address: _____

Telephone: (____) _____ Fax: (____) _____

**E-mail Required: _____

Tax Identification Number: _____

Primary Contact Person:

Name: _____

Title: _____

Daytime Phone: (____) _____ E-mail: _____

Please read, initial and follow the instructions below:

1) ___ I have attached a copy of my organization's Letter of Determination from the IRS, which states in writing that my organization is tax-exempt under Section 501(c)(3) of the Internal Revenue Code. Schools need a letter of participation from the principal and churches need a letter of participation from the pastor. *Please note: This is required in order to consider your application.*

2) ___ I have attached the signed Organization Terms and Conditions.

3) ___ My initials and signature below indicate that I understand all proceeds derived from the Kroger 2010-2011 Neighbor to Neighbor Donation Program must be used for a charitable purpose and cannot be used for political or illegal purposes.

Signature

Date

****Mandatory Field-Email Required**

**Kroger Neighbor to Neighbor • 19245 David Memorial Drive • Shenandoah, TX 77385
866-995-7643 • email: neighbortoneighbor@kroger.com • Fax: 936-442-6708**

ORGANIZATION TERMS & CONDITIONS

The Terms & Conditions form must be signed and returned with the Organization Application form. The Kroger Neighbor to Neighbor Donation Program will commence July 1, 2010 and end on April 30, 2011. Your accumulation will begin when participants start scanning their enrolled Kroger *Plus* Cards upon checkout at Kroger.

Program Terms & Conditions: Subject to the terms and conditions herein, The Kroger Co. will contribute to eligible organizations (as defined below) an amount that is equal to a portion of the total eligible purchases (as defined below) made by the eligible participants (as defined below).

Eligible Organizations: Eligible Organizations are qualified 501(c)(3) nonprofit state-accredited organizations, churches, and schools K-12 who have submitted an application and reside within our Division, which encompasses Louisiana and Texas.

Eligible Participants: Eligible Participants shall be Kroger *Plus* Card holders who are legal residents of the states in which the eligible organization is located and who have enrolled their Kroger *Plus* Card in the Kroger Neighbor to Neighbor Donation Program.

Eligible Purchases: Eligible Purchases shall consist of those retail purchases made at any participating Kroger store (as defined above) by an eligible participant who presents an enrolled Kroger *Plus* Card at the time of purchase. If the Kroger *Plus* Card is not presented during a transaction, your organization's account will not be credited. Purchases of alcohol, tobacco, pharmacy, postage stamps, gift cards/certificates, lottery/promotional tickets, fuel, sales tax and all other items excluded by law are ineligible purchases.

Other Program Conditions: Proceeds must be used for a charitable purpose and cannot be used for political or illegal purposes. No person is required to make payment of any kind in order to be issued a Kroger *Plus* Card. Total eligible purchases made by the eligible organization's participants will be calculated at the end of the accumulation period. The amount of the contribution to be paid to an eligible organization at the end of each Kroger Neighbor to Neighbor year shall be determined in accordance with the following:

1. The fund is created by The Kroger Co. contributing an amount equal to a percentage of the Eligible Purchases not to exceed \$12,500 per household during the term.
2. The Kroger Co. will pay out a total of \$1 million. Each organization will receive a percentage of the fund equal to the percentage of the total earned contributions attributable to that organization. Because the payout is dependent on all organizations participating, updates are not available throughout the year. The payout is calculated at the end of the program cycle.

Contributions will be paid annually via check and mailed to the organization's primary contact identified on the Organization Application. For schools, it will be mailed to the principal and the funds distributed at their discretion. Any organization that does not qualify for a minimum of a \$25 payout will not be issued a check.

The Kroger Co. reserves the right to evaluate the program during the term and to unilaterally modify the program at any time without any advance notice to the organization. When possible, the organization will be given thirty (30) days advance written notice of any changes to the program. The organization can elect to terminate its participation in the program at any time. The Kroger 2010-2011 Neighbor to Neighbor Donation Program is void where prohibited by law. Only one Kroger 2010-2011 Neighbor to Neighbor Donation Program account is allowed per organization and cannot be combined with any other Kroger fund-raising program. ***In fairness to all participating organizations, solicitation of Neighbor to Neighbor barcodes is not permitted on Kroger property.***

I have read and understand the terms and conditions of the Kroger 2010-2011 Neighbor to Neighbor Donation Program and agree to comply with and to be bound by said terms and conditions.

Name of Organization

Authorized Representative

Date