



TRAIL'S END COLLEGE SCHOLARSHIP PROGRAM TERMS AND CONDITIONS



PROGRAM GOAL

To encourage the youth participating in the Boy Scouts of America and the Trail's End Popcorn Sale (the "Participating Scouts") to reach their full potential as responsible, participating citizens and leaders.

PROGRAM GUIDELINES

1. Trail's End will credit to a Participating Scout's scholarship account (the "Account") four percent (4%) of Qualified Sales (as defined below) occurring prior to July 1, 1998, and six percent (6%) of Qualified Sales occurring after July 1, 1998, up to a maximum credit of One Thousand and 00/100 Dollars (\$1,000.00) per calendar year, provided the Participating Scout has satisfied the Initial Eligibility Requirements to become a Participating Scout as set forth below.
2. The Participating Scout will receive an annual statement from Trail's End reflecting the amount of his Qualified Sales and the accumulated credits ("Scholarship Credits") to his Account. For purposes of this Scholarship Program, Qualified Sales shall mean certain sales of Trail's End products sold by a Participating Scout during a local Boy Scout Council fundraiser or purchased online using a Participating Scout's I.D. for which full payment has been received by Trail's End.
3. During the first year of a Participating Scout's post high school education, provided all Eligibility Requirements as set forth below are satisfied, Trail's End will make a single payment to the Participating Scout's educational institution in the amount of the Participating Scout's total Scholarship Credits. The payment must be used to defray the expenses charged by the institution to the Participating Scout for (a) tuition, (b) books and materials, (c) room and board or (d) activities (including Mission Trips).
4. Interest will accrue on a Participating Scout's accumulated Scholarship Credits. The annual interest rate will be equal to the prime rate as set by the Wall Street Journal on January 1 of each year.

ELIGIBILITY REQUIREMENTS FOR PARTICIPATING SCOUTS

1. Initial Eligibility Requirements: To initially qualify as a Participating Scout, an applicant must: (a) be a registered member of the Boy Scouts of America, and (b) have a minimum of Two Thousand Five Hundred and 00/100 Dollars (\$ 2,500.00) in Qualified Sales for a given calendar year. Any sales made by a Participating Scout prior to the year that such Participating Scout qualifies as a Participating Scout are ineligible for purposes of the Scholarship Program.
2. Academic Requirements: To receive the scholarship payment a Participating Scout must be: (a) between the ages eighteen (18) and twenty-four (24) years; (b) a registered full-time student (as defined by the educational institution) at a nationally or state accredited college or university, vocational, or technical school; and (c) pursuing studies or conducting research to meet the requirements for an academic, vocational, or technical degree. Verification of enrollment by submission of a class schedule issued by the Registrar's Office at the educational institution will be required.
3. Document Requirements: For each calendar year, all completed Trail's End Take Order forms and a copy of the online sales report must be submitted to and accepted by Trail's End as verification of a Participating Scout's participation in the Scholarship Program. Take Order forms must be signed by the Council Popcorn

Staff Advisor and submitted to Trail's End.

4. **Scholarship Payments:** Scholarship credit will be given in accordance with Program Guidelines as set forth above, but actual payment will not be made until all of the Eligibility Requirements are fulfilled. Failure to meet and maintain all of the Eligibility Requirements will result in forfeiture by the Participating Scout of all accumulated Scholarship Credits.

ADDITIONAL INFORMATION

1. NOTE: Scholarships will be awarded without regard to sex, race, color, creed, national origin, religion, or political affiliation.
2. Participation in the Scholarship Program is voluntary. Participating Scouts have no obligation to Trail's End, provided, however, that Participating Scouts are required to fulfill the Eligibility Requirements set forth above in order to receive the scholarship payment.
3. Trail's End reserves the right to terminate the Scholarship Program at any time. Participating Scouts will be notified of such termination by Trail's End. In the event of such termination, Trail's End reserves the right to apply the accumulated Scholarship Credits of each Participating Scout in accordance with the Program Guidelines or to pay to the Participating Scout an amount equal to the Scholarship Credits in his Account.
4. Trail's End may modify the terms and conditions of the Scholarship Program at any time, provided that no such modification shall reduce the amount of Scholarship Credits then outstanding for any Participating Scout.
5. The right granted to the Participating Scout to obtain payments under the Trail's End Scholarship Program is a contractual right and not a guarantee of payment. The Scholarship Program does not give a Participating Scout any interest in or right to any of the funds, property, or assets of Trail's End other than as a general creditor of Trail's End.
6. Payments received through participation in the Trail's End Scholarship Program are not considered qualified scholarship payments as described in Section 117(a) of the Internal Revenue Code. As such, the full amount of payment received for participation in the Trail's End Scholarship Program is fully taxable and includible in the determination of Federal gross income under Section 61 of the Internal Revenue Code in the year in which scholarship payments are made. In addition, Trail's End will issue a Form 1099-MISC if the payment amount exceeds \$600 as required under Section 6041 of the Internal Revenue Code. Please consult your tax advisor regarding the tax treatment of any scholarship payment.
7. Any questions regarding the Scholarship Program should be addressed to:

Trail's End Scholarship Program
14470 Bergen Boulevard
Suite 100
Noblesville, Indiana 46060
scholarship@trails-end.com