



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

May 23, 2008

MEMORANDUM

TO: Public Records
Office of the Secretary

FROM: Sallie Schools
Division of Advertising Practices

SUBJECT: Rotational Health Warnings for Cigarettes
File No. P854505

Please place the attached documents on the public record in the above-captioned matter.

1. August 16, 2007 letter from Joseph T. Wong Esq. on behalf of Konci G & D Management Group (USA) Inc. to Sallie Schools.
2. September 4, 2007 letter from Mary K. Engle to Joseph T. Wong Esq. on behalf of Konci G & D Management Group (USA) Inc.
3. August 20, 2007 letter from Hoo Tjhiang Han, Kretek International, to Sallie Schools.
4. September 5, 2007 letter from Mary K. Engle to Hoo Tjhiang Han, Kretek International.
5. September 6, 2007 letter from Hoo Tjhiang Han, Kretek International, to Sallie Schools.
6. September 7, 2007 letter from Mary K. Engle to Hoo Tjhiang Han, Kretek International.
7. August 23, 2007 letter from Craig A. Koenigs on behalf of European Cigarette Imports, Inc. to Mary K. Engle.
8. September 10, 2007 letter from Mary K. Engle to Craig A. Koenigs on behalf of European Cigarette Imports, Inc.
9. August 22, 2007 letter from Barry M. Boren on behalf of Tantus Tobacco, LLC to Mary K. Engle.
10. September 13, 2007 letter from Mary K. Engle to Barry M. Boren on behalf of Tantus Tobacco, LLC.

11. September 7, 2007 letter from Karen Kamperman, Tobacco Holdings, Inc. to Mary K. Engle.
12. September 13, 2007 letter from Mary K. Engle to Karen Kamperman, Tobacco Holdings, Inc.
13. September 11, 2007 letter from Henry C. Roemer, III on behalf of Connshade Cigar Corporation to Sallie Schools.
14. September 13, 2007 letter from Mary K. Engle to Henry C. Roemer, III on behalf of Connshade Cigar Corporation.
15. September 13, 2007 letter from Gary Pinson, Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange to Sallie Schools.
16. September 17, 2007 letter from Mary K. Engle to Gary Pinson, Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange.
17. September 18, 2007 letter from Frederick A. McAllister, Black Hawk Tobacco, Inc. to Diana Finegold.
18. September 26, 2007 letter from Mary K. Engle to Frederick A. McAllister, Black Hawk Tobacco, Inc.
19. September 27, 2007 letter from Everett W. Gee, III, S&M Brands, Inc., to Mary K. Engle.
20. October 2, 2007 letter from Mary K. Engle to Everett W. Gee, III, S&M Brands, Inc.
21. October 3, 2007 letter from Gary Pinson, Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange to Sallie Schools.
22. October 9, 2007 letter from Mary K. Engle to Gary Pinson, Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange.
23. October 9, 2007 letter from Munir M. Mughani, Kardahl, Inc. d/b/a Mega Wholesales to Sallie Schools.
24. October 16, 2007 letter from Mary K. Engle to Munir M. Mughani, Kardahl, Inc. d/b/a Mega Wholesales.
25. October 9, 2007 letter from Steven E. Coleman, Premier Manufacturing, Inc. to Mary K.

Engle.

26. October 16, 2007 letter from Mary K. Engle to Steven E. Coleman, Premier Manufacturing, Inc.
27. October 4, 2007 letter from Henry C. Roemer, III on behalf of Kretek International, Inc. to Michael Ostheimer.
28. October 17, 2007 letter from Mary K. Engle to Henry C. Roemer, III on behalf of Kretek International, Inc.
29. October 15, 2007 letter from Barry M. Boren on behalf of American Cigarette Company, Inc. to Mary K. Engle.
30. October 22, 2007 letter from Mary K. Engle to Barry M. Boren on behalf of American Cigarette Company, Inc.
31. October 16, 2007 letter from Emilio J. Garcia, Falcon Distributor, Inc. to Mary K. Engle.
32. October 29, 2007 letter from Mary K. Engle to Emilio J. Garcia, Falcon Distributor, Inc.
33. October 17, 2007 letter from Hoo Tjhiang Han, Kretek International, Inc. to Mary K. Engle.
34. October 29, 2007 letter from Mary K. Engle to Hoo Tjhiang Han, Kretek International, Inc.
35. October 29, 2007 letter from Everett W. Gee, III, S&M Brands, Inc. to Sallie Schools.
36. October 31, 2007 letter from Mary K. Engle to Everett W. Gee, III, S&M Brands, Inc.
37. November 5, 2007 letter from Victoria Spier Evans, Liggett Group, LLC to Mary K. Engle.
38. November 13, 2007 letter from Mary K. Engle to Victoria Spier Evans, Liggett Group, LLC.
39. November 13, 2007 letter from Mary K. Engle to Steven E. Coleman, Premier Manufacturing, Inc.
40. November 14, 2007 letter from Barry M. Boren on behalf of Tantus Tobacco, LLC to Mary K. Engle.

41. November 16, 2007 letter from Mary K. Engle to Barry M. Boren on behalf of Tantus Tobacco, LLC.
42. November 16, 2007 letter from Henry C. Roemer, III on behalf of Connshade Cigar Corporation to Sallie Schools.
43. November 21, 2007 letter from Mary K. Engle to Henry C. Roemer, III on behalf of Connshade Cigar Corporation.
44. November 15, 2007 letter from Neal N. Beaton on behalf of JT International U.S.A., Inc. (Japan Tobacco) to Sallie Schools.
45. November 26, 2007 letter from Mary K. Engle to Neal N. Beaton on behalf of JT International U.S.A., Inc. (Japan Tobacco).
46. November 20, 2007 letter from Barry M. Boren on behalf of American Cigarette Company, Inc. to Mary K. Engle.
47. December 3, 2007 letter from Mary K. Engle to Barry M. Boren on behalf of American Cigarette Company, Inc.
48. December 7, 2007 letter from George Bittar, G&R Brands, LLC to Mary K. Engle.
49. December 13, 2007 letter from Mary K. Engle to George Bittar, G&R Brands, LLC.
50. December 11, 2007 letter from Barry M. Boren on behalf of Tantus Tobacco, LLC to Mary K. Engle.
51. December 13, 2007 letter from Mary K. Engle to Barry M. Boren on behalf of Tantus Tobacco, LLC.
52. December 17, 2007 letter from Gary C. Sanden, Seneca Manufacturing Company to Mary K. Engle.
53. December 19, 2007 letter from Mary K. Engle to Gary C. Sanden, Seneca Manufacturing Company.

JOSEPH T. WONG

Attorney at Law

100 LAFAYETTE STREET, 7TH FLOOR
NEW YORK, NEW YORK 10013

TEL. (212) 966-6699
FAX (212) 431-6773

August 16, 2007

Via Fax (202) 326-2190 and Overnight Mail

Federal Trade Commission
Division of Advertising Practice
601 New Jersey Avenue NW
Room NJ 3212
Washington, DC 20580

Attn: Sallie Schools

**Re: Federal Cigarette Labeling Approval
Golden Deer Brand**

Dear Ms. Schools:

Please be advised that my office represents the interest of Konci G & D Management Group (USA) Inc. (hereinafter referred to as "Konci"), a New York Corporation, licensed to import tobacco products under 26 U.S.C. Chapter, permit number NY-TI-75. Konci is located at 100 Lafayette Street, 8th Floor, New York, New York 10013, (646) 613-9393, Ext. 201. The president of the company is Dominic Chu.

The health warnings on the sample packs and cartons for the brand style Super Lights of the Golden Deer Brand brand were submitted in September 2002 and the warning display plan was approved on December 17, 2002. The rotation schedule for the warning plan was subsequently modified and approved on November 12, 2003, copies of said approvals are enclosed for your convenience.

We are now submitting for approval sample WARNINGS for three (3) new products in the "Golden Deer" line:

- 1) Golden Deer 5mg in king size soft and hard pack.
- 2) Golden Deer 8mg in king size soft and hard pack.
- 3) Golden Deer 10 mg in king size soft and hard pack.

Konci G & D Management (USA) Inc. has entered into an agreement with Shanghai Cigarette Factory of Shanghai, China for the importation of 400 master cases of each of the new Golden Deer products.

August 16, 2007

The warnings will appear exactly as they do on the packs and cartons submitted with our cover letter of July 25, 2007. The four (4) cigarette health warnings will be rotated quarterly on the packs and cartons of the Golden Deer Brand of cigarettes according to the following schedule which was previously modified and approved on November 12, 2003:

- 1st Quarter: SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.
(Jan. 1 – March 31)

- 2nd Quarter: SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
(April 1 – June 30)

- 3rd Quarter: SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
(July 1 – Sept. 30)

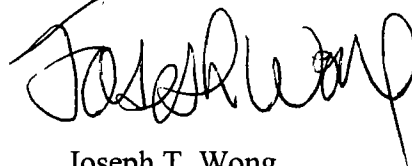
- 4th Quarter: SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
(Oct. 1 – Dec. 31)

Konci shall maintain records reflecting the dates of the order, importation and the warning displayed with each import. The rotation will be based on the date the order(s) are placed.

Konci has no plans of advertising at this time. In the event Konci decides to advertise in the future they will do so in compliance with warning plan approved on November 12, 2003.

Please do not hesitate to call me should you have any questions or comments regarding this matter. We look forward to hearing from you.

Very truly yours,



Joseph T. Wong



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

December 17, 2002

Joseph T. Wong, Esq.
231 Grand St., 3rd Floor
New York, NY 10013

Dear Mr. Wong:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Konci G & D Management Group (USA), Inc. ("Konci G & D") on December 17, 2002 calling for quarterly rotation of the four health warnings on packaging of the Golden Deer brand of cigarettes.

The warnings on the sample packs and cartons of the Golden Deer brand submitted with your September 11, 2002 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Konci G & D's plan has been approved for the super lights brand style of the Golden Deer brand of cigarettes. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Konci G & D does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

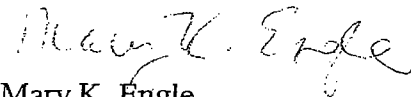
You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Joseph T. Wong, Esq.
December 17, 2002
Page 2

L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle".

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 12, 2003

Dominic Chu
President
Konci G & D Management Group
231 Grand Street
Suite 3F
New York, New York 10013

Dear Mr. Chu:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* Pursuant to that delegation, I have reviewed the revised proposed plan filed by Konci G & D Management Group ("Konci") on November 3, 2003 calling for the quarterly rotation of the four health warnings in the advertising of the Chung Hwa and Golden Deer brands of cigarettes.

Your plan for the rotation of the warnings in advertising of the Chung Hwa and Golden Deer brands of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

You also propose in your November 3, 2003 letter to modify your previously approved plan for the Golden Deer brand. The modification of your plan for the Golden Deer brand is hereby approved.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle".

Mary K. Engle
Associate Director

**Selected packaging samples from those
submitted with the plan.**

UNDERAGE
SALE
PROHIBITED
**GOLDEN
DEER**
MADE IN CHINA

SURGEON GENERAL'S
WARNING:
Cigarette Smoke Contains
Carbon Monoxide.

AMERICAN BLEND



20

专供出口



AMERICAN BLEND

**GOLDEN
DEER** KING SIZE

5mg

PRODUCED BY SHANGHAI CIGARETTE FACTORY
SHANGHAI TOBACCO (GROUP) CORPORATION, CHINA



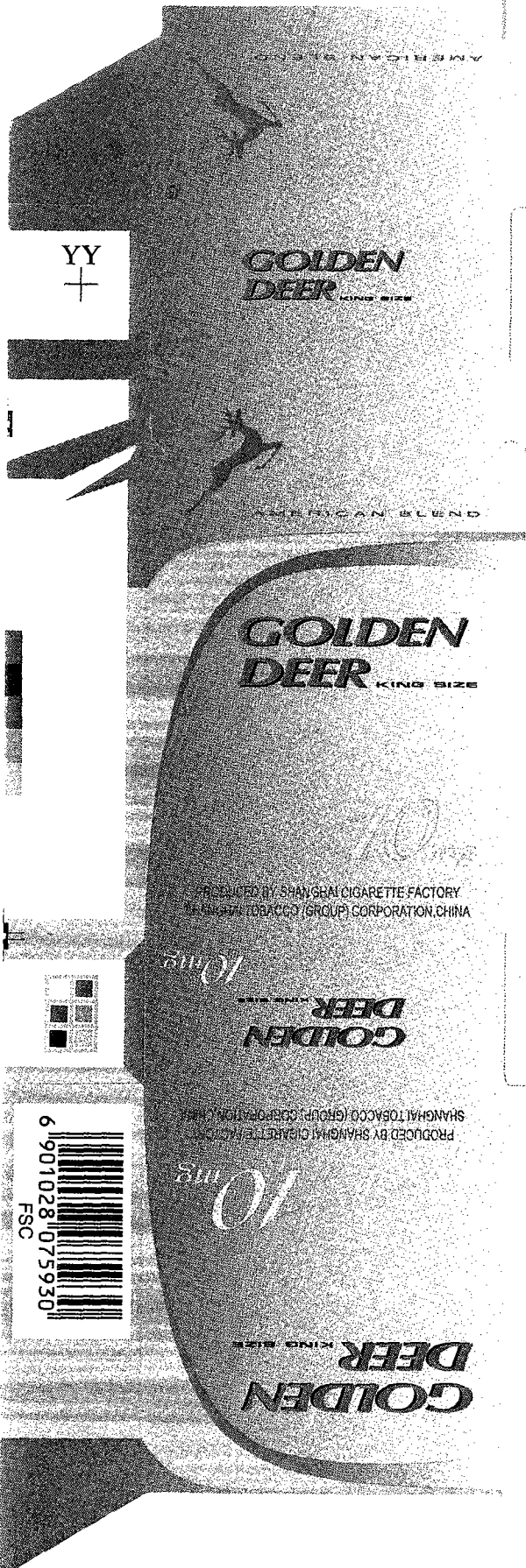
**GOLDEN
DEER** KING SIZE

5mg

PRODUCED BY SHANGHAI CIGARETTE FACTORY
SHANGHAI TOBACCO (GROUP) CORPORATION, CHINA

**GOLDEN
DEER** KING SIZE

美国版2



YY
+

20
UNDERAGE
SALE
PROHIBITED

YH-09-


A-3
美国版1

6 901028 075930
FSC

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer,
Heart Disease, Emphysema,
And May Complicate Pregnancy.


**GOLDEN
DEER** KING SIZE
MADE IN CHINA

UNDERAGE
SALE
PROHIBITED


**GOLDEN
DEER**
KING SIZE

SURGEON GENERAL'S
WARNING: Smoking By
Pregnant Women May Result
in Fetal Injury, Premature
Birth, And Low Birth Weight.

AMERICAN BLEND


**GOLDEN
DEER**
KING SIZE

PRODUCED BY SHANGHAI CIGARETTE FACTORY
SHANGHAI TOBACCO (GROUP) CORPORATION, CHINA

日甲海拿




**GOLDEN
DEER**
KING SIZE

200

DEER KING SIZE



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 4, 2007

Joseph T. Wong, Esq.
100 Lafayette Street, 7th Floor
New York, NY 10013

Dear Mr. Wong:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on December 17, 2002, I approved a plan filed on behalf of Konci G & D Management Group (USA) Inc. ("Konci"), calling for quarterly rotation of the four health warnings on packaging for the Super Lights variety of the Golden Deer brand of cigarettes. A modification to Konci's rotation plan was approved on November 12, 2003. In a letter dated August 16, 2007, you now propose to expand Konci's plan for the display of the warnings on packaging to include six additional varieties of the Golden Deer brand.

The warnings on the sample packs and cartons submitted with your July 25, 2007 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Konci's expansion of its plan for packaging is hereby approved for the following King Size hard pack and King Size soft pack varieties of the Golden Deer brand: "10 mg," "8 mg" and "5 mg".¹ Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

¹ The approval of Konci's cigarette health warning display plan is an approval only of its plan for displaying the four health warnings mandated by the Cigarette Act. It is not in any way an approval of any other statements or representations, including, but not limited to, statements regarding the trade name "Golden Deer King Size 10 mg," "Golden Deer King Size 8 mg" and "Golden Deer King Size 5 mg," made on the packaging of or in advertising or promotional materials for Golden Deer cigarettes.

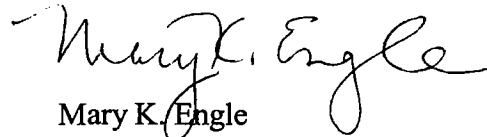
² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Joseph T. Wong, Esq.
September 4, 2007
Page 2

You should also be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Haley Zernich at (202) 326-3485.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



5449 Endeavour Court • Moorpark, California 93021

Ms. Sallie Schools
Federal Trade Commission
601 New Jersey Avenue, NW, Room # NJ 3212
Washington, DC 20001

August 20, 2007

Dear Ms. Schools:

Re: Proposed Renewal of the Health Warning Rotation Plan for the MERCI Brand

On September 11, 2006 Kretek International ("Kretek") received FTC approval for its health warning rotation plan ("the Plan") for its Non-Filter Regular Size Shell-and-Hard Pack style of the MERCI Brand, and for its two King Size Hard Pack varieties of the MERCI brand: Merci Blondes Filter and MERCI Blondes Light.

The FTC's approval is valid for a period of one year and expires on September 10, 2007. With this letter, we seek to renew the FTC's approval for the MERCI brand of cigarettes.

The display of the four health warnings on the packaging of the MERCI brand has been implemented in accordance with the approved plans. In addition, Kretek has also submitted to the Secretary of the Department of Health and Human Services a list of the ingredients added to tobaccos in the manufacture of the cigarettes.

Each year, Kretek will resubmit this equalized health warning statement plan for your review and approval. During fiscal year 2005, 2006, and 2007 to date, Kretek qualified to equalize the health warnings on its packs and cartons since no single brand style of cigarettes imported by Kretek had sales of more than [REDACTED] sticks. Kretek should qualify to equalize the warnings on its packs and cartons during the next 12 months since none of the brand styles imported by Kretek are expected to exceed sales of more than [REDACTED] sticks.

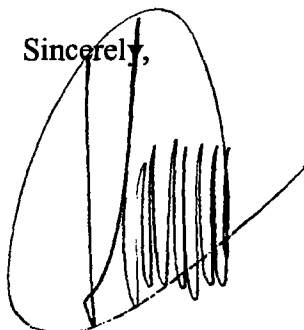
Kretek will display the 4 health warnings an equal number of times on the packs and cartons of each brand style of the MERCI brand for the next one year period, beginning on the date of approval of the Plan. In addition, Kretek will keep records to demonstrate compliance with the Plan.

The health warnings on the packaging appear exactly like the sample packs and cartons submitted with our September 7, 2005 and July 25, 2006, letters.

For its advertising, Kretek currently has an approved advertising rotation plan with the FTC. This plan was submitted to the FTC on September 7, 2005. Kretek agrees to maintain compliance with that plan.

In view of the above practices, Kretek asks that its health warning display plan be approved for the upcoming year.

Sincerely,

A handwritten signature in black ink, consisting of a large, loopy initial 'H' followed by several vertical strokes and a long horizontal line extending to the right.

Hoo Tjhiang Han
Director of Legal Compliance



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 5, 2007

Mr. Hoo Tjhiang Han
Kretek International, Inc.
5449 Endeavor Court
Moorpark, California 93021

Dear Mr. Han:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Kretek International, Inc. ("Kretek") on August 20, 2007, calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Merci brand of cigarettes.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letters of September 7, 2005 and July 25, 2006 appear to meet the requirements of the Cigarette Act for size and conspicuousness. Kretek's plan for the display of the four health warnings on packaging for the Merci brand is hereby approved for the Non-Filter Regular Size Shell-and-Slide Hard Pack variety, and the following two King Size Hard Pack varieties: Blondes Filter and Blondes Lights.¹ This approval is effective on the date of this letter and ends on September 4, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services

¹ This approval of your cigarette health warning display plan is an approval of your plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Merci packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Merci packaging complies with relevant trademark law or with other applicable laws.

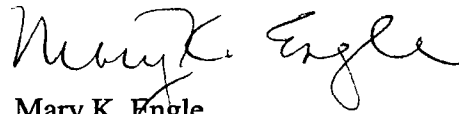
² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Hoo Tjhiang Han
September 5, 2007
Page 2

a list of the ingredients added to tobacco in the manufacture of their cigarettes. Furthermore, Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped "M" and "E".

Mary K. Engle
Associate Director



5449 Endeavour Court • Moorpark, California 93021

Ms. Sallie Schools
Federal Trade Commission
601 New Jersey Avenue NW, Room # NJ 3212
Washington, DC 20001

September 6, 2007

Dear Ms. Schools:

Re: Request for Approval of Rotation Plan of DREAMS Brand Cigarettes

On October 30, 2006, Kretek International ("Kretek") received FTC approval for a health warning rotation plan for its Dreams brand of cigarettes. The Dreams brand styles include the following ten (10) varieties: California Dreams, Midnight Dreams, Sweet Dreams Cherry, Sweet Dreams Mint, Sweet Dreams Vanilla, and Sweet Dreams Chocolate, Natural Dreams, Natural Dreams Cherry, and Natural Dreams Vanilla and Pink Dreams. The FTC's approval is valid for a period of one year, expiring on October 29, 2007.

Modifications were made to the packaging of four (4) of the brand styles by changing their names. With this letter, we seek to add the following four (4) brand styles to the current health warning rotation plan: Dreams French Blend, Dreams Belgian Blend, Dreams Jubilee Blend and Dreams Menthol. All four (4) of these brands come in clam-shell packs, exactly the same as the existing 10 varieties of Dreams.

Sweet Dreams Vanilla will be replaced by Dreams French Blend, Sweet Dreams Chocolate will be replaced by Dreams Belgian Blend, Sweet Dreams Cherry will be replaced by Dreams Jubilee Blend, and Sweet Dreams Mint will be replaced by Dreams Menthol.

The warning labels on the packaging for these four (4) brands will appear exactly as shown on the packaging labels that we submitted to your office with our letter dated August 10, 2007. Those packaging labels are actual production samples, and are affixed to the cartons before being cut and assembled into the clam-shell packages.

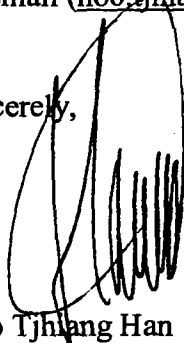
In addition, we enclose with this letter cartons/cubes for your reference. The warning labels on the cartons/cubes will appear exactly as shown on the sample cartons/cubes submitted with this letter.

Each year, Kretek will resubmit this equalized health warning statement plan for your review and approval. Kretek uses a calendar-based fiscal year that runs from January through December. During fiscal years 2005, 2006, and 2007 to date, Kretek qualified to equalize the health warnings on its packs and cartons since no single brand style of cigarettes imported by Kretek had sales of more than [REDACTED] sticks. Kretek should qualify to equalize the warnings on its packs and cartons during fiscal year 2008, since none of the brand styles imported by Kretek are expected to exceed sales of more than [REDACTED] sticks.

Kretek has an advertising plan for DREAMS that has been approved by the FTC. If we decide to advertise we will comply with that plan.

If you have any questions regarding this matter, please contact me at +805-744-4189 or by email (hoo.tjhiang@kretek.com).

Sincerely,



Hoo Tjhiang Han
Director of Legal Compliance

Selected packaging samples from those
submitted with the plan.



FSC

Imported
DREAMS
Jubilee Blend

20 CLASS "A" FILTERED CIGARETTES

SURGEON GENERAL'S WARNING:
Cigarette Smoke Contains Carbon Monoxide.



*A unique European blend of fine tobaccos with a distinctively smooth taste and aroma
...a most pleasurable experience*

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

5/20 CLASS "A" FILTERED CIGARETTES



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 7, 2007

Mr. Hoo Tjhiang Han
Kretek International, Inc.
5449 Endeavor Court
Moorpark, California 93021

Dear Mr. Han:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on October 30, 2007, I approved a plan filed by Kretek International, Inc. ("Kretek") calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Dreams brand of cigarettes. You now propose in a letter dated September 6, 2007 to expand your plan to include four new varieties of the Dreams brand.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs submitted with your letter of August 10, 2007 and sample cartons submitted with your letter of September 6, 2007 appear to meet the requirements of the Cigarette Act for size and conspicuousness. Kretek's expansion of its plan for the Dreams brand is hereby approved for the following four varieties: French Blend, Belgian Blend, Jubilee Blend, and Menthol. This approval is effective on the date of this letter and ends on September 6, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

O'CONNOR & HANNAN, L.L.P.
ATTORNEYS AT LAW

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(202) 887-1400
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August 23, 2007

VIA FEDERAL EXPRESS

Ms. Mary K. Engle
Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
NJ 3212
Washington, D.C. 20580

Re: European Cigarette Imports, Inc. / Marathon Brand

Dear Ms. Engle:

On behalf of **European Cigarette Imports, Inc. ("ECI")**, 149 Center Grove Road, Randolph, New Jersey 07869, whose President is George E. Petrides, we hereby submit this label statement rotation plan (the "Plan") for renewal by the Federal Trade Commission ("FTC") for the **Marathon** brand of cigarettes imported by ECI. The original plan was approved by the FTC on June 21, 2001; a supplement to that plan was approved on October 15, 2001; a consolidated plan was approved on June 18, 2002; and, a supplement to the consolidated plan was approved on August 4, 2004.

I. Background

Pursuant to the Federal Cigarette Labeling and Advertising Act (the "Act"), importers of cigarettes are required to submit a label statement rotation plan to the FTC for approval. 15 U.S.C. §1333(c). Section 1333(a) sets forth the wording of the warning labels required for all packaging and advertising of cigarettes sold, distributed, or advertised in the United States. Section 1333(b)(1) provides the placement and size requirements for the warning labels on cigarette packaging. Section 1333(b)(2) sets forth the requirements for warnings in advertisements, except for outdoor billboards, which are covered in Section 1333(b)(3).

ECI intends to import the Marathon brand of cigarettes into the United States in twenty (20) corresponding brand styles. (See Schedule A, attached hereto). This Plan sets forth the manner in which ECI will comply with the warning label requirements of the Act.

Ms. Mary K. Engle
August 23, 2007
Page 2

II. Packaging

A. Beginning on the **Effective Date**,¹ the following label statements required by 15 U.S.C. §1333(a)(1), shall be displayed on the packs and cartons of the Marathon brand styles imported by ECI:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

B. ECI intends to utilize the label statement rotation option provided by 15 U.S.C. §1333(c)(2), to display the four warnings an equal number of times on the packs and cartons of each of the Marathon brand styles it imports. ECI will ensure equal use of the warning label statements by requiring that each page of labels printed is equally divided using the four (4) different warning labels. Therefore, the packs and cartons simultaneously will be printed and distributed using all four (4) warning labels. Accordingly, ECI shall maintain records accounting for the number of packs and cartons using each warning label for every production run. ECI will equalize the use of the four (4) warning labels on the packs and cartons of all twenty (20) Marathon brand styles for the one year period beginning on the date of renewal of the Plan.

The approximate annual sales volume for fiscal year 2006 (May 1, 2006 - April 30, 2007) for the Marathon brand styles is set forth in Schedule A. ECI also imports the Bracar, GR, Mond International, Nova, Primo and Rodeo brands of cigarettes. For fiscal year 2006, ECI's sales of any one brand style of Marathon, Bracar, GR, Mond International, Nova, Primo, and Rodeo cigarettes it imported did not exceed [REDACTED] cigarettes. Further, ECI does not anticipate that the sales volume for any one brand style of cigarettes it imports for the one year period beginning on the Effective Date shall exceed [REDACTED] cigarettes.

The label statements required by 15 U.S.C. §1333(a)(1), shall be printed on the packaging in the country of origin prior to ECI's importation of the cigarettes into the United States. The warning labels will appear on the packs and cartons of the Marathon brand cigarettes exactly as they appeared on the specimens submitted with the original plan and the respective supplements.

¹ The Effective Date of the Plan shall be the date the Plan is renewed by the FTC.

Ms. Mary K. Engle
August 23, 2007
Page 3

III. Advertising

ECI currently has an approved advertising plan in place and continues to be in compliance with that plan. Any advertising of the Marathon brand shall be conducted in accordance with ECI's approved advertising plan.

IV. Miscellaneous

A. ECI shall be deemed to have satisfied its responsibilities under this Plan if it has taken reasonable steps: (1) to provide, by written contract or the giving of clear instructions or otherwise, for rotation of the label statements required by the Act in accordance with the pertinent provisions of this Plan; (2) when appropriate, to furnish materials for the production of cigarette packages or advertising materials bearing the label statement(s) required by the pertinent provisions of this Plan; and (3) to prevent the recurrence of any mistakes, errors or omissions that have come to its attention.

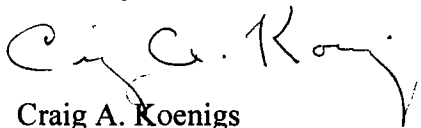
B. Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarettes during any period of time.

C. No provision of this Plan constitutes or shall be construed as an admission by ECI (1) that the Government of the United States has the authority to require the inclusion on any cigarette package or in any cigarette advertisement of a statement or statements concerning any alleged relationship between smoking or health or (2) that the label statements required by the Act are necessary or correct.

D. No provision of the Plan, and no action taken pursuant hereto or statement made in connection herewith, constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government or any instrumentality thereof.

If you have any further questions regarding the Plan, please do not hesitate to contact me. As always, your prompt attention and assistance in this matter are greatly appreciated.

Sincerely,


Craig A. Koenigs

CAK/jkc
Enclosure

SCHEDULE A

The following is a list of the Marathon brand styles that ECI imports and the approximate annual sales volume for fiscal year 2006 for each brand style.

<u>Brand</u>	<u>Size</u>	<u>Brand Style</u>	<u>Sales Volume</u>
<u>Marathon</u>	Kings Box	Full Flavor	[REDACTED]
		Lights	[REDACTED]
		Menthol	[REDACTED]
		Menthol Lights	[REDACTED]
		100's Box	Full Flavor
	100's Box	Lights	[REDACTED]
		Ultra	[REDACTED]
		Menthol	[REDACTED]
		Menthol Lights	[REDACTED]
		Kings Soft	Full Flavor
	Kings Soft	Lights	[REDACTED]
		Ultra	[REDACTED]
		Menthol	[REDACTED]
		Menthol Lights	[REDACTED]
		Non-Filter	[REDACTED]
	100's Soft	Full Flavor	[REDACTED]
		Lights	[REDACTED]
		Ultra	[REDACTED]
		Menthol	[REDACTED]
		Menthol Lights	[REDACTED]

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August 23, 2007

VIA FEDERAL EXPRESS

Ms. Mary K. Engle
Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
NJ 3212
Washington, D.C. 20580

Re: European Cigarette Imports, Inc. / Primo Brand

Dear Ms. Engle:

On behalf of **European Cigarette Imports, Inc. ("ECI")**, 149 Center Grove Road, Randolph, New Jersey 07869, whose President is George E. Petrides, we hereby submit this label statement rotation plan (the "Plan") for renewal by the Federal Trade Commission ("FTC") for the **Primo** brand of cigarettes imported by ECI. The original plan was approved by the FTC on August 2, 2002, with supplements to the plan approved on October 30, 2002 and November 20, 2002; a consolidated plan approved on August 21, 2003; and, a supplement to the consolidated plan approved on August 4, 2004.

I. Background

Pursuant to the Federal Cigarette Labeling and Advertising Act (the "Act"), importers of cigarettes are required to submit a label statement rotation plan to the FTC for approval. 15 U.S.C. §1333(c). Section 1333(a) sets forth the wording of the warning labels required for all packaging and advertising of cigarettes sold, distributed, or advertised in the United States. Section 1333(b)(1) provides the placement and size requirements for the warning labels on cigarette packaging. Section 1333(b)(2) sets forth the requirements for warnings in advertisements, except for outdoor billboards, which are covered in Section 1333(b)(3).

ECI intends to import the Primo brand of cigarettes into the United States in fifteen (15) corresponding brand styles. (See Schedule A, attached hereto). This Plan sets forth the manner in which ECI will comply with the warning label requirements of the Act.

Ms. Mary K. Engle
August 23, 2007
Page 2

II. Packaging

A. Beginning on the **Effective Date**,¹ the following label statements required by 15 U.S.C. §1333(a)(1), shall be displayed on the packs and cartons of the Primo brand styles imported by ECI:

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

B. ECI intends to utilize the label statement rotation option provided by 15 U.S.C. §1333(c)(2), to display the four warnings an equal number of times on the packs and cartons of each of the Primo brand styles it imports. ECI will ensure equal use of the warning label statements by requiring that each page of labels printed is equally divided using the four (4) different warning labels. Therefore, the packs and cartons simultaneously will be printed and distributed using all four (4) warning labels. Accordingly, ECI shall maintain records accounting for the number of packs and cartons using each warning label for every production run. ECI will equalize the use of the four (4) warning labels on the packs and cartons of all fifteen (15) Primo brand styles for the one year period beginning on the date of renewal of the Plan.

The approximate annual sales volume for fiscal year 2006 (May 1, 2006 - April 30, 2007) for the Primo brand styles is set forth in Schedule A. ECI also imports the Bracar, GR, Marathon, Mond International, Nova and Rodeo brands of cigarettes. For fiscal year 2006, ECI's sales of any one brand style of Primo, Bracar, GR, Marathon, Mond International, Nova and Rodeo cigarettes it imported did not exceed [REDACTED] cigarettes. Further, ECI does not anticipate that the sales volume for any one brand style of cigarettes it imports for the one year period beginning on the Effective Date shall exceed [REDACTED] cigarettes.

The label statements required by 15 U.S.C. §1333(a)(1), shall be printed on the packaging in the country of origin prior to ECI's importation of the cigarettes into the United States. The warning labels will appear on the packs and cartons of the Primo brand cigarettes exactly as they appeared on the specimens submitted with the original plan and the respective supplements.

¹ The Effective Date of the Plan shall be the date the Plan is renewed by the FTC.

Ms. Mary K. Engle
August 23, 2007
Page 3

III. Advertising

ECI currently has an approved advertising plan in place and continues to be in compliance with that plan. Any advertising of the Primo brand shall be conducted in accordance with ECI's approved advertising plan.

IV. Miscellaneous

A. ECI shall be deemed to have satisfied its responsibilities under this Plan if it has taken reasonable steps: (1) to provide, by written contract or the giving of clear instructions or otherwise, for rotation of the label statements required by the Act in accordance with the pertinent provisions of this Plan; (2) when appropriate, to furnish materials for the production of cigarette packages or advertising materials bearing the label statement(s) required by the pertinent provisions of this Plan; and (3) to prevent the recurrence of any mistakes, errors or omissions that have come to its attention.

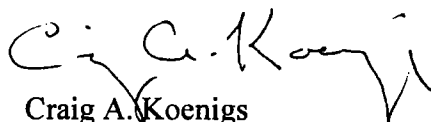
B. Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarettes during any period of time.

C. No provision of this Plan constitutes or shall be construed as an admission by ECI (1) that the Government of the United States has the authority to require the inclusion on any cigarette package or in any cigarette advertisement of a statement or statements concerning any alleged relationship between smoking or health or (2) that the label statements required by the Act are necessary or correct.

D. No provision of the Plan, and no action taken pursuant hereto or statement made in connection herewith, constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government or any instrumentality thereof.

If you have any further questions regarding the Plan, please do not hesitate to contact me. As always, your prompt attention and assistance in this matter are greatly appreciated.

Sincerely,


Craig A. Koenigs

CAK/jkc
Enclosure

SCHEDULE A

The following is a list of the Primo brand styles that ECI imports and the approximate annual sales volume for fiscal year 2006 for each brand style.

<u>Brand</u>	<u>Packaging</u>	<u>Brand Style</u>	<u>Sales Volume</u>
<u>Primo</u>	Kings Box	Full Flavor	[REDACTED]
		Lights	[REDACTED]
		Ultra Lights	[REDACTED]
		Menthol	[REDACTED]
		Menthol Lights	[REDACTED]
	Kings Soft	Full Flavor	[REDACTED]
		Lights	[REDACTED]
		Ultra Lights	[REDACTED]
		Menthol	[REDACTED]
		Non-Filter	[REDACTED]
	100's Soft	Full Flavor	[REDACTED]
		Lights	[REDACTED]
		Ultra Lights	[REDACTED]
		Menthol	[REDACTED]
		Menthol Lights	[REDACTED]



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 10, 2007

Craig A. Koenigs, Esq.
O'Connor & Hannan, L.L.P.
Suite 500
1666 K Street, N.W.
Washington, D.C. 20006-2803

Dear Mr. Koenigs:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed two letters, which constitute a plan, filed on behalf of European Cigarette Imports, Inc. ("ECI") on August 23, 2007, calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Marathon and Primo brands of cigarettes.

ECI's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons of the Marathon brand submitted with your June 13 and October 1, 2001 letters, and of the Primo brand submitted with your August 1 and November 8, 2002 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. ECI's plan for the display of the four health warnings on packaging of the Marathon brand is hereby approved for the following twenty brand styles: Non Filter King Soft, Full Flavor King Box, Full Flavor King Soft, Lights King Box, Lights King Soft, Menthol King Box, Menthol King Soft, Menthol Lights King Box, Menthol Lights King Soft, Ultra King Soft, Full Flavor 100's Box, Full Flavor 100's Soft, Lights 100's Box, Lights 100's Soft, Ultra 100's Box, Ultra 100's Soft, Menthol 100's Box, Menthol 100's Soft, Menthol Lights 100's Box, and Menthol Lights 100's Soft. ECI's plan for the display of the four health warnings on packaging of the Primo brand is hereby approved for the following fifteen brand styles: Non Filter King Soft, Full Flavor King Box, Full Flavor King Soft, Full Flavor 100's Soft, Lights King Box, Lights King Soft, Lights 100's Soft, Ultra Lights King Box, Ultra Lights King Soft, Ultra Lights 100's Soft, Menthol King Box, Menthol King Soft, Menthol 100's

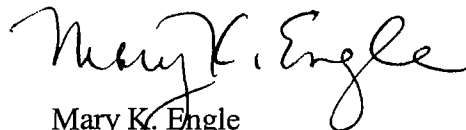
Craig A. Koenigs, Esq.
September 10, 2007
Page 2

Soft, Menthol Lights King Box, and Menthol Lights 100's Soft.¹ This approval is effective on the date of this letter and ends on September 9, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,



Mary K. Engle
Associate Director

¹ This approval of ECI's cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of ECI's packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not ECI's packaging complies with relevant trademark law or with other applicable laws.

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

LAW OFFICES OF
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August 22, 2007

**CONTAINS TRADE SECRETS
AND CONFIDENTIAL
BUSINESS INFORMATION
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary K. Engle, Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, N.W. , Mail Drop NJ-3212
Washington, D.C. 20580

Attention: Ms. Sallie Schools

Renewal of Surgeon General's Warning Rotation Plan for
Tantus Tobacco, LLC For
24/7, Dillon, Dixon and Superior Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, Tantus Tobacco, LLC ("Tantus"), a Kentucky limited liability corporation, with offices located at 200 Progress Dr., Russell Springs, Kentucky 42642 and the mailing address is P.O. Box 1030, Jamestown, Kentucky 42629. Tantus wishes to renew its existing equalization Surgeon General's Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 *et seq.*) for cigarettes they are manufacturing in the United States under the brand names "24/7," "Dillon," "Dixon" and "Superior." The contact person for the company will be its President, Brian Cooper, who can be reached at the above address.

An equalization and advertising plan was approved for 24/7, Dillon, Dixon and Superior on September 6, 2006 and a copy is attached hereto as Exhibit "A."¹

¹ A renewal equalization plan for Berkley cigarettes was approved by the FTC on May 30, 2007 (see Exhibit "B") and for Berley cigarettes on August 16, 2007 (see Exhibit "C"). An equalization and advertising plan was approved by the FTC for Golden

The brand styles of 24/7, Dillon, Dixon and Superior cigarettes Tantus intends to manufacture are listed on Exhibit "F." These are the same brand styles that were listed in the 24/7, Dillon, Dixon and Superior plan approved on September 6, 2006. Actual samples of the 24/7, Dillon, Dixon and Superior packs and cartons for the various brand styles (listed on Exhibit "F") showing exactly where and how the four (4) Surgeon General's health warnings appear and will continue to appear on individual packs and cartons of the 24/7, Dillon, Dixon and Superior brands Tantus is manufacturing, were enclosed with the submission of August 15, 2006.² None of the packs or cartons have changed since they were submitted.

Tantus manufactured approximately [REDACTED] cigarettes (all were either Golden Blend, Berkley or Berley brand cigarettes) in fiscal year 2006. In fiscal 2007 to date, it has manufactured approximately [REDACTED] cigarettes (all were Golden Blend, 24/7, Dillon, Dixon, Superior, Berkley or Berley brand cigarettes). Tantus anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Dixon, Dillon, 24/7, Superior, Golden Blend, Berkley, GSmokes, Main Street, Sport and Berley) in fiscal year 2007.

No one brand style of cigarettes sold by Tantus has, for the past fiscal year, constituted more than 1/4 of 1% of all the cigarettes sold in the United States in such year. and no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in the next fiscal year. In addition, more than one-half of the cigarettes manufactured by Tantus for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, Tantus wishes to renew its plan to equalize the health warning statements as required by 15 U.S.C. §1333(c) for its 24/7, Dillon, Dixon and Superior brands. Each of the four warning statements will appear on the packs and cartons of each brand style of cigarettes manufactured by Tantus an equal number of times in the one year period beginning on the date the renewal of this plan is approved.

The individual packs of 24/7, Dillon, Dixon and Superior cigarettes to be manufactured by Tantus will have the proper health warnings printed by the manufacturer directly on the packs under the cellophane. The cartons will have the proper health warnings printed directly on the cartons by the manufacturer.

Blend on November 16, 2006 and is attached hereto as Exhibit "D." An equalization and advertising for the GSmoke, Main Street and Sport brands was approved by the FTC on July 18, 2007 (see Exhibit "E" attached hereto).

² A typographical error in the FTC approval letter of September 6, 2006 states the sample packs and cartons were submitted August 15, 2005; they were submitted August 15, 2006.

Tantus intends to print all four (4) health warnings in equal numbers on each printed sheet of packaging for all of its cartons and packs so that when the sheets are die cut, each shipment should be approximately equalized for each brand style as manufactured. If, toward the end of the one year period, it appears that the warnings are not equalized on the packs and cartons for each brand style, Tantus will place special orders for the specific health warnings needed to ensure that the rotation is equalized for each brand style by the plan's anniversary date.

Tantus understands that the FTC is charged with ensuring that Tantus' Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Tantus shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to ensure that the warnings as they appear on the packs and cartons comply with the statutory requirements by: (1) providing by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) preventing the recurrence of any mistakes, errors, or omissions that have come to its attention.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

Tantus has an advertising rotation plan in place for its 24/7, Dillon, Dixon and Superior cigarettes which was approved by the FTC on September 6, 2006 and an expansion to its advertising rotation plan was approved by the FTC on January 22, 2007 (see Exhibit "G"). Tantus is in compliance with this plan and wishes to make no changes to its advertising plan at this time.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 *et seq.*) including any modifications made by the Public Health Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this renewal plan as soon as possible.

Ms. Mary K. Engle, Associate Director
Federal Trade Commission

Page 4
August 22, 2007

Should you have any further questions regarding this matter, please do not hesitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN



Barry M. Boren

BMB:mw/encs.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 6, 2006

Barry M. Boren, Esq.
9350 South Dixie Highway
Penthouse II
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on September 6, 2006 on behalf of Tantus Tobacco, LLC ("Tantus") calling for quarterly rotation of the four health warnings in the advertising of the 24/7, Dillon, Dixon, and Superior brands of cigarettes, and for the simultaneous display of the four health warnings on the packaging of the Full Flavor King Size Box variety of each of those brands.

Tantus's plan for the rotation of the warnings in advertising of the 24/7, Dillon, Dixon, and Superior brands of cigarettes has been approved. Approval of the plan assumes the plan is implemented in good faith.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letter of August 15, 2005 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for the display of the four health warnings on packaging is hereby approved for the Full Flavor King Size Box variety of the 24/7, Dillon, Dixon, and Superior brands. This approval is effective on the date of this letter and ends on September 5, 2007. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services

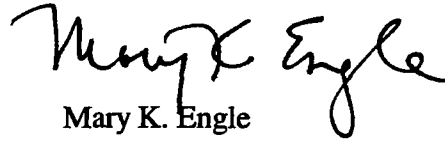
¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.
September 6, 2006
Page 2

a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Bonnie Pulley at
(202) 326-2356.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped "E" at the end.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

May 30, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on May 23, 2007 calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Berkley brand of cigarettes.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letter of March 9, 2005 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for packaging is hereby approved for eleven soft pack varieties of the Berkley brand of cigarettes (Full Flavor kings, Light kings, Ultra Light kings, Menthol kings, Menthol Light kings, Non-filter kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s) and two box varieties of the brand (Full Flavor kings and Light kings). This approval is effective on the date of this letter and ends on May 29, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.


You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.
May 30, 2007
Page 2

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,



Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

August 16, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on August 14, 2007, calling for the simultaneous display of the four health warnings on the packaging of sixteen varieties of the Berley brand of cigarettes.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your May 18, 2005 and November 6, 2006 letters appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for the display of the four health warnings on the packaging of the Berley brand is hereby approved for five King size box varieties (Full Flavor, Lights, Ultra Lights, Menthol, and Menthol Lights) and eleven soft pack varieties (Full Flavor Kings, Full Flavor 100's, Lights Kings, Lights 100's, Ultra Lights Kings, Ultra Lights 100's, Menthol Kings, Menthol 100's, Menthol Lights Kings, Menthol Lights 100's, and Non-Filter Kings). This approval is effective on the date of this letter and ends on August 15, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.

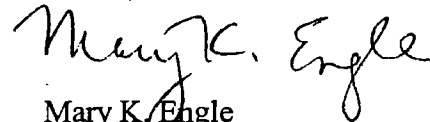
August 16, 2007

Page 2

a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Clovia Hutchins at (202) 326-3215.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 16, 2006

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on November 8, 2006, calling for quarterly rotation of the four health warnings in advertising of the Golden Blend brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of nine soft pack varieties of that brand.

Tantus's plan for the rotation of the warnings in advertising of the Golden Blend brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Tantus' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 16, 2006 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tantus' plan for the display of the four health warnings on packaging for the Golden Blend brand is hereby approved for the following nine soft pack varieties: Full Flavor kings, Light kings, Menthol kings, Non-Filter kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s.¹ This approval is effective on the date of this letter and ends on November 15, 2007. Approval of the plan is contingent on its good faith

¹ The approval of Tantus' cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Tantus' packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Tantus' packaging or advertising complies with relevant trademark law or with other applicable laws.

Barry M. Boren, Esq.
November 16, 2006
Page 2

implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Katherine Zownir at (202) 326-2949.

Very truly yours,


Mary K. Engle
Associate Director

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

July 18, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC on July 9, 2007, calling for quarterly rotation of the four health warnings in advertising of the G-Smoke, Main Street and Sport brands of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of those brands.

Tantus Tobacco's plan for the rotation of the warnings in advertising of the G-Smoke, Main Street, and Sport brands of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Tantus Tobacco's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your June 5, 7, and 11, 2007 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tantus Tobacco's plan for the display of the four health warnings on packaging for the G-Smoke brand is hereby approved for the following fifteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard pack), Ultra Light 100's soft pack, Menthol Kings (soft pack and hard pack), Menthol 100's soft pack, "Woman" Full Flavor 100's hard pack, "Woman" Light 100's hard pack, and "Woman" Menthol Light 100's hard pack. Tantus Tobacco's plan for the Main Street brand is hereby approved for the following thirteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard pack), Ultra Light 100's (soft pack and hard pack), Menthol King soft pack, Menthol 100's soft pack, and Menthol Light 100's soft pack. Tantus Tobacco's plan for the Sport brand is hereby approved for the following fourteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard

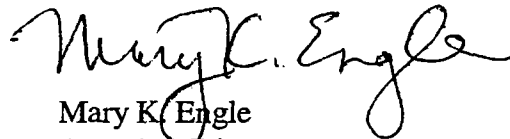
Barry M. Boren, Esq.
July 18, 2007
Page 2

pack), Ultra Light 100's soft pack, Menthol Kings (soft pack and hard pack), Menthol 100's (soft pack and hard pack), and Menthol Light 100's soft pack.¹ This approval is effective on the date of this letter and ends on July 17, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,



Mary K. Engle
Associate Director

¹ The approval of Tantis Tobacco's cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Tantis Tobacco's packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Tantis Tobacco's packaging complies with relevant trademark law or with other applicable laws.

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

EXHIBIT 'F' LIST OF CIGARETTE BRAND STYLES
TANTUS TOBACCO, LLC

24/7 CIGARETTES

Full Flavor King Size Box

DIXON CIGARETTES

Full Flavor King Size Box

DILLON CIGARETTES

Full Flavor King Size Box

SUPERIOR CIGARETTES

Full Flavor King Size Box

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580



Division of Advertising Practices

January 22, 2007

Barry M. Boren, Esq.
9350 South Dixie Highway
Penthouse II
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I approved your August 30, 2005 (Berkley and Berley), September 6, 2006 (24/7, Dixon, Dillon and Superior) and November 16, 2006 (Golden Blend) plans filed on behalf of Tantus Tobacco, LLC ("Tantus"), calling for the quarterly rotation of the four health warnings in the advertising of the aforementioned brands. In a letter dated January 2, 2007, you now propose to expand Tantus' plan to include advertising between 160 and 1,200 square feet.

The expansion of Tantus' plan for the rotation of the warnings in advertising for the Berkley, Berley, 24/7, Dixon, Dillon, Superior, and Golden Blend brands of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

If you have any questions regarding this approval, please contact Katherine Zownir at (202) 326-2949.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle".

Mary K. Engle
Associate Director

EXHIBIT "G"



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 13, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed on August 22, 2007 on behalf of Tantus Tobacco, LLC ("Tantus"), calling for the simultaneous display of the four health warnings on the packaging of the Full Flavor King Size Box varieties of the 24/7, Dillon, Dixon, and Superior brands of cigarettes.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letter of August 15, 2006 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for the display of the four health warnings on packaging is hereby approved for the Full Flavor King Size Box variety of the 24/7, Dillon, Dixon, and Superior brands. This approval is effective on the date of this letter and ends on September 12, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle".

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



T O B A C C O H O L D I N G S

September 7, 2007

Ms. Mary Kay Engle
Federal Trade Commission
Division of Advertising Practices
600 Pennsylvania Avenue, N.W.
Room NJ-3212
Washington, DC 20580

RE: Cigarette Health Warning Rotation Plan

Dear Ms. Engle,

This letter is being submitted for the approval of the alternative method to the quarterly Surgeon General Warning rotation plan for packaging of Yukon menthol 100 size box, Yukon Light 100 size box, and Yukon Full Flavor 100 size box, manufactured by Joseph M. Anderson d/b/a Smokin Joes for Tobacco Holdings, Inc. An equalization plan for Yukon was previously approved on May 3, 2007. Upon approval of this plan, the manufacturer intends to sell these cigarettes, under the authority of the Alcohol and Tobacco Tax and Trade Bureau, formerly the Bureau of Alcohol, Tobacco & Firearms (License #TP NY 168).

These cigarettes will be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain ten (10) packs of twenty (20) cigarettes each ("Pack"). The warnings will appear exactly as they do on the actual pack labels and cartons submitted under separate cover directly from Smokin Joes with their letter dated August 23, 2007. Regardless of the overall appearance of the label and carton, a white background consistently embodies the government warning with black type in order to maximize the contrast and visibility of the image

Tobacco Holdings, Inc. believes that its low sales volume of cigarettes fits the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333 (c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331. Smokin Joes has never sold Yukon menthol 100 size box, Yukon Light 100 size box, and Yukon Full Flavor 100 size box, therefore sales estimates for a calendar year have been provided on Exhibit A for those styles. Tobacco Holdings, Inc. commissions a number of cigarette brand styles, of all Tobacco Holdings, Inc.'s cigarette brand styles, over the last


calendar year (January 1, 2006 – December 31, 2006), the biggest seller was Bridgeport Full Flavor 100 size soft pack, totaling [REDACTED] sticks.

If this plan for the alternative to quarterly rotation of warnings on packaging is approved, the four cigarette health warnings will appear on each of the packs and cartons of Yukon menthol 100 size box, Yukon Light 100 size box, and Yukon Full Flavor 100 size box an equal number of times for the one year period beginning on the date this plan is approved. To ensure the cigarette health warnings appear on each of the above listed brand styles an equal number of times throughout the plan year, raw material packaging inventory will be stored and loaded into packaging machines alternating the four health warnings equally.

Tobacco Holdings, Inc. continues to be in compliance with its advertising plan for its Bridgeport and Calon brands of cigarettes that was approved by the FTC by letter to PTT.com (the former name of Tobacco Holdings, Inc. – Name changed filed with Florida Division of Corporations on 1/12/2005) dated December 11, 2001 and for their Yukon brand that was approved by the FTC by letter dated July 7, 2003.

Smokin Joes, the manufacturer, and Tobacco Holdings, Inc. are aware of the requirements set forth by the Federal Trade Commission in the Cigarette Labeling and Advertising Act and the companies' efforts are always to be fully compliant with the regulations. Tobacco Holdings, Inc. will maintain records of compliance with the approved plan. The submitted carton and pack label for each brand style bearing each Surgeon General warning satisfies the requirement of package submission. If there are any questions or concerns regarding this plan, please contact me.

Sincerely,



General Manager
Tobacco Holdings Inc.

EXHIBIT A

PRODUCT	STICKS
YUKON LIGHT 100 SIZE BOX	
YUKON MENTHOL 100 SIZE BOX	
YUKON FULL FLAVOR 100 SIZE BOX	

^Estimated Stick Sales Figures for one year period following approval of the plan

PRODUCT (TOP SELLING SKU)	STICKS
BRIDGEPORT FULL FLAVOR 100 SIZE SOFT PACK	

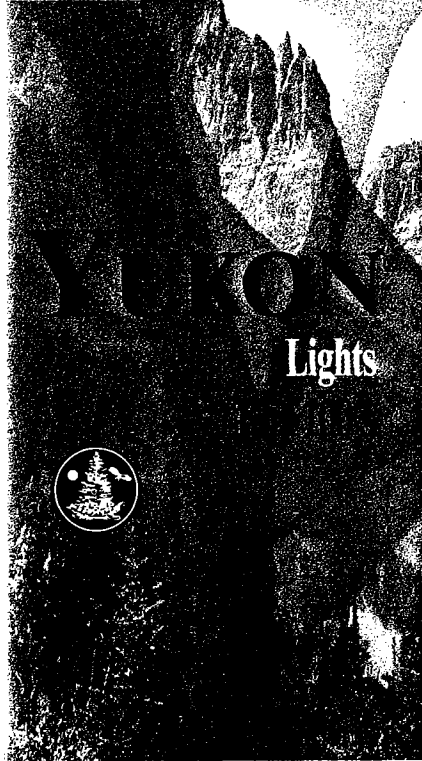
*2006 Annual Sales Figure

Selected packaging samples from those
submitted with the plan.

CLASS-A
20
CIGARETTES

UNDERAGE
SALE
PROHIBITED

YUKON® Lights
Box 100's

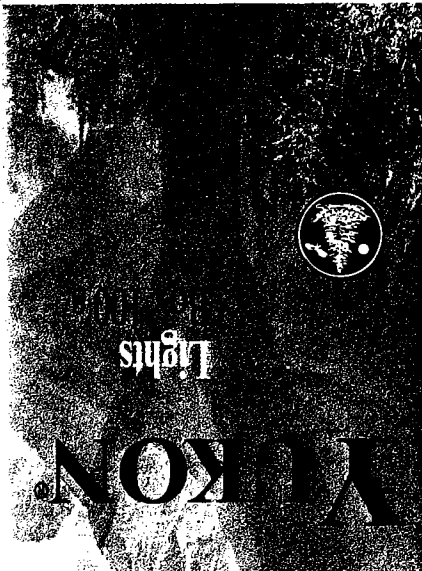


12
A018132

YUKON® Lights
Box 100's

20-02375
LC

8
37530100300
9
Produced By
TP NY 188
USA
TOBACCO HOLDINGS



YUKON®
Lights
Box 100's

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

YUKON[®] Menthol

BOX 100's

American Brand

MADE IN USA
on Sovereign Territory



37530 01400 5

YUKON[®] Menthol

BOX 100's

SURGEON GENERAL'S WARNING:
Quitting Smoking Now
Greatly Reduces Serious
Risks to Your Health.





Division of Advertising Practices

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

September 13, 2007

Ms. Karen Kamperman
Tobacco Holdings, Inc.
111 Summit Street
Salamanca, NY 14779

Dear Ms. Kamperman:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on May 3, 2007, I approved a plan filed by Tobacco Holdings, Inc. calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Bridgeport, Calon, and Yukon brands of cigarettes. In a letter dated September 7, 2007, you now propose to expand your plan to include three additional hard pack varieties of the Yukon brand.

Tobacco Holdings' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with Joseph M. Anderson d/b/a Smokin Joes' (your contract manufacturer) August 23, 2007 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tobacco Holdings' expansion of its plan for packaging is hereby approved for the following three hard pack varieties of the Yukon brand: Full Flavor 100's, Light 100's, and Menthol 100's. This approval is effective on the date of this letter and ends on September 12, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

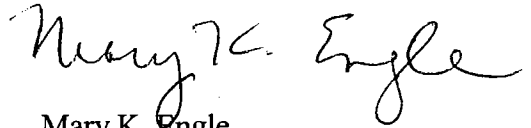
You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Ms. Karen Kamperman
September 13, 2007
Page 2

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

LAW OFFICES OF
FINGER, PARKER, BROWN & ROEMER, L.L.P.
204 NORTHGATE PARK DRIVE
WINSTON-SALEM, NORTH CAROLINA 27106

M. NEIL FINGER
RAYMOND A. PARKER, II
HENRY C. ROEMER, III, P.C.
ANDREW G. BROWN
GABRIEL A. AVRAM (RETIRED)

MAILING ADDRESS
POST OFFICE BOX 11633
WINSTON-SALEM, NORTH CAROLINA 27116-1633
TELEPHONE (336) 759-0964
TELEFAX (336) 759-0965

OTHER OFFICE:
105 SOUTH BRIDGE STREET
P. O. BOX 8
JONESVILLE, N. C. 28642
(336) 835-4000

Writer's Direct Dial:
(336) 759-0955

September 11, 2007

Via Fax (202-326-3259 - 3 pages) and FedEx

Ms. Sallie Schools
Federal Trade Commission
601 New Jersey Avenue, N.W.
3rd Floor, Room NJ-3212
Washington, DC 20001

Re: *Request for Addition of Five Styles (Dark Blend, Virginia Sky, Virginia Menthol, American Red and American Blonds) to the Approved Warning Statement Rotation Plan for the brand MANITOU (king size, hard-pack styles: Golden Blend, Original Blend and Easy Blend) –REVISED*

Dear Ms. Schools:

I am writing this letter on behalf Connshade Cigar Corporation (“Connshade”).

In a letter from Mary Engle dated July 13, 2006, the Federal Trade Commission approved a certain health warning rotation plan filed on behalf of Connshade (the “Plan”) for three king size, hard-pack styles of the Manitou brand.

It is our desire to add five styles of the MANITOU brand of cigarettes to the Plan. Specifically, the five styles to be added are: Dark Blend, Virginia Sky, Virginia Menthol, American Red and American Blonds (the “Additional Styles”).

The company official responsible for overseeing this matter is Pit N. Brockhausen, whose title is President. Mr. Brockhausen’s contact information is as follows:

Mr. Pit N. Brockhausen
Connshade Cigar Corporation
13365 S.W. 135th Avenue Unit 106
Miami, FL 33186

Telephone number: (786) 293-5480

Ms. Sallie Schools
September 11, 2007
Page 2

Exhibit A shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statements will appear in the final or finished products exactly as shown on the pack and carton samples enclosed with the letter dated August 28, 2007.

Connshade will be advertising the MANITOU brand on the internet only and continues to be in compliance with its plan for internet advertising, which was also approved on July 13, 2006. If they decide to engage in advertising other than on the internet they will submit an advertising plan prior to doing so.

Connshade agrees to maintain records to demonstrate compliance with the Plan.

With the foregoing in mind, we hope that you can grant Connshade approval of the Additional Styles. It is hoped that you can grant this approval **as soon as possible**. If you can fax us the news it would be most appreciated.

Thank you for your courtesy and cooperation.

Sincerely,

A handwritten signature in black ink that reads "Henry C. Roemer, III". The signature is written in a cursive style with a prominent initial "H" and a flourish at the end.

Henry C. Roemer, III

HCRiii/cjm

cc: Connshade Cigar Corporation

EXHIBIT A

Connshade Cigar Corporation
Warning Rotation Schedule

Proposed Addition of Styles for MANITOU

- 1- SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- 2- SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- 3- SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- 4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

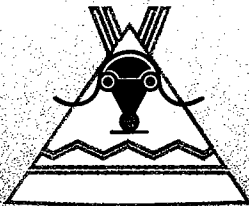
BRAND: MANITOU – king size, hard pack version *additional styles:* (Dark Blend, Virginia Sky, Virginia Menthol, American Red and American Blonds)

PERIOD MANUFACTURED

	1 st Quarter (Jan-Feb-Mar)	2 nd Quarter (Apr-May-Jun)	3 rd Quarter (Jul-Aug-Sep)	4 th Quarter (Oct-Nov-Dec)
DIMITRINO BOTSCHAFTER (Brown and Vanilla)	Warning #3	Warning #4	Warning #1	Warning #2
DIMITRINO SHEPHEARD'S HOTEL	Warning #4	Warning #1	Warning #2	Warning #3
SPRINGWATER (Vanilla and Cherry)	Warning #2	Warning #3	Warning #4	Warning #1
ASHFORD	Warning #1	Warning #2	Warning #3	Warning #4
MANITOU (Golden Blend, Original Blend, Easy Blend, Dark Blend, Virginia Sky, Virginia Menthol, American Red, and American Blonds)	Warning #4	Warning #1	Warning #2	Warning #3

Selected packaging samples from those
submitted with the plan.

VIRGINIA MENTHOL



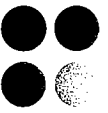
100% ADDITIVE-FREE NATURAL
PREMIUM LEAF TOBACCO

SURGEON GENERAL'S WARNING:
Cigarette Smoke Contains
Carbon Monoxide.



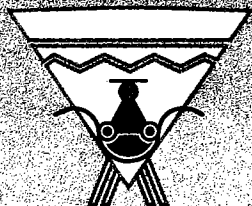
No additives in our
tobacco does not mean
a safer cigarette.

MANITOU's outstanding quality is based on
100% NATURAL tobacco, FREE from any synthetic
flavors, moisturizers or chemical burning agents.
To achieve this PREMIUM standard, only the best
American tobacco is being used which means
no expanded stems or reconstituted stems.



MANITOU

Manitou	
28	
VZ 40010/2	USA
98 x 246 mm	



VIRGINIA MENTHOL

MANITOU

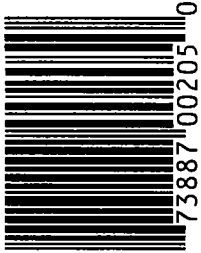
MANITOU

UNDERAGE
SALE
PROHIBITED

MANITOU

20 CLASS A
CIGARETTES

MANITOU



MADE IN GERMANY



100% ADDITIVE-FREE NATURAL
PREMIUM LEAF TOBACCO

MANITOU

AMERICAN BLONDS

MANITOU tobacco is a mixture of hand selected premium American tobacco. To keep the original flavour, the secret of its outstanding quality and taste, MANITOU tobacco is produced without additives. We do not use any moisturizers, synthetic flavours nor chemical burning agents. To achieve this outstanding quality, only the best natural leaf tobacco is being used, which means no expanded stems or reconstituted sheet tobacco.

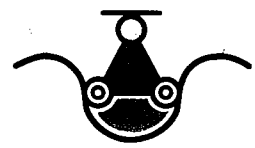
No additives in our tobacco does not mean a safer cigarette.

Sales to Minors Prohibited
200 CLASS A ADDITIVE-FREE CIGARETTES

AMERICAN BLONDS

MANITOU

100% ADDITIVE-FREE NATURAL
PREMIUM LEAF TOBACCO
AMERICAN BLEND



SMOKING FILTERED CIGARETTES DOES NOT ELIMINATE THE HEALTH RISKS OF SMOKING. Actual levels of tar and nicotine experienced by the smoker may vary widely depending on how you smoke. For more information about the product range and philosophy of MANITOU tobacco please visit our web site www.manitoutobacco.com.

MANITOU
AMERICAN BLONDS

SURGEON GENERAL'S WARNING:
Cigarette Smoke Contains Carbon Monoxide.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 13, 2007

Henry C. Roemer, III, Esq.
Finger, Parker, Brown & Roemer, L.L.P.
204 Northgate Park Drive
Winston-Salem, NC 27106

Dear Mr. Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, on July 13, 2006, I approved a plan filed on behalf of Connshade Cigar Corporation (“Connshade”) calling for quarterly rotation of the four health warnings on the packaging and in advertising of certain varieties of the Manitou brand of cigarettes. In a letter dated September 11, 2007, you now propose to expand your plan to include five additional hard pack varieties of the Manitou brand.

The warnings on the sample packs and cartons of the Manitou brand submitted with your August 28, 2007 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Connshade’s expansion of its plan for the display of the four health warnings on packaging of the Manitou brand is hereby approved for the following five king size hard pack varieties: Dark Blend, Virginia Sky, Virginia Menthol, American Red, and American Blonds. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

This approval of Connshade’s cigarette health warning display plan is an approval only of its plan for displaying the four health warnings mandated by the Cigarette Act. It is not in any way an approval of any other statements or representations made on the packaging or in the advertising of Connshade’s cigarettes.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Henry C. Roemer, III, Esq.

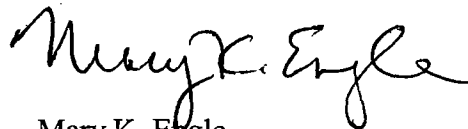
September 13, 2007

Page 2

ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mary K. Engle". The signature is fluid and cursive, with a large, stylized initial "M".

Mary K. Engle
Associate Director

Cheapy Smokes Wholesale Distributing,LLC
d/b/a/ Tobacco Exchange

September 13, 2007

Ms.Sallie Schools
Division of Advertising Practices
Federal Trade Commission
601 New Jersey Ave. NW
Mail Drop NJ-3212
Washington, D.C. 20001

**Re: *Cheapy Smokes Wholesale Distributing,LLC d/b/a Tobacco Exchange
Proposed Warning Statement Rotation Plan***

Dear Ms. Sallie Schools,

Pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 *et seq.* (the "Act") Cheapy Smokes Wholesale Distributing, LLC. dba Tobacco Exchange (Cheapy Smokes Wholesale Distributing, LLC.) hereby submits for your consideration the following proposed Warning Statement Rotation Plan (the "Plan") for the Arrow brand of cigarettes (the "Products"), which will be imported from Philippines, including the following information for your review:¹

- (i) sample cigarette cartons and packages displaying the layout, size and location of the health warning statements for each brand style;
- (ii) a rotation plan for the display of health warning statements on Products packages and cartons; and
- (iii) a health warning statement size and placement plan for advertisements of the Arrow brand.

Warning Statement Rotation Plan Pursuant to Section 4 (c) of the Federal Cigarette Labeling and Advertising Act.

The Act provides for the placement of certain warning statements (i) on packages and cartons of cigarettes for sale or distribution in the United States; and (ii) in advertisements for cigarettes within the United States. Tobacco Exchange submits this Warning Statement Rotation Plan to the Federal Trade Commission pursuant to Section 4 (i) of the Act. Tobacco Exchange intends to import the following brand styles for the Products (the "Brand Styles") under this proposed plan:

Brand:

ARROW

¹ Tobacco Exchange will be the importer of record and Cheapy Smokes Wholesale Distributing will be the distributor for the Product in the United States. The Product will be manufactured in Philippines by Maharika Tobacco Corporation.

Cheapy Smokes Wholesale Distributing,LLC
d/b/a/ Tobacco Exchange

Styles: Arrow

Full Flavor 100 Soft

Full Flavor 100 Box

Full Flavor King Soft

Full Flavor King Box

Light 100 Soft

Light 100 Box

Light King Soft

Light King Box

Ultra Light King Soft

Ultra Light king Box

Ultra Light 100 Soft

Ultra Light 100 Box

Menthol Light King Soft

Menthol Light King Box

Menthol Light 100 Soft

Menthol Light 100 Box

Menthol 100 Soft

Menthol 100 Box

Menthol King Soft

Menthol King Box

Non-Filter King Soft

Cheapy Smokes Wholesale Distributing,LLC
d/b/a/ Tobacco Exchange

I. Packaging.

A. Warning Statement.

The warning statements will appear on the cigarette packages and cartons for each Brand Style exactly as shown on the samples for the packages and cartons submitted with my Sept. 05 2007 letter.

Tobacco Exchange shall display each of the warning statements required by 15 U.S.C. 1331 et seq. on the Products packages and cartons for each Brand Style. In compliance with the Tariff Suspension and Trade Act of 2000, the warning statements shall be printed directly on the packages and cartons of the Products.

B. Warning Statement Rotation Plan for Packages and Cartons by Quarter.

Tobacco Exchange proposes to use the following Warning Statement Rotation Plan as its rotation plan for the warning statements to be printed on the cigarette packages and cartons of each Brand Style. A complete list of Arrow brand styles is set forth herein above.

	First Quarter (Jan-Mar)	Second Quarter (Apr-Jun)	Third Quarter (Jul-Sep)	Fourth Quarter (Oct-Dec)
ARROW	B	C	D	A

A SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

C. SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Cheapy Smokes Wholesale Distributing, LLC

d/b/a/ Tobacco Exchange

Packages and cartons of all Brand Styles of the Products shall each respectively bear the label statement referenced above for the quarter in which such cigarettes are manufactured or packaged, regardless of the date(s) on which such cigarettes are sold or distributed in the United States.

C. Records of Compliance

Tobacco Exchange will maintain monthly records of compliance with the proposed warning statement rotation plan indicating (i) the dates of manufacture or packaging of the Products, and (ii) the warning statement displayed in each case. These records will be available for inspection by your agency upon reasonable prior notice.

II. Advertising.

All warning statements shall be printed in black on white. Tobacco Exchange intends to display each of the warning statements required by 15 U.S.C. 1331 et seq. on any advertisements of the Products, including any point of sale materials (posters, placards, flyers, etc.). Tobacco Exchange will use the same warning formats that were submitted with the 1985 plans of the five (5) leading U.S. cigarette manufacturers and we will place the warnings as specified in those plans. Copies of the formats we will be using were submitted with our September 5 2007 letter. The size of our ads shall not exceed 470 square inches.

A. Advertising Warning Statement Rotation Plan.

The advertisement warning label rotation shall be performed in accordance with the same schedule proposed for rotation of the cigarette package and carton labels included in section I B herein.

B. Internet Advertisement

Tobacco Exchange represents that it does not have any plans to conduct any Internet advertising of the Products at this time. In the event that it does so in the future, it will submit an amended rotation plan for your consideration which will include a proposed health statement rotation plan and a sample web page for Internet advertising.

C. Records of Compliance

**Cheapy Smokes Wholesale Distributing, LLC
d/b/a/ Tobacco Exchange**

Tobacco Exchange shall maintain or cause to be maintained adequate records (i) identifying the name and date of each publication, (ii) identifying the size and category of the advertisement and the exhibit number of the acetate used to determine the size of the print used for the warning statement as designated in the FTC Memo Schedule; and (iii) including a copy of the actual advertisement for purposes of viewing the actual placement and format of the warning labels.

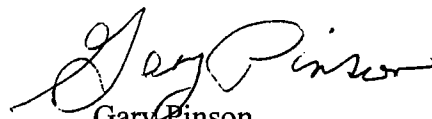
III. Importer Contact Information

The following is the contact information for Tobacco Exchange, as importer of record for the Products:

Mr. Gary Pinson
Cheapy Smokes Wholesale Distributing, LLC d/b/a
Tobacco Exchange
236 Axminister Dr
Fenton Missouri 63026
Tel: (636) 343-0079
Fax: (636) 343-0091
E-mail: Cheapysmokes@yahoo.com

Should you require any additional information, please do not hesitate to contact me at anytime.

Respectfully yours,



Gary Pinson
President
Tobacco Exchange

**Selected packaging samples from those
submitted with the plan.**

CLASS 20 CIGARETTES

UNDERAGE SALE PROHIBITED

ARROW
Full Flavor
Filter King Box

ARROW
Full Flavor

Filter King Box

ARROW
Full Flavor
Filter King Box

Filter King Box

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

ARROW
Full Flavor



Made in the Philippines
under authority of the
trademark owner.

ARROW

SURGEON GENERAL'S WARNING:
Cigarette Smoke Contains
Carbon Monoxide.



Filter 100's



ARROW
Lights



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 17, 2007

Mr. Gary Pinson
Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange
236 Axminister Dr.
Fenton, MO 63026

Dear Mr. Pinson:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange ("Tobacco Exchange") on September 13, 2007, calling for quarterly rotation of the four health warnings in advertising for the Arrow brand of cigarettes, and on the packaging of certain varieties of that brand.

Tobacco Exchange's plan for the rotation of the warnings in advertising of the Arrow brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

The warnings on the sample packs and cartons submitted with your September 5, 2007 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tobacco Exchange's plan for the display of the four health warnings on packaging is hereby approved for the following twenty one varieties of the Arrow brand: Full Flavor Kings (soft and hard pack), Full Flavor 100's (soft and hard pack), Lights Kings (soft and hard pack), Lights 100's (soft and hard pack), Ultra Lights Kings (soft and hard pack), Ultra Lights 100's (soft and hard pack), Menthol Kings (soft and hard pack), Menthol 100's (soft and hard pack), Menthol Lights Kings (soft and hard pack), Menthol Lights 100's (soft and hard pack) and Non-Filter King soft pack. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

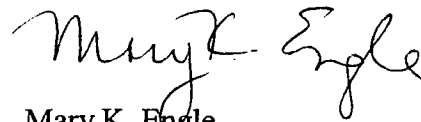
¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Gary Pinson
September 17, 2007
Page 2

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

Black Hawk



Tobacco Inc.

Ms. Diana Finegold
Federal Trade Commission
Division of Advertising Practices
600 Pennsylvania Avenue, N.W.
Room NJ-3212
Washington, DC 20580

September 18, 2007

RE: Cigarette Health Warning Rotation Plan

Dear Ms. Finegold,

This letter is being submitted for approval of the renewal of the alternative method to the quarterly Surgeon General Warning Rotation plan for packaging of the Black Hawk cigarette brand which expires on September 12, 2007. The Black Hawk brand is manufactured by Joseph M. Anderson d/b/a Smokin Joes for Black Hawk Tobacco, Inc. Upon approval of this plan, the manufacturer intends to manufacture these cigarettes under the authority of the Bureau of Alcohol, Tobacco & Firearms (Manufacturer of Tobacco Products License TP-NY-168).

The Black Hawk cigarette brand styles are:

Full Flavor King size Box
Light King size Box
Menthol King size Box
Menthol Light King size Box
Ultra Light King size Box

Full Flavor 100 size soft pack
Light 100 size soft pack
Menthol 100 size soft pack
Menthol Light 100 size soft pack
Menthol Ultra Light 100 size soft pack
Ultra Light 100 size soft pack

Full Flavor 100 size Box
Light 100 size Box
Menthol 100 size Box
Menthol Light 100 size Box
Menthol Ultra Light 100 size Box
Ultra Light 100 size Box

These cigarettes will be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain ten (10) packs of twenty (20) cigarettes each ("Pack"). The warnings will continue to be printed directly on the packaging in a legible and conspicuous manner and will continue to be of a size, format, and type required by the FTC. The warnings will continue to appear exactly as they do on the actual pack labels and cartons submitted with our letters dated August 2, 2006, February 24, 2007 and May 16, 2007.

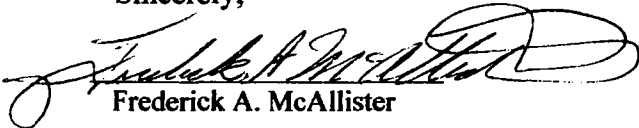
Black Hawk Tobacco, Inc. believes that its sales volume of its only brand, Black Hawk cigarettes, fits the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333 (c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331. Included on Exhibit A are actual annual sales (Fiscal Year September 1 2006 through August 31 2007) volumes for the brand styles of Black Hawk Tobacco, Inc. for the brand styles listed above. Black Hawk cigarettes are the only contracted cigarette brand of Black Hawk Tobacco, Inc., of all the brand styles of the Black Hawk cigarette brand, over the last one year period, the biggest seller was Black Hawk Full Flavor 100 size soft pack totaling [REDACTED] sticks. Black Hawk Tobacco Inc. anticipates that it will sell no more than [REDACTED] sticks of any one brand style for fiscal year September 1, 2007 through August 31, 2008.

If this plan for the alternative to quarterly rotation of warnings on packaging is approved, the four cigarette health warnings will appear on each of the packs and cartons of the styles and varieties listed above of the Black Hawk cigarette brand an equal number of times for the one year period beginning on the date this plan is approved. To ensure the cigarette health warnings appear on each of the above listed brand styles an equal number of times throughout the plan year, raw material packaging inventory will be stored and loaded into packaging machines alternating the four health warnings equally.

Black Hawk Tobacco Inc. continues to be in compliance with it's plan for internet advertising that was approved on August 6, 2007. If in the future Black Hawk Tobacco, Inc. decides to engage in print advertising, Black Hawk Tobacco, Inc. will submit a plan to the FTC.

Smokin Joes, the manufacturer, and Black Hawk Tobacco, Inc. are aware of the requirements set forth by the Federal Trade Commission in the Cigarette Labeling and Advertising Act and the companies' efforts are always to be fully compliant with the regulations. If there are any questions or concerns regarding these plans, please contact me.

Sincerely,



Frederick A. McAllister

EXHIBIT A

PRODUCT	STICKS [^]
Black Hawk Full Flavor 100 size Box	[REDACTED]
Black Hawk Light 100 size Box	[REDACTED]
Black Hawk Menthol 100 size Box	[REDACTED]
Black Hawk Menthol Light 100 size Box	[REDACTED]
Black Hawk Ultra Light 100 size Box	[REDACTED]
Black Hawk Menthol Ultra Light 100 size Box	[REDACTED]

^ 2007 Annual Stick Sales Figures [REDACTED]

PRODUCT (TOP SELLING SKU)	STICKS [^]
Black Hawk Full Flavor 100 size Box	[REDACTED]

PRODUCT	STICKS [^]
Black Hawk Full Flavor King size Box	[REDACTED]
Black Hawk Light King size Box	[REDACTED]
Black Hawk Menthol King size Box	[REDACTED]
Black Hawk Menthol Light King size Box	[REDACTED]
Black Hawk Ultra Light King size Box	[REDACTED]

^ 2007 Annual Stick Sales Figures [REDACTED]

PRODUCT	STICKS [^]
Black Hawk Full Flavor 100 size Soft Pack	[REDACTED]
Black Hawk Light 100 size Soft Pack	[REDACTED]
Black Hawk Menthol 100 size Soft Pack	[REDACTED]
Black Hawk Menthol Light 100 size Soft Pack	[REDACTED]
Black Hawk Ultra Light 100 size Soft Pack	[REDACTED]
Black Hawk Menthol Ultra Light 100 size Soft Pack	[REDACTED]

^ 2007 Annual Stick Sales Figures [REDACTED]



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 26, 2007

Mr. Frederick A. McAllister
C.E.O.
Black Hawk Tobacco Inc.
1751 Sunrise Way, Suite D-2
Palm Springs, CA 92262

Dear Mr. McAllister:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Black Hawk Tobacco, Inc. ("Black Hawk") dated September 18, 2007, calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Black Hawk brand of cigarettes.

Black Hawk's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your August 2, 2006, February 24 and May 16, 2007 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. Black Hawk's plan for the display of the four health warnings on packaging for the Black Hawk brand is hereby approved for eleven hard pack varieties (Full Flavor King, Light King, Menthol King, Menthol Light King, Ultra Light King, Full Flavor 100's, Light 100's, Menthol 100's, Menthol Light 100's, Menthol Ultra Light 100's, and Ultra Light 100's), and six soft pack varieties (Full Flavor 100's, Light 100's, Menthol 100's, Menthol Light 100's, Menthol Ultra Light 100's, and Ultra Light 100's). This approval is effective on the date of this letter and ends on September 25, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

This approval of Black Hawk's cigarette health warning display plan is an approval only of its plan for displaying the four health warnings mandated by the Cigarette Act. It is not in any

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Frederick A. McAllister

September 26, 2007

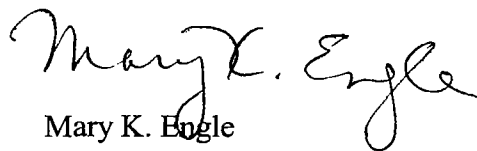
Page 2

way an approval of any other statements or representations made on the packaging of Black Hawk's cigarettes.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looping "M" and "E".

Mary K. Engle
Associate Director



Premium American Tobacco At An Honest Price.

September 27, 2007

Via Overnight

Associate Director of Advertising Practices
Federal Trade Commission
FTC Satellite Building
601 Pennsylvania Avenue, NW
Room 4002
Washington, D.C. 20580
(202) 326-3259 FAX

Re: FTC Health Warning Rotation Plan for S&M Brands, Inc. makers of
Bailey's Cigarette, Tahoe Cigarettes, and Riverside Cigarettes

To Whom It May Concern:

The undersigned is general counsel to S&M Brands, Inc., a Virginia corporation manufacturing Bailey's Cigarettes and Tahoe Cigarettes in Keysville, Virginia. S&M Brands, Inc. will be launching a new cigarette brand, Riverside Cigarettes, later in 2007. S&M Brands, Inc. started sales on August 19, 1994, with solely the Bailey's brand; the Tahoe brand was introduced in 2000. Riverside will be launched late third/early fourth quarter 2007. Since 1994, S&M Brands, Inc. has filed its Advertising and Packaging Health Warning Plan with the FTC, including submitting its packages and advertising materials for both Bailey's and Tahoe. Riverside packaging is submitted herewith. The S&M Brands packaging plan was first approved through December 31, 1995, by Associate Director C. Lee Peeler of the Division of Advertising Practices. S&M Brands, Inc. has obtained approval for each subsequent year.

Tahoe Cigarettes are available in soft and in limited hard packs. The styles for Tahoe soft packs are: King Size: Full Flavor, Light Flavor, Ultra Light Flavor, Menthol Flavor, and Menthol Light Flavor; 100's Size: Full Flavor, Light Flavor, Ultra Light Flavor, Menthol Flavor, and Menthol Light Flavor. The styles for Tahoe hard packs are: King Size: Full Flavor and Light Flavor. The FTC has complete and accurate examples of these packs and cartons on file, which were approved. We enclosed at the FTC's request, packaging for Tahoe, all styles displaying the four warnings with our letter dated October 31, 2006.

Bailey's Cigarettes are available in soft packs and in limited hard packs. The styles for Bailey's soft packs are: King Size: Full Flavor, Light Flavor, Ultra Light Flavor, Menthol Flavor, and Menthol Light Flavor; 100's Size: Full Flavor, Light Flavor, Ultra Light Flavor, Menthol Flavor, and Menthol Light Flavor. The styles for Bailey's hard packs are: King Size: Full Flavor, Menthol Flavor, and Light Flavor. The FTC has complete and accurate examples of these packs and cartons on file, which were approved. Bailey's packaging, all styles, was submitted in 2004. The Bailey's hard pack styles were submitted with our letter dated July 9, 2004. Bailey's soft pack styles were submitted with our letter dated July 15, 2004.

Riverside Cigarettes will be introduced in soft pack styles. These styles include: King Size: Full Flavor, Light Flavor, Ultra Light Flavor, Menthol Flavor, and Menthol Light Flavor; 100's Size: Full Flavor, Light Flavor, Ultra Light Flavor, Menthol Flavor, and Menthol Light Flavor. Complete and accurate examples of these packs and cartons showing exactly how the warnings will appear were sent on September 13, 2007 for approval.

The packaging materials (cartons and packs) have not changed for our Bailey's and Tahoe brands since FTC approval. As noted, Riverside packaging materials were submitted on September 13, 2007. Additional samples of Bailey's and Tahoe materials are available upon request, but the warnings that our company uses will continue to appear exactly as on the exemplars previously provided to the FTC.

As a small manufacturer, under our reading of applicable law, S&M Brands, Inc. has qualified (and we believe still qualifies) to have a plan for the warnings on cigarette packages that would constitute the simultaneous display of the four health warnings on cigarette packaging. The four warnings will appear an equal number of times on the packs and cartons for each brand style of Bailey's, Tahoe, and Riverside brand cigarettes for a one year period beginning on the date of approval of this plan. We will keep records demonstrating compliance with this plan.


Our sales by fiscal year are summarized in the chart below. Our fiscal year is the same as the calendar year. For fiscal year 2006 our actual sales are reported below. For fiscal years 2007 and 2008 our anticipated sales are reported below.

Volume in Sticks

Year	Bailey's	Tahoe	Riverside
2006	[REDACTED]	[REDACTED]	[REDACTED]
2007	[REDACTED]	[REDACTED]	[REDACTED]
2008	[REDACTED]	[REDACTED]	[REDACTED]

As to advertising, as in previous years, S&M Brands, Inc. remains in compliance with and would like to maintain its rotation plan and proposes to add the Riverside brand to its rotation plan. We will rotate the warnings according to the schedule attached. We will use the warning formats submitted with the 1985 plans submitted by the five leading cigarette manufacturers and will place the warnings as specified in those plans. These formats are identical to those submitted by Bailey Tobacco Corporation on April 17, 2003. We will not advertise the Riverside brand of cigarettes on the internet.

Thank you so much for your attention to this matter. Please feel free to call the undersigned if you have any questions.

Yours very truly,

Everett W. Gee III
Vice President Legal Affairs
& General Counsel

cc: Mr. Malcolm L. Bailey
Mr. Steven A. Bailey

S & M Brands, Inc. makers of Bailey's Cigarettes, Tahoe Cigarettes, and Riverside Cigarettes
3662 Ontario Road
Suite B
Keysville, VA 23947

**ROTATION PLAN FOR
ADVERTISING AND PROMOTIONAL MATERIALS**

	<u>Bailey's Brand</u>
First Quarter	C
Second Quarter	D
Third Quarter	A
Fourth Quarter	B
	<u>Tahoe Brand</u>
First Quarter	B
Second Quarter	A
Third Quarter	D
Fourth Quarter	C
	<u>Riverside Brand</u>
First Quarter	A
Second Quarter	B
Third Quarter	C
Fourth Quarter	D

The warnings are as follows:

- A. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Selected packaging samples from those
submitted with the plan.

Riverside

Ultra Lights

20 CLASS A CIGARETTES
MADE IN U.S.A.

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

Riverside

Ultra Lights

20 CLASS A CIGARETTES
MADE IN U.S.A.

Riverside
Ultra Lights

TP-VL-33
20 CLASS A CIGARETTES
UNDERAGE SALE PROHIBITED



w 4

Full Flavor

UNDERAGE SALE PROHIBITED

Riverside

200 CLASS A CIGARETTES

1974-75

Riverside™

Full Flavor

200 CLASS A CIGARETTES • MADE IN U.S.A.

Riverside™

Full Flavor



SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

200 CLASS A CIGARETTES • MADE IN U.S.A.

Full Flavor



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 2, 2007

Everett W. Gee, III, Esq.
S&M Brands, Inc.
3662 Ontario Rd., Suite B
Keysville, VA 23947

Dear Mr. Gee:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by S&M Brands, Inc. ("S&M") on September 27, 2007, calling for quarterly rotation of the four health warnings in advertising of the Riverside brand of cigarettes, and for the simultaneous display of the four health warnings on packaging for certain varieties of the Bailey's, Tahoe, and Riverside brands.

S&M's plan for the rotation of the warnings in advertising of the Riverside brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

S&M's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your December 28, 2000, July 9 and 15, 2004, January 19, 2005, and September 13, 2007 letters appear to comply with the size and conspicuousness requirements of the Cigarette Act. S&M's plan for the display of the four health warnings on packaging for the Bailey's, Tahoe, and Riverside brands of cigarettes is hereby approved for the following varieties:

- ten soft pack varieties of the of the Bailey's brand (Full Flavor King, Full Flavor 100's, Light King, Light 100's, Menthol King, Menthol 100's, Ultra Light King, Ultra Light 100's, Menthol Light King, and Menthol Light 100's) and three hard pack varieties (Full Flavor King, Light King, and Menthol King);
- ten soft pack varieties of the Tahoe brand (Full Flavor King, Full Flavor 100's, Light King, Light 100's, Ultra Light King, Ultra Light 100's, Menthol King, Menthol 100's, Menthol Light King, and Menthol Light 100's) and two hard pack varieties (Full Flavor King and Light King); and

Everett W. Gee, III, Esq.

October 2, 2007

Page 2

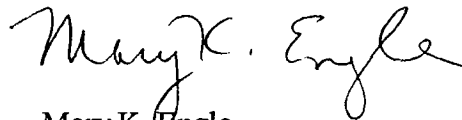
- the following ten soft pack varieties of the Riverside brand: Full Flavor King, Full Flavor 100's, Light King, Light 100's, Ultra Light King, Ultra Light 100's, Menthol King, Menthol 100's, Menthol Light King, and Menthol Light 100's.

This approval is effective on the date of this letter and ends on October 1, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers and importers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Haley Zernich at (202) 326-3485.

Very truly yours,



Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Cheapy Smokes Wholesale Distributing,LLC
d/b/a/ Tobacco Exchange

October 3, 2007

Ms.Sallie Schools
Division of Advertising Practices
Federal Trade Commission
601 New Jersey Ave. NW
Mail Drop NJ-3212
Washington, D.C. 20001

**Re: Cheapy Smokes Wholesale Distributing,LLC d/b/a Tobacco Exchange
Proposed Warning Statement Rotation Plan for the Hit brand of
cigarettes.**

Dear Ms. Sallie Schools,

Pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 et seq. (the "Act") Cheapy Smokes Wholesale Distributing, LLC. dba Tobacco Exchange (Cheapy Smokes Wholesale Distributing, LLC.) hereby submits for your consideration the following proposed Warning Statement Rotation Plan (the "Plan") for the HIT brand of cigarettes (the "Products"), which will be imported from Philippines, including the following information for your review:¹

- (i) sample cigarette cartons and packages displaying the layout, size and location of the health warning statements for each brand style;
- (ii) a rotation plan for the display of health warning statements on Products packages and cartons; and
- (iii) a health warning statement size and placement plan for advertisements of the HIT brand.

Warning Statement Rotation Plan Pursuant to Section 4 (c) of the Federal Cigarette Labeling and Advertising Act.

The Act provides for the placement of certain warning statements (i) on packages and cartons of cigarettes for sale or distribution in the United States; and (ii) in advertisements for cigarettes within the United States. Tobacco Exchange submits this Warning Statement Rotation Plan to the Federal Trade Commission pursuant to Section 4 (i) of the Act. Tobacco Exchange intends to import the following brand styles for the Products (the "Brand Styles") under this proposed plan:

Brand:

HIT

¹ Tobacco Exchange will be the importer of record and Cheapy Smokes Wholesale Distributing will be the distributor for the Product in the United States. The Product will be manufactured in Philippines by Maharika Tobacco Corporation.

Cheapy Smokes Wholesale Distributing,LLC
d/b/a/ Tobacco Exchange

Styles: HIT

Full Flavor 100 Soft

Full Flavor 100 Box

Full Flavor King Soft

Full Flavor King Box

Light 100 Soft

Light 100 Box

Light King Soft

Light King Box

Ultra Light King Soft

Ultra Light king Box

Ultra Light 100 Soft

Ultra Light 100 Box

Menthol Light King Soft

Menthol Light King Box

Menthol Light 100 Soft

Menthol Light 100 Box

Menthol 100 Soft

Menthol 100 Box

Menthol King Soft

Menthol King Box

Non-Filter King Soft

Cheapy Smokes Wholesale Distributing, LLC
d/b/a/ Tobacco Exchange

I. Packaging.

A. Warning Statement.

The warning statements will appear on the cigarette packages and cartons for each Brand Style exactly as shown on the samples for the packages and cartons submitted with my Sept. 05 2007, letter and the corrected samples submitted with my letter of Sept 27 2007.

Tobacco Exchange shall display each of the warning statements required by 15 U.S.C. 1331 et seq. on the Products packages and cartons for each Brand Style. In compliance with the Tariff Suspension and Trade Act of 2000, the warning statements shall be printed directly on the packages and cartons of the Products.

B. Warning Statement Rotation Plan for Packages and Cartons by Quarter.

Tobacco Exchange proposes to use the following Warning Statement Rotation Plan as its rotation plan for the warning statements to be printed on the cigarette packages and cartons of each Brand Style. A complete list of HIT brand styles is set forth herein above.

	First Quarter (Jan-Mar)	Second Quarter (Apr-Jun)	Third Quarter (Jul-Sep)	Fourth Quarter (Oct-Dec)
HIT	A	B	C	D
	First Quarter (Jan-Mar)	Second Quarter (Apr-Jun)	Third Quarter (Jul-Sep)	Fourth Quarter (Oct-Dec)
ARROW	B	C	D	A

*The ARROW brand warning rotation plan was previously approved on September 17, 2007

A SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Cheapy Smokes Wholesale Distributing, LLC

d/b/a/ Tobacco Exchange

- B. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- C. SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- D. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Packages and cartons of all Brand Styles of the Products shall each respectively bear the label statement referenced above for the quarter in which such cigarettes are manufactured or packaged, regardless of the date(s) on which such cigarettes are sold or distributed in the United States.

C. Records of Compliance

Tobacco Exchange will maintain monthly records of compliance with the proposed warning statement rotation plan indicating (i) the dates of manufacture or packaging of the Products, and (ii) the warning statement displayed in each case. These records will be available for inspection by your agency upon reasonable prior notice.

II. Advertising.

All warning statements shall be printed in black on white. Tobacco Exchange intends to display each of the warning statements required by 15 U.S.C. 1331 et seq. on any advertisements of the Products, including any point of sale materials (posters, placards, flyers, etc.). Tobacco Exchange will use the same warning formats that were submitted with the 1985 plans of the five (5) leading U.S. cigarette manufacturers and we will place the warnings as specified in those plans. Copies of the formats we will be using were submitted with our September 5, 2007 letter. The size of our ads shall not exceed 470 square inches.

A. Advertising Warning Statement Rotation Plan.

The advertisement warning label rotation shall be performed in accordance with the same schedule proposed for rotation of the cigarette package and carton labels included in section I B herein.

**Cheapy Smokes Wholesale Distributing, LLC
d/b/a/ Tobacco Exchange**

B. Internet Advertisement

Tobacco Exchange represents that it does not have any plans to conduct any Internet advertising of the Products at this time. In the event that it does so in the future, it will submit an amended rotation plan for your consideration which will include a proposed health statement rotation plan and a sample web page for Internet advertising.

C. Records of Compliance

Tobacco Exchange shall maintain or cause to be maintained adequate records (i) identifying the name and date of each publication, (ii) identifying the size and category of the advertisement and the exhibit number of the acetate used to determine the size of the print used for the warning statement as designated in the FTC Memo Schedule; and (iii) including a copy of the actual advertisement for purposes of viewing the actual placement and format of the warning labels.

III. Importer Contact Information

The following is the contact information for Tobacco Exchange, as importer of record for the Products:

Mr. Gary Pinson
Cheapy Smokes Wholesale Distributing, LLC d/b/a
Tobacco Exchange
236 Axminister Dr
Fenton Missouri 63026
Tel: (636) 343-0079
Fax: (636) 343-0091
E-mail: Cheapysmokes@yahoo.com

Should you require any additional information, please do not hesitate to contact me at anytime.

Respectfully yours,



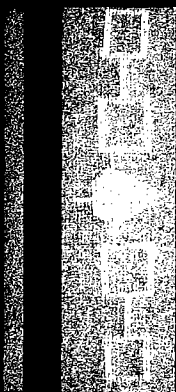
Gary Pinson
President
Tobacco Exchange

**Selected packaging samples from those
submitted with the plan.**



For Export Only
Made in the Philippines
Under Authority
of Trademark Owner.

UNDERAGE
SALE
PROHIBITED



SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly Reduces
Serious Risks to Your Health.

CLASS A
20
CIGARETTES

PHILIP



Full Flavor

Honor Indian Treaties

PHILIP



SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

PHILIP

Honor Indian Treaties

Full Flavor

King Size Box



8 10575 01328 8

PHILIP



Full Flavor

Honor Indian Treaties

PHILIP

King Size Box



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 9, 2007

Mr. Gary Pinson
Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange
236 Axminister Dr.
Fenton, MO 63026

Dear Mr. Pinson:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Cheapy Smokes Wholesale Distributing, LLC d/b/a Tobacco Exchange ("Tobacco Exchange") on October 3, 2007, calling for quarterly rotation of the four health warnings in advertising for the Hit brand of cigarettes, and on the packaging of certain varieties of that brand.

Tobacco Exchange's plan for the rotation of the warnings in advertising of the Hit brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

The warnings on the sample packs and cartons submitted with your letters of September 5 and 27, 2007 appear to meet the requirements of the Cigarette Act for size and conspicuousness.¹ Tobacco Exchange's plan for the display of the four health warnings on packaging is hereby approved for the following twenty one varieties of the Hit brand: Full Flavor Kings (soft and hard pack), Full Flavor 100's (soft and hard pack), Lights Kings (soft and hard pack), Lights 100's (soft and hard pack), Ultra Lights Kings (soft and hard pack), Ultra Lights 100's (soft and hard pack), Menthol Kings (soft and hard pack), Menthol 100's (soft and hard pack), Menthol Lights Kings (soft and hard pack), Menthol Lights 100's (soft and hard pack), and Non-Filter King soft pack. Approval of the plan is contingent on its good faith implementation. We may ask for

¹ Although the warnings on some of the cartons previously submitted were not sufficiently conspicuous, corrected samples were submitted. This approval pertains only to packaging that meets the requirements of the Cigarette Act.

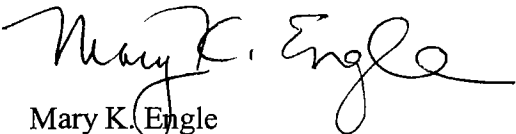
Mr. Gary Pinson
October 9, 2007
Page 2

information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services ("HHS"). Furthermore, the Tariff Act of 1930, 19 U.S.C. § 1681a(c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,



Mary K. Engle
Associate Director

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



DBA MEGA WHOLESALERS

October 9, 2007

VIA E-MAIL
VIA OVERNIGHT COURIER

Ms. Sallie Schools
Division of Advertising Practices
Federal Trade Commission
Bureau of Consumer Protection
601 New Jersey Avenue, NW
Washington, DC 20580

RE: Health Warning Statement Equalization Plan

Dear Ms. Schools:

Kardal, Inc., a Texas corporation (the "Company"), submits this proposed Health Warning Statement Equalization Plan (this "Plan") to the Federal Trade Commission (the "Commission") pursuant to Section 1333 of The Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 *et seq.* (the "Cigarette Act"). The Company's address is 2861 Congressman Lane, Dallas, Texas, 75220 and its President is Munir M. Meghani.

Brand Information. The Company is the brand owner of the GOLDEN BAY brand, and is having the brand contract-manufactured. GOLDEN BAY cigarettes are marketed in 9 soft pack brand styles: Full Flavor (85s and 100s), Lights (85s and 100s), Menthol (85s and 100s), Non-Filtered 85s, and Ultra Lights 100s and Menthol Lights 100s. GOLDEN BAY cigarettes are also marketed in 10 hard pack brand styles: Full Flavor (85s and 100s), Lights (85s and 100s), Menthol (85s and 100s), Menthol Lights (85s and 100s) and Ultra Lights (85s and 100s). The Company's fiscal year is a calendar year.



DBA MEGA WHOLESALERS

Exemption Request. The Company hereby requests an exemption under Section 1333(c)(2) of the Cigarette Act for the one year period beginning on the date any initial exemption is granted. The Company has not manufactured GOLDEN BAY cigarettes or any other brand of cigarettes in the past and therefore is unable to provide historical sales volume information. Based on its internal projections, the Company anticipates that it will sell approximately [REDACTED] sticks of GOLDEN BAY in remaining fiscal 2007 through 2008, which should qualify the Company for the Section 1333(c)(2) exemption.

The Company agrees to equalize the four warnings shown on the attached Exhibit A, incorporated herein by this reference, on the packs and cartons of each brand style of GOLDEN BAY brand for the one year period beginning on the date of approval of the Plan. The Company submitted by letter dated October 1, 2007 samples of each brand style of packs and cartons for GOLDEN BAY showing exactly how each of the four warnings will appear. The Company will keep records demonstrating compliance with the Plan.

Advertising. The Company does not intend to advertise at this time, nor does it intend to employ outdoor billboard displays, nor internet advertising. Should the Company later decide to utilize any of the foregoing, it will submit an advertising plan to the Commission in advance.

Please provide the Commission's written approval of this Health Warning Statement Equalization Plan as soon as possible.



DBA MEGA WHOLESALERS

Should you have any questions about this Plan, please contact Nancyellen Keane, Esquire, Troutman Sanders LLP, 1001 Haxall Point, Richmond, Virginia 23219; telephone: 804-697-1272; fax: 804-698-5140; email: Nancyellen.keane@troutmansanders.com.

Thank you for your assistance.

Sincerely,

KARDAL, INC.
By: Munir M. Meghani
President

Enclosures
cc: Nancyellen Keane, Esquire
1660139.2



DBA MEGA WHOLESALES

Exhibit A

Warning Labels -- Sections 1333(a)(1) and 1333(a)(2) of the Cigarette Act:

- Label 1 ("1"): SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- Label 2 ("2"): SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- Label 3 ("3"): SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- Label 4 ("4"): SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

**Selected packaging samples from those
submitted with the plan.**



Golden Bay
FULL FLAVOR
BOX 100's

SELECTED FINE TOBACCOS

Golden Bay
20 CLASS A CIGARETTES
MADE UNDER THE AUTHORITY OF THE
TRADEMARK OWNER KARJAL, INC.



Manufactured by TP-OK-2

SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly
Reduces Serious Risks to Your Health.

Golden Bay
FULL FLAVOR

SELECTED FINE TOBACCOS

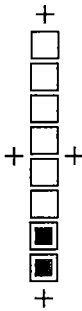
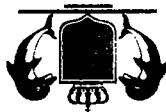
BOX 100's

FULL FLAVOR

Golden Bay



WN-10



FILTER CIGARETTES

Golden Bay
FULL FLAVOR

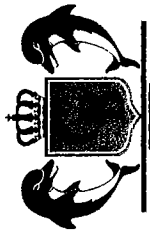
FILTER CIGARETTES

**UNDERAGE SALE
PROHIBITED**

LIGHTS BOX

LIGHTS BOX

10 BOXES OF
20 CLASS A
CIGARETTES



Golden Bay

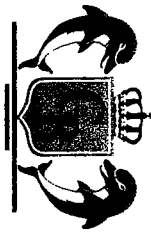
MADE UNDER THE AUTHORITY OF THE
TRADEMARK OWNER KARDAL, INC.
Manufactured by TP-QK-2

LIGHTS BOX

Golden Bay

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

Golden Bay



UNDERAGE
SALE
PROHIBITED



LIGHTS BOX



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 16, 2007

Mr. Munir M. Meghani
Kardal, Inc. d/b/a Mega Wholesales
2861 Congressman Ln.
Dallas, TX 75220

Dear Mr. Meghani:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Kardal, Inc. d/b/a Mega Wholesales ("Kardal") on October 9, 2007, calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Golden Bay brand of cigarettes.

Kardal's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 1, 2007 letter appears to meet the requirements of the Cigarette Act for size and conspicuousness. Kardal's plan for the display of the four health warnings on packaging for the Golden Bay brand is hereby approved for the following nineteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100s (soft pack and hard pack), Lights Kings (soft pack and hard pack), Lights 100s (soft pack and hard pack), Menthol Kings (soft pack and hard pack), Menthol 100s (soft pack and hard pack), Ultra Lights Kings hard pack, Ultra Lights 100s (soft pack and hard pack), Menthol Lights Kings hard pack, Menthol Lights 100s (soft pack and hard pack), and Non-Filter Kings soft pack.¹ This approval is effective on the date of this letter and ends on October 15, 2008. Approval of the plan is contingent on its good faith implementation.

¹ This approval of your cigarette health warning display plan is an approval of your plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Golden Bay packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Golden Bay packaging complies with relevant trademark law or with other applicable laws.

Mr. Munir M. Meghani
October 16, 2007
Page 2

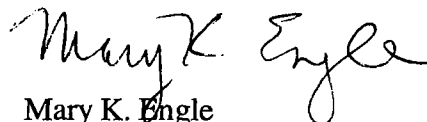
We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Kardal does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Conor McEvily at (202) 326-2410.

Very truly yours,



Mary K. Engle
Associate Director

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



Steve Coleman
Vice President & General Counsel
(636) 537-6809
fax (636) 537-3359
scoleman@gopremier.com

October 9, 2007

Mary K. Engle, Associate Director
Attn: Bonnie Pulley
Federal Trade Commission
Division of Advertising Practices
600 Pennsylvania Avenue, NW
Mail Drop NJ 3212
Washington, DC 20580

Re: Premier Manufacturing, Inc. – Request to Expand Warning Label Rotation Plan and Modify/Clarify Advertising Rotation Schedule

Dear Ms. Pulley:

The purpose of this letter is to inform you that Premier Manufacturing, Inc. hereby applies for approval to add Always Save brand cigarettes to our warning label rotation plan using the equal distribution method of warning labels. This application supplements the rotation plan that Premier filed with its letter of April 18, 2007 (copy attached). Premier does not manufacture or import any additional brands of cigarettes other than Always Save and the brands listed in our April 18 filing: 1st Class, Ultra Buy, Wildhorse, Shield and Ice The Ultimate Menthol. The following brand styles of Always Save cigarettes are manufactured in the United States:

Full Flavor King Soft Pack, Full Flavor King Box, Full Flavor 100 Soft Pack, Light King Soft Pack, Light 100 Soft Pack, Full Flavor Menthol 100 Soft Pack, Light Menthol King Soft Pack, Light Menthol 100 Soft Pack, Ultra Light 100 Soft Pack, Non-Filter King Soft Pack.

Premier's sales for the last fiscal year (calendar year 2006) did not exceed [REDACTED] sticks for any one brand style. We do not anticipate sales to exceed [REDACTED] sticks for any one brand style of cigarettes that we manufacture during the current fiscal year or the one-year period covered by this plan. We have not previously sold Always Save brand cigarettes.

The warnings will appear exactly as shown on the packaging samples provided with my September 14, 2007 letter. Premier will keep records demonstrating compliance with the plan. We will display the four health warnings an equal number of times on the packs and cartons for each brand style of the Always Save brand for a one-year period beginning on the date of approval of this plan.

The four warnings that will be displayed are:

www.GoPremier.com

17998 Chesterfield Airport Road. • Chesterfield, Missouri 63005 • (636) 537-5348 • Fax (636) 537-3359 • email: info@gopremier.com

PREMIER

INTERNATIONAL HOLDINGS

October 9, 2007
Page 2 of 3

1. SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
2. SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
3. SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
4. SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

Premier wishes to modify the advertising rotation schedule (including internet advertising) previously filed and approved for the 1st Class, Ultra Buy, Shield and Wildhorse and Ice The Ultimate Menthol, and seeks approval for the advertising rotation plan for Always Save, all shown in the grid below.

We will use the warning formats that were submitted with the 1985 plans of the five leading US cigarette manufacturers and we will place the warnings as specified in those plans. The warnings will be rotated quarterly according to the schedule set out below. Copies of the formats were submitted with our letter of May 23, 2003 and we will continue to use those formats.

	1 st Class	Ultra Buy	Shield	Wildhorse/ Multiple Brands	ICE The Ultimate Menthol	Always Save
1 st Quarter (Jan-Mar)	A	B	C	D	A	B
2 nd Quarter (Apr-Jun)	B	C	D	A	B	C
3 rd Quarter (Jul-Sept)	C	D	A	B	C	D
4 th Quarter (Oct-Dec)	D	A	B	C	D	A

A SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

B SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.

www.GoPremier.com

PREMIER

INTERNATIONAL HOLDINGS

October 9, 2007
Page 3 of 3

C SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.

D SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

In internet advertising, the warnings will be displayed in an unavoidable manner on every web page, where they may be viewed without scrolling and shall not be accessed through hyperlinks, popups, interstitials, or other similar means. We will use the warning formats that were submitted with the 1985 plans of the five leading US cigarette manufacturers, and the size of the warning shall be proportionate to those warning formats. The warnings will be rotated quarterly according to the schedule set out above.

We submit and confirm that the foregoing complies with the Act. Please call me should you have any questions or require additional information.

Sincerely,



Steven E. Coleman
Vice President and General Counsel

Selected packaging samples from those
submitted with the plan.

Underage
Sale
Prohibited



G

Premier Manufacturing, Inc.
St. Louis, MO 63006
20 CLASS A CIGARETTES
MADE IN USA

*Always
Save*

SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly Reduces
Serious Risks to Your Health.

*Always
Save*

TP-NC-15000



NON FILTER
KING SIZE

NON FILTER
KING SIZE

*Always
Save*
NON FILTER
KING SIZE

418-3154



Division of Advertising Practices

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

October 16, 2007

Steven E. Coleman, Esq.
Vice President and General Counsel
Premier Manufacturing, Inc.
17998 Chesterfield Airport Road
Chesterfield, MO 63005

Dear Mr. Coleman:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Premier Manufacturing, Inc. ("Premier") on October 9, 2007, calling for quarterly rotation of the four health warnings in advertising of the "Always Save" brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of that brand.

Premier's plan for the rotation of the four health warnings in advertising of the Always Save brand of cigarettes is hereby approved. Premier's advertising rotational warning plan includes Internet advertising. This approval of Premier's plan for the rotation of the health warnings in advertising is not a determination as to the legality of advertising cigarettes on the Internet. With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice and you should contact them directly (Kenneth Maddox at 202-307-0092) to determine whether such advertising on the Internet is permissible.

Premier's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 14, 2007 letter appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Premier's plan for the display of the four health warnings on packaging for the Always Save brand is hereby approved for the Full Flavor King Box variety and the following nine soft pack varieties: Full Flavor King, Full Flavor 100's, Light King, Light 100's, Menthol King, Menthol Light King, Menthol Light 100's, Ultra Light 100's, and Non-filter King. This approval is effective on the date of this letter and ends on October 15, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for

Steven E. Coleman, Esq.
October 16, 2007
Page 2

information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You also propose in your October 9, 2007 letter to modify Premier's advertising rotation schedule for the 1st Class, Ultra Buy, Shield, Wildhorse, and "Ice The Ultimate Menthol" brands. The modification of Premier's advertising rotation schedule is hereby approved.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,


Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

LAW OFFICES OF
FINGER, PARKER, BROWN & ROEMER, L.L.P.
204 NORTHGATE PARK DRIVE
WINSTON-SALEM, NORTH CAROLINA 27106

M. NEIL FINGER
RAYMOND A. PARKER, II
HENRY C. ROEMER, III, P.C.
ANDREW G. BROWN

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MAILING ADDRESS
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105 SOUTH BRIDGE STREET
P. O. BOX 8
JONESVILLE, N. C. 28642
(336) 835-4000

Writer's Direct Dial:
(336) 759-0955

October 4, 2007

Via Fax (202-326-3259 - 2 pages) and FedEx

Mr. Michael Ostheimer
and/or Ms. Sallie Schools
Federal Trade Commission
601 New Jersey Avenue, N.W.
3rd Floor, Room NJ-3212
Washington, DC 20001

Re: *Request for Addition of Two Styles (Supersmooth and Black Supersmooth) to the Approved Warning Statement Rotation Plan for the brand DJARUM (international-size, hard-pack styles: Bali Hai, Black, Lights, Special, Special Lights, Splash, Super, Cherry, Vanilla, Original, and Menthol)*

Dear Mr. Ostheimer and Ms. Schools:

I am writing this letter on behalf of Kretek International, Inc. ("Kretek").

In a letter from Mary Engle dated June 19, 2007, the Federal Trade Commission approved a renewal of a certain health warning rotation plan filed on behalf of Kretek (the "Plan").

It is our desire to add two styles of the Djarum brand of cigarettes to the Plan. Specifically, the two styles to be added are: Supersmooth and Black Supersmooth (the "Additional Styles").

The company official responsible for overseeing this matter is Sean Cassar, whose title is Vice President and Director of Marketing. Mr. Cassar's contact information is as follows:

Mr. Sean Cassar
Kretek International, Inc.
5449 Endeavour Court
Moorpark, CA 93021

Telephone number: 805-531-8888.

Mr. Michael Ostheimer
and/or Ms. Sallie Schools
October 4, 2007
Page 2

As provided for by Section 1333(c)(2) of the Cigarette Labeling and Advertising Act (the "Act"), Kretek qualifies for the so-called equalization alternative because during fiscal year 2006 (1) each of the brand styles of all of the cigarettes manufactured or imported by Kretek accounted for less than [REDACTED] sticks, and (2) Kretek anticipates its sales for fiscal year 2007 for any one brand style it manufactures or imports (including the Additional Styles) will not exceed [REDACTED] sticks.

Consistent with the requirements of the Plan, Kretek will display the four warnings specified in the Act an equal number of times on the packages and cartons of each of the Additional Styles for the one-year period beginning on the date of the approval of this expansion of the Plan.

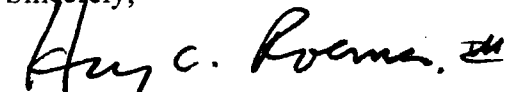
The warning statements will appear exactly as shown on the samples of the packs and cartons submitted with this letter.

Kretek agrees to maintain records to demonstrate compliance with the Plan.

This application for expansion of the Plan is not intended to vary or alter the consumer advertising plans previously approved by the Federal Trade Commission for the Djarum products listed on the previously approved advertising plans.

Thank you for your courtesy and cooperation.

Sincerely,



Henry C. Roemer, III

HCRiii/mhr

Enclosures

cc: Kretek International, Inc.

Selected packaging samples from those
submitted with the plan.

The World's Leading Clove Cigarette Company



DJARUM

DJARUM

supersmooth

A superbly crafted blend of fine aged imported tobaccos, Djarum Supersmooth offers a smoothly satisfying taste and unique aroma that goes with any occasion.



The World's Leading Clove Cigarette Company

DJARUM

20 CLASS A CIGARETTES

supersmooth

DJARUM



EN



SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

UNDERAGE
SALE
PROHIBITED

09-07



FSC



CLASS A CIGARETTES
MADE BY PT DJARUM, INDONESIA
DISTRIBUTED EXCLUSIVELY BY
KRETEK INTERNATIONAL
MORRISVILLE, CALIFORNIA, U.S.A.



DJARUM
BLACK

CLASS A CIGARETTES
MADE BY PT. DJARUM, INDONESIA

100 CLASS A CIGARETTES

SURGEON GENERAL'S WARNING:
Cigarette Smoke Contains Carbon Monoxide.





UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 17, 2007

Henry C. Roemer, III, Esq.
Finger, Parker, Brown, and Roemer, LLP
204 Northgate Park Drive
Winston-Salem, NC 27106

Dear Mr. Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on June 19, 2007, I approved a plan filed by Kretek International, Inc. ("Kretek") calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Djarum brand of cigarettes. You now propose in a letter dated October 4, 2007 to expand your plan to include two additional varieties of the Djarum brand.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 4, 2007 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Kretek's expansion of its plan for the display of the four health warnings on packaging is hereby approved for the Supersmooth and Black Supersmooth international hard pack varieties of the Djarum brand. This approval is effective on the date of this letter and ends on October 16, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

LAW OFFICES OF
BARRY M. BOREN

One Datan
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

barry@bboren.com

Telephone
(305) 670-2200
Facsimile
(305) 670-9672

October 15, 2007

**CONTAINS TRADE SECRETS
AND CONFIDENTIAL
BUSINESS INFORMATION
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary Engle, Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, N.W., #NJ-3212
Washington, D.C. 20580

Attention: Ms. Haley Zermich

Surgeon General's Health Warning Equalization and Advertising Plan
for American Cigarette Company, Inc. for Prestige Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, American Cigarette Company, Inc. ("ACC"), a Florida corporation, with offices located at 1291-B N.W. 65th Pl., Frt. Lauderdale, FL 33309. ACC wishes to file a Surgeon General's Health Warning Equalization Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 *et seq.*) for a brand of cigarettes they wish to manufacture in the United States under the brand name "Prestige." ACC currently has an equalization plan for its Union brand cigarettes.¹ The contact person for the company will be its President, Basil Battah, who can be reached at the above address. The new plan we are proposing for the Prestige cigarettes is an equalization plan.

There is only one brand style of Prestige cigarettes ACC intends to manufacture

¹ Both the equalization plan and the advertising plan were approved for Union cigarettes on October 21, 2005. A copy of the approval letter is attached hereto as Exhibit "A." A revised plan was approved by the FTC on November 16, 2006 and is attached hereto as Exhibit "B." Additional brand styles of Union cigarettes were added and approved by the FTC on March 15, 2007 (see Exhibit "C" attached).

at this time, and that is Prestige brand cigarettes, king-size box in blue packaging. Enclosed with our submission of September 27, 2007 were the actual production packs and cartons for the brand style being submitted showing exactly where and how the four (4) Surgeon General's health warnings will appear on individual packs and cartons ACC will be manufacturing.

ACC manufactured approximately [REDACTED] cigarettes (all were Union brand cigarettes) in the fiscal year 2006. In fiscal year 2007 to date, it has manufactured approximately [REDACTED] cigarettes (all were Union brand cigarettes). ACC anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Union and Prestige) in the next 12 months. No Prestige cigarettes have been manufactured to date.

No one brand style of cigarettes sold by ACC has for the past fiscal year constituted more than 1/4 of 1% of all the cigarettes sold in the United States in such year, and no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in the next fiscal year. In addition, more than one-half of the cigarettes manufactured by ACC for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, ACC wishes to submit a plan to equalize for each Prestige brand style the health warning statements required by 15 U.S.C. §1333(c). Each of the four warning statements will appear on the packs and cartons of each brand style of cigarettes manufactured by ACC an equal number of times in the one year period beginning on the date this plan is approved.

The individual packs of Prestige cigarettes to be manufactured by ACC will have the proper health warnings printed by the manufacturer directly on the packs under the cellophane. The cartons will also have the proper health warnings printed directly on the cartons by the manufacturer. ACC will keep a running total of the number of cartons and packs it manufactures with each warning label for each brand style.

ACC understands that the FTC is charged with ensuring that ACC's Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

ACC will print all four (4) health warnings in equal numbers on each printed sheet of packaging for all of its cartons and packs so that when the sheets are die cut, each shipment should be approximately equalized for each brand style as manufactured. If, toward the end of the one year period, it appears that the warnings are not equalized on the packs and cartons for each brand style, ACC will place special orders for packaging with the specific health warnings needed to ensure that the rotation is equalized for each brand style by the plan's anniversary date.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. ACC shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to: (1) provide by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) prevent the recurrence of any mistakes, errors, or omissions that have come to its attention.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, any State Government, or any instrumentality thereof.

Advertising Plan

ACC, which already has a Surgeon General's Warning Rotation Plan in place for labeling its Union brand of cigarettes (see Exhibits "A" and "B"), and an advertising plan for the same brands (see Exhibit "A"), wishes to present an advertising rotation plan for its Prestige brands of cigarettes. It, therefore, proposes the following plan as required by Paragraphs 2 and 3 of Sub-section (a) of Section 4 of the Federal Cigarette Labeling and Advertising Act of 1964, as amended (15 U.S.C. § 1331 *et seq.*) (the "Act"). These sections provide for the placement of certain Surgeon General Health Warnings in advertisements for cigarettes within the United States. This Advertising Quarterly Rotation Plan is being submitted to the Federal Trade Commission ("FTC") pursuant to Section 4(c) of the Act.

1. **Advertisements (other than billboard advertisements):**

- A. Pursuant to the requirements of Section 4(a)(2) of the Act, ACC will rotate quarterly, in alternating sequence, the four Surgeon General's Health Warnings on all advertisements it produces for the Prestige brand of cigarettes. The advertising rotation sequence is set forth in Exhibit "D" attached hereto.²
- B. Any advertisement appearing in an issue of a newspaper, magazine or other periodical shall bear the health warning statement referenced in the plan for the quarter in which the cover date falls; provided that any advertisement appearing in an issue of a newspaper, magazine or other periodical having

² Exhibit "D" also contains the advertising rotation schedule of all of the ACC cigarette brands.

a cover date that encompasses a period of more than one calendar month shall bear the label statement for the quarter during which such issue is first scheduled for sale or distribution to the public.

- C. Any advertisement prepared for public transit facilities or vehicles, point-of-sale promotional materials for which a label statement is required, and non-point-of sale leaflets, direct mail circulars, paperback book inserts and programs shall bear the label statement for the quarter in which mechanical artwork for such advertisement is first delivered in final form for engraving or comparable production, regardless of the date(s) on which such advertisement is thereafter published, distributed, installed or displayed; provided, however, that the deliveries described in this paragraph shall be made in a manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed by this paragraph.
- D. Any advertisements prepared for vending machines pursuant to a contract for advertisements or cigarette package display panels (excluding contracts for column placements) shall bear the label statement for the quarter in which mechanical artwork for such advertisement is first delivered in final form for engraving or comparable production, regardless of the date(s) on which such advertisement is thereafter distributed, installed or displayed; provided, however, that the deliveries described in this paragraph shall be made in a manner that is consistent with customary business practices or with business considerations unrelated to the rotation obligation imposed by this paragraph.
- E. Each advertisement (other than outdoor billboard advertisements and advertisements in newspapers, magazines and other periodicals), shall bear a reference, in code or otherwise, indicating the calendar quarter in which the mechanical artwork therefor was first delivered in final form for engraving or comparable production.
- F. ACC will utilize the English language formats that were submitted with the 1985 plans of the five leading U.S. cigarette manufacturers and intends to use these formats on all their advertising materials. These formats cover all advertising from zero square inches to 10 square feet (as printed on the FTC website as Cigarette Memo Exhibits 1 through 7). At this time, all of ACC' advertising will be in English so only English language warnings will be used. If this changes, ACC will notify the FTC and modify its plan accordingly. All the warning statements used by ACC in any of its advertising will use black print on a white background. ACC will use the formats on all its advertisements as follows:

CATEGORY	SIZE OF ADVERTISEMENT	WARNING STATEMENT
Category 1.	0 to 65 square inches	Exhibit 1 or 1(a)
Category 2.	Over 65 to 110 square inches	Exhibit 2 or 2(a)
Category 3.	Over 110 to 180 square inches	Exhibit 3
Category 4.	Over 180 to 360 square inches	Exhibit 4
Category 5.	Over 360 to 470 square inches	Exhibit 5
Category 6.	Over 470 to 720 square inches	Exhibit 6
Category 7.	Over 5 to 10 square feet	Exhibit 7

Printed samples of the health warning formats to be used by ACC are attached hereto as composite Exhibit "E".

2. Outdoor Billboard Advertisements:

At this time, ACC does not intend to advertise on outdoor billboards and therefore, is not proposing, nor need it comply, with the Act's requirements (Section 4(a)(3) concerning such advertising. If this should change, we will notify the FTC and modify our plan accordingly.

3. Multiple Brand Advertising:

In advertisements within the United States for more than one brand of cigarettes, or which are not for a specific brand, the label statements required by Section 4(a)(2) of the Act shall be rotated as provided for in paragraph 1 in the Union cigarette advertising plan approved by the FTC on October 21, 2005. The sequence for Union will be used because it was the first brand listed in the first ACC advertising plan approved by the FTC.

4. Internet Advertising:

Please be advised that, at this time, ACC does not advertise Union or Prestige cigarettes on the internet. Before ACC begins to advertise on the internet, it will notify the FTC and modify its plan accordingly.

5. Miscellaneous:

A. ACC shall be deemed to have satisfied its responsibilities under this Plan if

it has taken reasonable steps to comply with the statutory requirements by: (1) providing by written contract or the giving of clear instructions or otherwise, for rotation of the label statements required by the Act in accordance with the pertinent provisions of this Plan, (2) when appropriate, furnishing materials for the production of advertisements bearing the label statement(s) required by the pertinent provisions of this Plan; and (3) preventing the recurrence of any mistakes, errors or omissions that have come to its attention.

- B. Nothing herein shall be construed to require the advertising of any cigarette during any period of time.
- C. No provision of this Plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government or any instrumentality thereof.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 *et seq.*) including any modifications made by the Public Health Cigarette Smoking Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this plan as soon as possible.

Should you have any further questions regarding this matter, please do not hesitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN


Barry M. Boren

BMB:mw\encs.



Division of Advertising Practices

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

October 21, 2005

Andrew M. Parish
Attorneys at Law
6100 Hollywood Boulevard
Suite 421
Hollywood, FL 33024-7900

Dear Mr. Parish:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company ("ACC") on October 19, 2005, calling for quarterly rotation of the four health warnings in advertising of the Union brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of five soft pack varieties of that brand.

ACC's plan for the rotation of the warnings in advertising of the Union brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 28, 2005 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. ACC's plan for the display of the four health warnings on packaging for the Union brand is hereby approved for the following five soft pack varieties: Ultra Light 100's, Light 100's, Full Flavor 100's, Menthol 100's, and Menthol Light 100's. This approval is effective on the date of this letter and ends on October 20, 2006. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

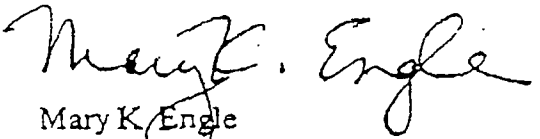
¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Andrew M. Parish
October 21, 2005
Page 2

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 16, 2006

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company ("ACC") on November 8, 2006, calling for the simultaneous display of the four health warnings on the packaging of fifteen varieties of the Union brand of cigarettes.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 19, 2006 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. ACC's plan for the display of the four health warnings on packaging is hereby approved for ten soft pack varieties of the Union brand of cigarettes (Full Flavor kings, Light kings, Ultra Light kings, Menthol kings, Menthol Light kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s) and five box varieties of the brand (Full Flavor kings, Light kings, Ultra Light kings, Menthol kings, and Menthol Light kings). This approval is effective on the date of this letter and ends on November 15, 2007. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

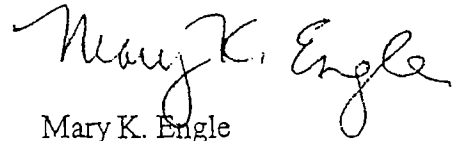
You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.
November 16, 2006
Page 2

If you have any questions regarding this approval, please contact Katherine Zownir at
(202) 326-2949.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

March 15, 2007

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Blvd., Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on November 16, 2006, I approved a plan filed on behalf of American Cigarette Company ("ACC") calling for the simultaneous display of the four health warnings on packaging for fifteen varieties of the Union brand of cigarettes. You now propose in a letter dated February 26, 2007 to expand ACC's plan to include five additional hard pack varieties of that brand.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your February 26, 2007 letter appear to meet with the requirements of the Cigarette Act for size and conspicuousness. ACC's expansion of its plan for the display of the four health warnings on packaging for the Union brand is hereby approved for the following five hard pack varieties: Full Flavor 100's, Lights 100's, Ultra Lights 100's, Menthol 100's and Menthol Lights 100's. This approval is effective on the date of this letter and ends on March 14, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If you have any questions regarding this approval, please contact Clovia Hutchins at (202) 326-3215.

Very truly yours,

Mary K. Engle
Associate Director

EXHIBIT "C"

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

EXHIBIT "D"
AMERICAN CIGARETTE COMPANY
CHART OF WARNINGS

Brand Name	Quarter One Jan. 1st to March 31st	Quarter Two April 1st to June 30th	Quarter Three July 1st to Sept. 30th	Quarter Four Oct. 1st to Dec. 31st
Union	B	A	C	D
Prestige	A	C	D	B

- A = SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.
- B = SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly Reduces Serious
Risks to Your Health.
- C = SURGEON GENERAL'S WARNING:
Smoking By Pregnant Women May Result in Fetal
Injury, Premature Birth, And Low Birth Weight.
- D = SURGEON GENERAL'S WARNING:
Cigarette Smoke Contains Carbon Monoxide.

**Selected packaging samples from those
submitted with the plan.**

CLASS 3
20
CIGARETTES

PREMIUM

UNDERRAGE
SALES
PROHIBITED

Prestige

PREMIUM

Prestige



Prestige

Prestige

MADE IN U.S.A.
FORT LAUDERDALE
FLORIDA
1-888-584-6055
3
8 43782 00070



SURGEON GENERAL'S WARNING: Cigarette
Smoke Contains Carbon Monoxide.

Prestige

Champion
PREMIUM

PREMIUM
Champion

Prestige

200 CLASS A CIGARETTES

UNDERAGE
SALES
PROHIBITED



SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer,
Heart Disease, Emphysema, And
May Complicate Pregnancy.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 22, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard, Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company, Inc. ("ACC") on October 15, 2007, calling for quarterly rotation of the four health warnings in advertising of the Prestige brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of the king size hard pack variety of that brand.

ACC's plan for the rotation of the warnings in advertising of the Prestige brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 27, 2007 letter appear to comply with the size and conspicuousness requirements of the Cigarette Act. ACC's plan for the display of the four health warnings on packaging is hereby approved for the king size hard pack variety of the Prestige brand. This approval is effective on the date of this letter and ends on October 21, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers and importers annually file with the Secretary of the Department of Health and

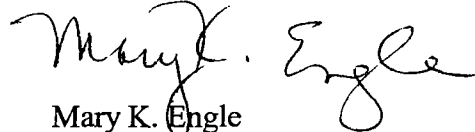
¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.
October 22, 2007
Page 2

Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Haley Zernich at (202) 326-3485.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

FALCON DISTRIBUTOR, INC.

CORPORATE
2315 NW 107TH AVE., SUITE 83
MIAMI, FL. 33172
WAREHOUSE
MIAMI FREE ZONE
2315 NW 107TH AVE. A-30
MIAMI, FL. 33172

TEL. (786) 539-0500
FAX. (786) 539-0333

Via U.P.S. Courier Delivery

Re: FTC Plan for Westport™, NEW™ & Indoor/Outdoor Advertising Signs

October 16, 2007

Ms. Mary K. Engle, Associate Director
ATTN: Ms. Bonnie Pulley
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, DC 20580

Dear Ms. Engle & Ms. Pulley:

In accordance with the Federal Trade Commission's Memorandum to Potential Cigarette Manufacturers or Importers, I write to submit our company's plan for compliance with Section 1333 of the Cigarette Act. This plan is limited to: a) twenty-one (21) Westport™ brand styles, including Box and Soft pack king size cigarette brand styles, and Box and Soft pack brand styles of the 100s size of cigarettes; b) sixteen (16) NEW™ brand styles including box and soft pack king and 100s size cigarette soft pack. This plan also includes our consumer-advertising plan for 8 (eight) items for calendar year 2007.

Falcon Distributor, Inc. was formed as a Florida corporation on May 30, 2003 as a wholesale distribution company. Our warehouse is located in the Miami Free Zone, in Miami, FL. For all correspondence matters please refer to our Corporate Address outlined in the header of this page.

I. PACKAGING

A. WARNING LABEL SIZE & LOCATION

I. Brand – The Company will import the Westport™ brand of cigarettes. The Company will also import NEW™ brand of cigarettes.

2. Brand Styles – As part of this plan, we shall import the following twenty-one (21) Westport™ brand styles:

#	Variety Style	Packaging
1.	King Size Full Flavor	BOX Packaging
2.	King Size Light	BOX Packaging
3.	King Size Ultra Light	BOX Packaging
4.	King Size Menthol	BOX Packaging
5.	King Size Menthol Light	BOX Packaging
6.	King Size Full Flavor	SOFT Packaging
7.	King Size Light	SOFT Packaging
8.	King Size Ultra Light	SOFT Packaging
9.	King Size Menthol	SOFT Packaging
10.	King Size Menthol Light	SOFT Packaging
11.	King Size Non-Filter	SOFT Packaging
12.	100s Size Full Flavor	BOX Packaging
13.	100s Size Light	BOX Packaging
14.	100s Size Ultra Light	BOX Packaging
15.	100s Size Menthol	BOX Packaging
16.	100s Size Menthol Light	BOX Packaging
17.	100s Size Full Flavor	SOFT Packaging
18.	100s Size Light	SOFT Packaging
19.	100s Size Ultra Light	SOFT Packaging
20.	100s Size Menthol	SOFT Packaging
21.	100s Size Menthol Light	SOFT Packaging

We shall also import the following sixteen (16) NEW™ brand styles:

#	Variety Style	Packaging
1.	King Size Full Flavor	BOX Packaging
2.	King Size Light	BOX Packaging
3.	King Size Ultra Light	BOX Packaging
4.	King Size Menthol	BOX Packaging
5.	King Size Menthol Light	BOX Packaging
6.	King Size Full Flavor	SOFT Packaging
7.	King Size Light	SOFT Packaging
8.	King Size Ultra Light	SOFT Packaging
9.	King Size Menthol	SOFT Packaging
10.	King Size Menthol Light	SOFT Packaging
11.	King Size Non-Filter	SOFT Packaging
12.	100s Size Full Flavor	SOFT Packaging
13.	100s Size Light	SOFT Packaging
14.	100s Size Ultra Light	SOFT Packaging
15.	100s Size Menthol	SOFT Packaging
16.	100s Size Menthol Light	SOFT Packaging

FALCON DISTRIBUTOR, INC.

CORPORATE
2315 NW 107TH AVE., SUITE 83
MIAMI, FL, 33172
WAREHOUSE
MIAMI FREE ZONE
2315 NW 107TH AVE. A-30
MIAMI, FL, 33172

TEL. (786) 539-0500
FAX. (786) 539-0333

It should be noted that all of the warning labels will be printed on all of the cigarette packs and cartons of the Westport™ and NEW™ brands of cigarettes. Each cigarette pack will contain twenty cigarettes and each carton will contain ten packs. Each of the four warning labels has been designed to be of appropriate size, conspicuousness and contrast. In 2004 we provided examples of each of the four warnings on packages and cartons for the twenty-one (21) Westport™ brand styles and sixteen (16) NEW™ brand styles that we intend to import. The warnings will appear exactly as they do on the samples submitted with our letter of June 2, 2004 and additional submissions with missing warnings of July 7, 2004, July 21, 2004 and July 28, 2004.

B. WARNING LABEL SIZE & LOCATION

In order to satisfy the warning label rotation requirement, we elected the option provided by Section 1333c(2) that allow us to display each of the four (4) warnings an *equal number of times* during the year. The four cigarette health warnings will appear on packs and cartons for each brand style of the Westport™ brand of cigarettes and NEW™ brand of cigarettes an equal number of times during the one-year period following approval of this plan by the F.T.C. We qualify for this option because we will import less than one-fourth of one percent of all the cigarettes sold in the United States. Please find enclosed a sales report that covers a one year period from October 16, 2006 through October 15, 2007. We estimate that our successive year's imports (sales October 16, 2007 through October 15, 2008) will amount to [REDACTED] sticks of Westport™ brand of cigarettes and [REDACTED] sticks of NEW™ brand of cigarettes. We also forecast that our best-selling style of Westport™ brand of cigarettes will be Full Flavor (Box and Soft packaging; king and 100s sizes) – [REDACTED]; our best-selling style of NEW™ brand of cigarettes will be Full Flavor (Box and Soft packaging; king and 100s sizes) – [REDACTED] sticks.

C. RECORDS OF COMPLIANCE

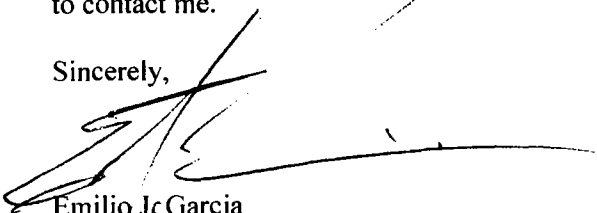
Falcon Distributor, Inc. will maintain sufficient records to demonstrate compliance with the plan filed.

II. ADVERTISING

Falcon Distributor, Inc. filed a plan for the use of health warnings in advertising displays on July 7, 2004. We intend to maintain compliance with the aforementioned plan.

If you require any additional information or assistance with this, or any other matters, please do not hesitate to contact me.

Sincerely,


Emilio J. Garcia
General Manager
Falcon Distributor, Inc.

FALCON DISTRIBUTOR, INC.
Sales by Item Summary
 October 16, 200 through October 15, 2007

Variety Style	Qty Cartons	Qty Sticks	% of Sub- Total
NEW Full Flavor 100 SOFT			
NEW Full Flavor King SOFT			
NEW Light 100 SOFT			
NEW Light King SOFT			
NEW Menthol 100 SOFT			
NEW Menthol King SOFT			
NEW Menthol Light 100 SOFT			
NEW Ultra Light 100 SOFT			
Sub-Total NEW:			
Westport Full Flavor 100 BOX			
Westport Full Flavor 100 SOFT			
Westport Full Flavor King BOX			
Westport Full Flavor King SOFT			
Westport Light 100 BOX			
Westport Light 100 SOFT			
Westport Light King BOX			
Westport Menthol 100 BOX			
Westport Menthol 100 SOFT			
Westport Menthol King BOX			
Westport Menthol Light 100 BOX			
Westport Menthol Light 100 SOFT			
Westport Menthol Light King BOX			
Westport Non-Filter King SOFT			
Westport Ultra Light 100 BOX			
Westport Ultra Light 100 SOFT			
Westport Ultra Light King BOX			
Sub-Total Westport:			
Total Sales			



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 29, 2007

Mr. Emilio J. Garcia
Falcon Distributor, Inc.
2315 NW 107th Avenue, Suite 83
Miami, FL 33172

Dear Mr. Garcia:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, I have reviewed a proposed plan filed by Falcon Distributor, Inc. (“Falcon”) on October 16, 2007, calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the “New” and Westport brands of cigarettes.

Falcon’s sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letters of June 2, July 7, July 21, and July 28, 2004 appear to meet the requirements of the Cigarette Act for size and conspicuousness. Falcon’s plan for packaging of the Westport brand is hereby approved for the Non Filter king size soft pack variety, and for the following twenty hard and soft pack varieties: Full Flavor (kings and 100’s), Light (kings and 100’s), Ultra Light (kings and 100’s), Menthol (kings and 100’s), and Menthol Light (kings and 100’s). Falcon’s plan for packaging of the “New” brand is hereby approved for five king size hard pack varieties (Full Flavor, Light, Ultra Light, Menthol, and Menthol Light), and the following eleven soft pack varieties: Non Filter kings, Full Flavor (kings and 100’s), Light (kings and 100’s), Ultra Light (kings and 100’s), Menthol (kings and 100’s), and Menthol Light (kings and 100’s). This approval is effective on the date of this letter and ends on October 28, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes. Furthermore,

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Emilio J. Garcia

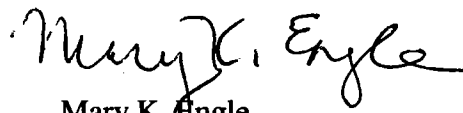
October 29, 2007

Page 2

Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped initial "M".

Mary K. Engle
Associate Director



5449 Endeavour Court • Moorpark, California 93021

Ms. Mary K. Engle, Associate Director
Federal Trade Commission
601 New Jersey Avenue NW, Room # NJ 3212
Washington, DC 20001

October 17, 2007

Dear Ms. Engle:

Re: Renewal of Health Warning Rotation Plan for DREAMS Brand Cigarettes

On October 30, 2006, Kretek International ("Kretek") received approval from the Federal Trade Commission ("FTC") for its health warning rotation plan for its Dreams brand of cigarettes that included the following varieties known as California Dreams, Midnight Dreams, Sweet Dreams Cherry, Sweet Dreams Mint, Sweet Dreams Vanilla, and Sweet Dreams Chocolate, Natural Dreams, Natural Dreams Cherry, and Natural Dreams Vanilla and Pink Dreams.

On September 7, 2007, Kretek received another approval from the FTC for its health warning rotation plan for its Dreams brand of cigarettes that included the following varieties known as Dreams French Blend, Dreams Belgian Blend, Dreams Jubilee Blend and Dreams Menthol.

The FTC's approval is valid for a period of one year. With this letter, we seek to renew the FTC's approval for all of the aforementioned Dreams Brand of cigarettes.

The display of the four health warnings on the packaging of the Dreams Brand were implemented in accordance with the approved plans. The warnings on the packaging of the brand styles approved with the FTC's October 30, 2006 letter will continue to appear exactly like the sample packs and cartons submitted with our September 13, 2001, October 5, 2001, July 21, 2003, and June 30, 2005 letters.

The warnings on the packaging of the brand styles approved with the FTC's September 7, 2007 letter will continue to appear exactly like the sample packs submitted with Kretek's August 10, 2007 letter to the FTC, and the sample cartons submitted with the our September 6, 2007 letter to the FTC.

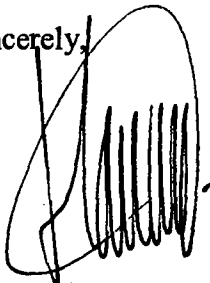
In addition, we have submitted to the Secretary of the Department of Health and Human Services a list of the ingredients added to tobaccos in the manufacture of the cigarettes.

Each year, we will resubmit this equalized warning statement plan for your review and approval. During fiscal year 2006, we qualified to equalize the warnings on our packs and cartons since no one brand style of cigarettes imported by us had the sales of more than

██████████ We will similarly qualify to equalize the warnings on our packs and cartons during the next 12 months since we do not expect that our sales of any of the brand styles imported by us will exceed ██████████ We will continue to equalize the four warnings on the packs and cartons of each brand styles for the Dreams brand for the next one year beginning on the date of approval of the Plan. In addition, we will keep records to demonstrate compliance with this Plan.

In view of the above practices, we ask that Kretek's health warning display plan be approved for the upcoming year.

Sincerely,



Hoo Tjhiang Han
Director of Legal Compliance,
Kretek International, Inc.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 29, 2007

Mr. Hoo Tjhiang Han
Kretek International, Inc.
5449 Endeavor Court
Moorpark, California 93021

Dear Mr. Han:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by Kretek International, Inc. ("Kretek") October 17, 2007, calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Dreams brand of cigarettes.

Kretek's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letters of September 13, 2001, October 5, 2001, July 21, 2003, June 30, 2005, August 10, 2007, and September 6, 2007 appear to meet the requirements of the Cigarette Act for size and conspicuousness. Kretek's plan for the display of the four health warnings on packaging is hereby approved for the following fourteen varieties of the Dreams brand: California Dreams, Midnight Dreams, Sweet Dreams (Cherry, Chocolate, Mint, Vanilla), Natural, Natural Cherry, Natural Vanilla, Pink Dreams, French Blend, Belgian Blend, Jubilee Blend, and Menthol. This approval is effective on the date of this letter and ends on October 28, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

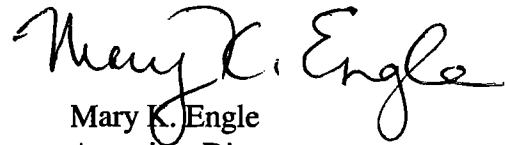
You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes. Furthermore, Section 802 of the Tariff Suspension and Trade Act of 2000 prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Hoo Tjhiang Han
October 29, 2007
Page 2

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped initial "M".

Mary K. Engle
Associate Director



Premium American Tobacco At An Honest Price.

October 29, 2007

Via Overnight

Associate Director of Advertising Practices
Federal Trade Commission
FTC Satellite Building
601 Pennsylvania Avenue, NW
Room 4002
Washington, D.C. 20580
(202) 326-3259 FAX
Attention Ms. Sally Schools

Re: Federal Trade Commission ("FTC") Health Warning Rotation Plan for S&M Brands, Inc. makers of Bailey's Cigarette, Tahoe Cigarettes, and Riverside Cigarettes - Amendment

Dear Ms. Schools:

The undersigned is general counsel to S&M Brands, Inc., a Virginia corporation manufacturing Bailey's Cigarettes, Tahoe Cigarettes, and Riverside Cigarettes in Keysville, Virginia.

S&M Brands, Inc. submitted its latest Warning Rotation Plan ("Plan") for the Bailey's, Tahoe, and Riverside brands to the FTC on September 27, 2007, along with packaging and cartons for soft pack Riverside Cigarettes, our new brand for 2007. The Plan is incorporated herein by this reference. The FTC approved the Plan via letter dated October 2, 2007.

S&M Brands, Inc. hereby amends the Plan by adding hard packs for Riverside Cigarettes. Enclosed please find hard packs and the hard pack cartons, with all four warnings, for the products Riverside Full Flavor, King Size only; Riverside Lights, King Size Only; and Riverside Menthol, King Size only. The warnings will appear exactly as shown on the samples submitted with my letters dated October 12, 2007 and October 29, 2007.

As a small manufacturer, under our reading of applicable law, S&M Brands, Inc. has qualified (and we believe still qualifies) to have a plan for the warnings on cigarette packages that would constitute the simultaneous display of the four health warnings on cigarette packaging. The four warnings will appear an equal number of times on the packs and cartons for each hard pack style of the Riverside brand of cigarettes listed above for a one year period beginning on the date of approval of this plan. We will keep records demonstrating compliance with this plan.

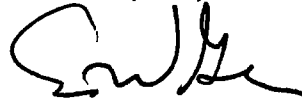
Our sales by fiscal year are summarized in the chart below. Our fiscal year is the same as the calendar year. For fiscal year 2006 our actual sales are reported below. For fiscal years 2007 and 2008 our anticipated sales are reported below.

Volume in Sticks

Year	Bailey's	Tahoe	Riverside
2006	[REDACTED]	[REDACTED]	[REDACTED]
2007	[REDACTED]	[REDACTED]	[REDACTED]
2008	[REDACTED]	[REDACTED]	[REDACTED]

Thank you so much for your attention to this matter. Please feel free to call the undersigned if you have any questions.

Yours very truly,

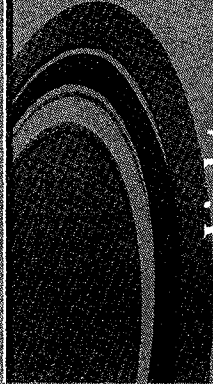


Everett W. Gee III
Vice President Legal Affairs
& General Counsel

cc: Mr. Malcolm L. Bailey
Mr. Steven A. Bailey

**Selected packaging samples from those
submitted with the plan.**

SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly
Reduces Serious Risks to Your Health.



Lights
Box

20 CLASS A CIGARETTES
MADE IN U.S.A.

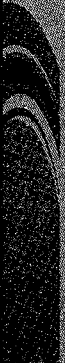
Riverside
Lights Box

20 CLASS A CIGARETTES
MADE IN U.S.A.

Lights
Box



Riverside



Riverside
Lights Box



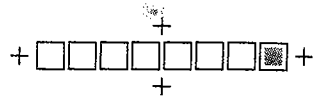
Riverside

TP-VA-33
20 CLASS A CIGARETTES
UNDERAGE SALE
PROHIBITED



7

1 2 3 4 5 6 7 8 9 10 11 12 03 04 05 06 07 08 09



Product

Riverside™

Full Flavor Box

200 CLASS A CIGARETTES • MADE IN U.S.A.



Riverside™

Full Flavor Box

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

200 CLASS A CIGARETTES • MADE IN U.S.A.

Full Flavor Box

Riverside™



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 31, 2007

Everett W. Gee, III, Esq.
S&M Brands, Inc.
3662 Ontario Road, Suite B
Keysville, VA 23947

Dear Mr. Gee:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on October 2, 2007 I approved a plan filed by S&M Brands, Inc. ("S&M Brands") calling for quarterly rotation of the four health warnings in advertising for the Riverside brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of the Bailey's, Tahoe and Riverside brands. In a letter dated October 29, 2007, you now propose to expand your plan for packaging to include three additional varieties of the Riverside brand.

S&M Brands' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 12 and 29, 2007 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. S&M Brands' expansion of its plan for packaging for the Riverside brand is hereby approved for the following King Size hard pack varieties: Full Flavor, Light, and Menthol. This approval is effective on the date of this letter and ends on October 30, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If you have any questions regarding this approval, please contact Haley Zernich at (202) 326-3485.

Very truly yours,

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



Liggett Group

Victoria Spier Evans
Corporate Counsel

Tel 919-990-3590
Fax 919-990-3505
vspierevans@lvbrands.com

November 5, 2007

BY FACSIMILE 202-326-2190
CONFIRMED BY FEDERAL EXPRESS

Ms. Mary K. Engle
Associate Director
Division of Advertising Practices
Federal Trade Commission
601 New Jersey Avenue, NW
Room NJ 3212
Washington, DC 20580
Attention: Aine Farrell

RE: Liggett Group LLC Label Statement Rotation Plan Renewal Application

Dear Ms. Engle:

Liggett Group LLC ("Liggett") hereby submits this renewal application for its Label Statement Rotation Plan (the "Plan") pursuant to the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. § 1331 *et seq.* (the "Act"). Liggett is applying for simultaneous rotation of the four warnings required by the Act, to be implemented in accordance with Section 2(d) of the Plan, as approved by the Federal Trade Commission (the "FTC") on September 19, 1985. This application is for a one year period beginning on the date of the approval of this Plan. The Plan covers the following Liggett brands: *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours.*

As you are aware, Liggett's rotation plan was approved on December 7, 2006 with respect to the brands *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours.* The current plan is set to expire December 6, 2007. Through the date of this request, the Surgeon General's warnings on the packages for the, *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours* brand styles have been equalized, in accordance with those rotation plans.

Therefore, Liggett hereby requests that the FTC renew Liggett's rotation plan with respect to all brand styles of the following brands: *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours.*

Enclosed with this letter is an affidavit of John R. Long, Vice President and General Counsel, with exhibits, which set forth information on total U.S. and Liggett cigarette sales in calendar year 2006 for *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours* brand styles, establishing that all brand styles covered by the Plan qualify for simultaneous rotation.

The information contained in the enclosed affidavit and exhibits is confidential and proprietary business information of Liggett. We ask that this information be kept confidential by the FTC, pursuant to its applicable rules and procedures.

The four health warnings required by 15 U.S.C. §1333(a)(1) shall be printed on the packs and cartons of each of the *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours* brand styles an equal number of times within the one year period beginning on the date of approval of this Plan. These warnings will appear exactly as shown on the sample packaging previously submitted in connection with Liggett's Plan and subsequent letters as previously approved by the FTC. There have been no changes to the packaging design for Liggett's cigarette packaging previously submitted and approved.

The Liggett Select brand family has been extended to include Liggett Select Ultra Smooth Kings Box and Liggett Select Ultra Smooth 100's Box brand styles. Enclosed are packs and cartons for each of the four warnings for these two brand styles.

This will also confirm that Liggett, in the ordinary course of business, maintains records of compliance with this Plan.

Thank you for your attention to this matter. If you have any questions, contact me.

Very truly yours,



Victoria Spier Evans

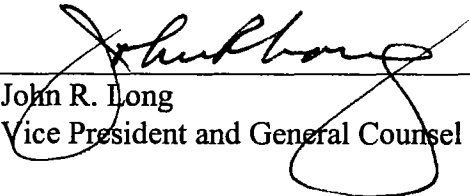
Enclosures

STATE OF NORTH CAROLINA
COUNTY OF WAKE

AFFIDAVIT OF JOHN R. LONG

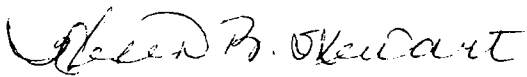
John R. Long, being duly sworn, deposes and says:

1. I am Vice President and General Counsel of Liggett Group LLC ("Liggett").
2. On or about August 31, 1985, Liggett filed its Label Statement Rotation Plan (the "Plan"), pursuant to Section 4(c) of the Federal Cigarette Labeling and Advertising Act (the "Act"). On or about September 19, 1985, the Federal Trade Commission approved the Plan.
3. Under Section 4(c)(2)A of the Act and Section 2(d) of the Plan, the Surgeon General's Warning on the packaging of a particular brand style may be rotated on a simultaneous basis if (1) the brand style had sales volume of less than one quarter of one percent of the total United States cigarette market in Liggett's most recent fiscal year and (2) more than one half of the brand styles manufactured by Liggett had less than one quarter of one percent of the total United States cigarette market in Liggett's most recent fiscal year. Liggett's most recent fiscal year was calendar year 2006.
4. Attached to this affidavit as Exhibit A is a copy of the first page of The Maxwell Report for the fourth quarter and year-end of calendar year 2006. This report states that 372.50 billion cigarettes were sold in the United States during calendar year 2006. One quarter of one percent of 372.50 billion cigarettes is 931.25 million cigarettes.
5. Attached to this affidavit as Exhibit B are unit sales figures for calendar year 2006 for *Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours* brand styles sold by Liggett. Exhibit B shows that no Liggett brand style had sales in 2006 greater than 931.25million units.
6. By virtue of the foregoing, Liggett is eligible to apply for simultaneous rotation of the required label statements as provided in Section 2(d) of the Plan.



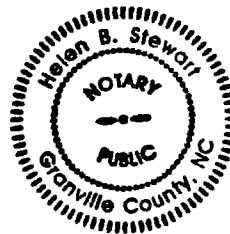
John R. Long
Vice President and General Counsel

Sworn to and subscribed before me,
this 5th day of November, 2007.



Helen B. Stewart, Notary Public

My commission expires: September 20, 2010



THE MAXWELL REPORT

John C. Maxwell, Jr. · 4703 Rolfe Road, Richmond, Virginia 23226 · Telephone & FAX (804) 359-0429, E-Mail: jmaxjr@comcast.net

YEAR END & FOURTH QUARTER 2006 SALES ESTIMATES FOR THE CIGARETTE INDUSTRY¹

February, 2007

INDUSTRY COMMENTARY

Industry volume for the year 2006 was 372.50 billion sticks down 2.4% from a volume number for 2005 of 381.70 billion sticks. Fourth quarter volume was down 2.7% to 92.00 billion from 94.60 billion a year ago. The discount segment dropped from 27.80 billion in 2005 to 25.40 billion in 2006 – an 8.6% decline. Market share for this segment declined from 29.5% a year ago to 27.6% this year. Deep discounts remain flat at 11.8% of the market. Volume for premium brands declined 0.1% from 66.70 billion in 2005 to 66.60 billion in 2006.

Quarter Volume Summary - 2004-2006 (Volume in Millions of Sticks)								
	2005				2006			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Industry Total Volume	87,900	100,000	99,300	94,600	88,500	96,700	96,000	92,000
Full Price	62,700	71,500	70,503	66,700	63,600	70,000	69,900	66,600
Savings	25,200	28,500	28,797	27,800	24,900	26,700	26,100	25,400
Industry Total Share of Shipments								
Full Price	71.3%	71.5%	71.0%	70.5%	71.9%	72.4%	72.8%	72.4%
Savings	28.7%	28.5%	29.0%	29.5%	28.1%	27.6%	27.2%	27.6%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

STATE CIGARETTE PACKAGES TAXED VOLUME (12-Month Moving Total) (packages in millions)										
Month	2002	Change	2003	Change	2004	Change	2005	Change	2006	Change
Jan	20,378	(2.6)	19,746	(3.1)	19,009	(3.7)	18,777	(1.2)	18,315	(2.5)
Feb	20,349	(2.5)	19,683	(3.3)	18,953	(3.7)	18,714	(1.3)	18,319	(2.1)
Mar	20,319	(2.2)	19,590	(3.6)	19,046	(2.8)	18,640	(2.1)	18,303	(1.8)
Apr	20,299	(2.6)	19,560	(3.6)	19,037	(2.7)	18,554	(2.5)	18,236	(1.7)
May	20,274	(2.8)	19,456	(4.0)	18,921	(2.7)	18,579	(1.8)	18,197	(2.1)
Jun	20,217	(2.8)	19,347	(4.3)	18,930	(2.2)	18,593	(1.8)	18,126	(2.5)
Jul	20,152	(2.3)	19,307	(4.2)	18,836	(2.4)	18,443	(2.1)	18,123	(1.7)
Aug	19,996	(2.9)	19,231	(3.8)	18,803	(2.2)	18,482	(1.7)	18,086	(2.1)
Sep	19,942	(2.8)	19,165	(3.9)	18,822	(1.8)	18,459	(1.9)	17,990	(2.5)
Oct	19,899	(2.9)	19,104	(4.0)	18,713	(2.0)	18,438	(1.5)		
Nov	19,864	(3.0)	19,036	(4.2)	18,840	(1.0)	18,355	(2.6)		
Dec	19,940	(2.4)	19,130	(4.1)	18,842	(1.5)	18,233	(3.2)		

¹ This information has been compiled from various sources and may not be complete. It is not guaranteed and is not a representation by us. Any opinion expressed herein is based upon our interpretation of the information from such source. Detail in tables may not sum to totals because of rounding.

EXHIBIT B
LIGGETT GROUP LLC
2006 Gross Unit Sales by Brand Style

Brand	Style Description	2006 Gross Units Sold
BRAND MARKETING	FF 100 SP	
BRAND MARKETING	FF KS SP	
BRAND MARKETING	LT 100 SP MT	
BRAND MARKETING	LT 100 SP	
BRAND MARKETING	LT KS SP MT	
BRAND MARKETING	LT KS SP	
BRONSON	FF 100 SP MT	
BRONSON	FF 100 SP	
BRONSON	FF KS BX	
BRONSON	FF KS SP MT	
BRONSON	FF KS SP	
BRONSON	LT 100 SP MT	
BRONSON	LT 100 SP	
BRONSON	LT KS BX	
BRONSON	LT KS SP MT	
BRONSON	LT KS SP	
BRONSON	NF KS SP	
BRONSON	UL 100 SP	
BRONSON	UL KS SP	
CANYON	FF 100 SP	
CANYON	FF KS SP	
CANYON	LT 100 SP MT	
CANYON	LT 100 SP	
CANYON	LT KS SP MT	
CANYON	LT KS SP	
CANYON	NF KS SP	
CANYON	UL 100 SP	
CANYON	UL KS SP	
CLASS A	FF 100 SP	
CLASS A	FF KS SP	
CLASS A	LT 100 SP MT	
CLASS A	LT 100 SP	
CLASS A	LT KS SP MT	
CLASS A	LT KS SP	
CLASS A	NF KS SP	
CLASS A	UL 100 SP MT	
CLASS A	UL 100 SP	
CLASS A	UL KS SP	

EXHIBIT B
LIGGETT GROUP LLC
2006 Gross Unit Sales by Brand Style

Brand	Style Description	2006 Gross Units Sold
EPIC	FF 100 SP	[REDACTED]
EPIC	FF KS SP	
EPIC	LT 100 SP	
EVE	LT 120 BX MT	
EVE	LT 120 BX	
EVE	UL 120 BX MT	
EVE	UL 120 BX	
EVE	LT 120 BX FSC	
EVE	LT 120 BX MT FSC	
EVE	UL 120 BX FSC	
EVE	UL 120 BX MT FSC	
GRAND PRIX	FF 100 BX MT	
GRAND PRIX	FF 100 BX	
GRAND PRIX	FF 100 SP	
GRAND PRIX	FF KS BX MT	
GRAND PRIX	FF KS BX	
GRAND PRIX	FF KS SP	
GRAND PRIX	LT 100 BX MT	
GRAND PRIX	LT 100 BX	
GRAND PRIX	LT 100 SP MT	
GRAND PRIX	LT 100 SP	
GRAND PRIX	LT KS BX	
GRAND PRIX	LT KS SP	
GRAND PRIX	NF KS SP	
GRAND PRIX	UL 100 SP	
GRAND PRIX	FF 100 BX FSC	
GRAND PRIX	FF 100 BX MT FSC	
GRAND PRIX	FF 100 SP FSC	
GRAND PRIX	FF KS BX FSC	
GRAND PRIX	FF KS BX MT FSC	
GRAND PRIX	LT 100 BX FSC	
GRAND PRIX	LT 100 BX MT FSC	
GRAND PRIX	LT 100 SP FSC	
GRAND PRIX	LT 100 SP MT FSC	
GRAND PRIX	LT KS BX FSC	
GRAND PRIX	UL 100 SP FSC	

EXHIBIT B
LIGGETT GROUP LLC
2006 Gross Unit Sales by Brand Style

Brand	Style Description	2006 Gross Units Sold
JADE	FF 100 BX MT	
JADE	FF KS BX MT	
JADE	LT 100 BX MT	
JADE	LT KS BX MT	
JADE	FF 100 BX MT FSC	
JADE	FF KS BX MT FSC	
JADE	LT 100 BX MT FSC	
JADE	LT KS BX MT FSC	
KINGSPORT	FF 100 SP	
KINGSPORT	FF KS SP MT	
KINGSPORT	FF KS SP	
KINGSPORT	LT 100 SP MT	
KINGSPORT	LT 100 SP	
KINGSPORT	LT KS SP MT	
KINGSPORT	LT KS SP	
KINGSPORT	NF KS SP	
KINGSPORT	UL 100 SP	
KINGSPORT	UL KS SP	
KINGSPORT	FF 100 BX FSC	
KINGSPORT	FF 100 BX MT FSC	
KINGSPORT	FF KS BX FSC	
KINGSPORT	FF KS BX MT FSC	
KINGSPORT	LT 100 BX FSC	
KINGSPORT	LT KS BX FSC	
KINGSPORT	UL 100 BX FSC	
KINGSPORT	UL KS BX FSC	
LIGGETT SELECT	FF 100 BX MT	
LIGGETT SELECT	FF 100 BX	
LIGGETT SELECT	FF 100 SP	
LIGGETT SELECT	FF KS BX MT	
LIGGETT SELECT	FF KS BX	
LIGGETT SELECT	FF KS SP	
LIGGETT SELECT	LT 100 BX MT	
LIGGETT SELECT	LT 100 BX	
LIGGETT SELECT	LT 100 SP MT	

EXHIBIT B
LIGGETT GROUP LLC
2006 Gross Unit Sales by Brand Style

Brand	Style Description	2006 Gross Units Sold
LIGGETT SELECT	LT 100 SP	
LIGGETT SELECT	LT KS BX MT	
LIGGETT SELECT	LT KS BX	
LIGGETT SELECT	LT KS SP	
LIGGETT SELECT	NF KS SP	
LIGGETT SELECT	UL 100 BX	
LIGGETT SELECT	UL 100 SP	
LIGGETT SELECT	FF 100 BX FSC	
LIGGETT SELECT	FF 100 BX MT FSC	
LIGGETT SELECT	FF 100 SP FSC	
LIGGETT SELECT	FF KS BX FSC	
LIGGETT SELECT	FF KS BX MT FSC	
LIGGETT SELECT	FF KS SP FSC	
LIGGETT SELECT	LT 100 BX FSC	
LIGGETT SELECT	LT 100 BX MT FSC	
LIGGETT SELECT	LT 100 SP FSC	
LIGGETT SELECT	LT 100 SP MT FSC	
LIGGETT SELECT	LT KS BX FSC	
LIGGETT SELECT	LT KS BX MT FSC	
LIGGETT SELECT	LT KS SP FSC	
LIGGETT SELECT	NF KS SP FSC	
LIGGETT SELECT	UL 100 BX FSC	
LIGGETT SELECT	UL 100 SP FSC	
MONTEGO	FF 100 BX FSC	
MONTEGO	FF KS BX FSC	
MONTEGO	FF KS BX MT FSC	
MONTEGO	FF KS SP FSC	
MONTEGO	LT 100 BX FSC	
MONTEGO	LT 100 BX MT FSC	
MONTEGO	LT 100 SP FSC	
MONTEGO	LT KS BX FSC	
MONTEGO	LT KS BX MT FSC	
MONTEGO	LT KS SP FSC	
MONTEGO	UL 100 BX FSC	

EXHIBIT B
LIGGETT GROUP LLC
2006 Gross Unit Sales by Brand Style

Brand	Style Description	2006 Gross Units Sold
PYRAMID	FF 100 SP MT	
PYRAMID	FF 100 SP	
PYRAMID	FF KS BX	
PYRAMID	FF KS SP MT	
PYRAMID	LT KS BX	
PYRAMID	UL 100 SP	
PYRAMID	FF 100 SP FSC	
PYRAMID	FF 100 SP MT FSC	
PYRAMID	FF KS BX FSC	
PYRAMID	FF KS SP FSC	
PYRAMID	FF KS SP MT FSC	
PYRAMID	LT 100 SP FSC	
PYRAMID	LT 100 SP MT FSC	
PYRAMID	LT KS BX FSC	
PYRAMID	LT KS SP FSC	
PYRAMID	NF KS SP FSC	
PYRAMID	UL 100 SP FSC	
QUALITY	FF 100 SP FSC	
QUALITY	FF KS BX FSC	
QUALITY	FF KS SP FSC	
QUALITY	LT 100 SP FSC	
QUALITY	LT 100 SP MT FSC	
QUALITY	LT KS SP FSC	
QUALITY	LT KS SP MT FSC	
QUALITY	NF KS SP FSC	
QUALITY	UL 100 SP FSC	
QUALITY	UL KS SP FSC	
SINCERELY YOURS	LT 100 SP FSC	
SINCERELY YOURS	LT 100 SP MT FSC	
SINCERELY YOURS	UL 100 SP FSC	
TOURNEY SLIMS	LT 120 BX MT	
TOURNEY SLIMS	LT 120 BX	
TOURNEY SLIMS	UL 120 BX	

EXHIBIT B
LIGGETT GROUP LLC
2006 Gross Unit Sales by Brand Style

Brand	Style Description	2006 Gross Units Sold
TOURNEY	FF 100 BX MT	
TOURNEY	FF 100 BX	
TOURNEY	FF 100 SP	
TOURNEY	FF KS BX MT	
TOURNEY	FF KS BX	
TOURNEY	FF KS SP MT	
TOURNEY	FF KS SP	
TOURNEY	LT 100 BX MT	
TOURNEY	LT 100 BX	
TOURNEY	LT 100 SP MT	
TOURNEY	LT 100 SP	
TOURNEY	LT KS BX	
TOURNEY	LT KS SP MT	
TOURNEY	LT KS SP	
TOURNEY	NF KS SP	
TOURNEY	UL 100 SP	
YOURS	FF 100 SP FSC	
YOURS	FF 100 SP MT FSC	
YOURS	FF KS SP FSC	
YOURS	FF KS SP MT FSC	
YOURS	LT 100 SP FSC	
YOURS	LT 100 SP MT FSC	
YOURS	LT KS BX FSC	
YOURS	LT KS SP FSC	
YOURS	LT KS SP MT FSC	
YOURS	NF KS SP FSC	
YOURS	UL 100 SP FSC	
YOURS	UL KS SP FSC	

**Selected packaging samples from those
submitted with the plan.**

LIGGETT
SELECT

LIGGETT
SELECT

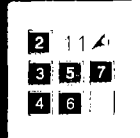
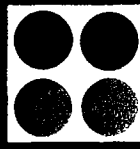
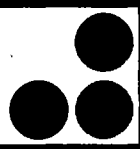
LIGGETT
SELECT

ULTRA
SMOOTH

LIGGETT
SELECT

ULTRA
SMOOTH

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.



WARNING: SMOKING IS ADDICTIVE
20 CLASS A CIGARETTES
LIGGETT GROUP
MEBANE, NC 27302 1-800-682-3230
www.liggettgroup.com

LIGGETT SELECT

ULTRA
SMOOTH

LIGGETT SELECT



SURGEON GENERAL'S WARNING: Smoking
By Pregnant Women May Result in
Fetal Injury, Premature Birth,
And Low Birth Weight

SELECT LIGGETT



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 13, 2007

Victoria Spier Evans, Esq.
Corporate Counsel
Liggett Group LLC.
100 Maple Lane
Mebane, NC 27302

Dear Ms. Evans:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the proposed plan filed by Liggett Group, Inc. ("Liggett") on November 5, 2007, calling for the simultaneous display of the four health warnings on packaging of the Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours brands of cigarettes.

Liggett's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letters of February 7, 2000, January 3, 2001, October 23, 2001, October 28, 2002, December 2, 2002, November 6, 2003, November 8, 2004, November 30, 2005, April 3, 2006, and November 5, 2007 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Liggett's plan for the Brand Marketing, Bronson, Canyon, Class A, Epic, Eve, Grand Prix, Jade, Kingsport, Liggett Select, Montego, Pyramid, Quality, Sincerely Yours, Tourney, Tourney Slims, and Yours brands of cigarettes is hereby approved. This approval is effective on the date of this letter and ends on November 12, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Victoria Spier Evans, Esq.

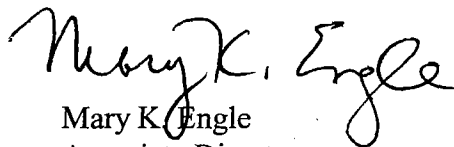
November 13, 2007

Page 2

manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, looped "E" at the end.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 13, 2007

Steven E. Coleman, Esq.
Vice President and General Counsel
Premier Manufacturing, Inc.
17998 Chesterfield Airport Road
Chesterfield, MO 63005

Dear Mr. Coleman:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* On October 16, 2007, I approved a plan filed by Premier Manufacturing, Inc. calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Always Save brand of cigarettes. My approval letter inadvertently included the Menthol King soft pack variety and omitted the Menthol 100's soft pack variety of that brand. This letter confirms that my approval included the Menthol 100's soft pack variety and not the Menthol King soft pack variety of the Always Save brand. This approval ends as of October 15, 2008. I hope that this oversight did not cause you any inconvenience.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle".

Mary K. Engle
Associate Director

LAW OFFICES OF
BARRY M. BOREN

borenlaw@bellsouth.net

One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Telephone
(305) 670-2200
Facsimile
(305) 670-0032

November 14, 2007

**CONTAINS TRADE SECRETS
AND CONFIDENTIAL
BUSINESS INFORMATION
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary K. Engle, Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, N.W. , Mail Drop NJ-3212
Washington, D.C. 20580

Attention: Mr. Conor McEvily

Renewal of Surgeon General's Warning Rotation Plan for
Tantus Tobacco, LLC For
Golden Blend Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, Tantus Tobacco, LLC ("Tantus"), a Kentucky limited liability corporation, with offices located at 200 Progress Dr., Russell Springs, Kentucky 42642 and the mailing address is P.O. Box 1030, Jamestown, Kentucky 42629 and their phone number is (270) 866-8888. Tantus wishes to renew its existing equalization Surgeon General's Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 *et seq.*) for cigarettes they are manufacturing in the United States under the brand name "Golden Blend." The contact person for the company will be its President, Brian Cooper, who can be reached at the above address.

An equalization and advertising plan was approved for Golden Blend on November 16, 2006 and a copy is attached hereto as Exhibit "A."¹ The expansion to Tantus' plan for

¹ A renewal equalization plan for Berkley cigarettes was approved by the FTC on May 30, 2007 (see Exhibit "B") and for Berley cigarettes on August 16, 2007 (see Exhibit "C"). A renewal equalization and advertising plan was approved by the FTC for 24/7, Dillon, Dixon and Superior on September 13, 2007 and is attached hereto as Exhibit "D." An equalization and advertising for the GSmoke, Main Street and Sport

advertising its brands, including the Golden Blend brand, was approved on January 22, 2007 and is attached as Exhibit "G." Tantus continues to be in compliance with this plan and wishes to make no changes to its advertising plan at this time.

The brand styles of Golden Blend cigarettes Tantus intends to manufacture are listed on Exhibit "F." These are the same brand styles that were listed in the Golden Blend plan approved on November 16, 2006. Actual samples of the Golden Blend packs and cartons for the various brand styles (listed on Exhibit "F") showing exactly where and how the four (4) Surgeon General's health warnings appear and will continue to appear on individual packs and cartons of the Golden Blend brand Tantus is manufacturing, were enclosed with our October 16, 2006 submission in connection with the submission of November 8, 2006. None of the packs or cartons have changed since they were submitted.

Tantus manufactured approximately [REDACTED] cigarettes (all were either Golden Blend, Berkley or Berley brand cigarettes) in fiscal year 2006. In fiscal 2007 to date,² it has manufactured approximately [REDACTED] cigarettes (all were Golden Blend, 24/7, Dillon, Dixon, Superior, Berkley or Berley brand cigarettes). Tantus anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Dixon, Dillon, 24/7, Superior, Golden Blend, Berkley, GSmokes, Main Street, Sport and Berley) in fiscal year 2007.

No one brand style of cigarettes sold by Tantus has, for the past fiscal year, constituted more than 1/4 of 1% of all the cigarettes sold in the United States in such year. and no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in the next fiscal year. In addition, more than one-half of the cigarettes manufactured by Tantus for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, Tantus wishes to renew its plan to equalize the health warning statements as required by 15 U.S.C. §1333(c) for its Golden Blend brand. Each of the four warning statements will appear on the packs and cartons of each brand style of cigarettes manufactured by Tantus an equal number of times in the one year period beginning on the date the renewal of this plan is approved.

The individual packs of Golden Blend cigarettes to be manufactured by Tantus will have the proper health warnings printed by the manufacturer directly on the packs under the cellophane. The cartons will have the proper health warnings printed directly on the cartons by the manufacturer.

Tantus intends to print all four (4) health warnings in equal numbers on each printed

brands was approved by the FTC on July 18, 2007 (see Exhibit "E" attached hereto).

² Tantus' fiscal year coincides with the calendar year.

sheet of packaging for all of its cartons and packs so that when the sheets are die cut, each shipment should be approximately equalized for each brand style as manufactured. If, toward the end of the one year period, it appears that the warnings are not equalized on the packs and cartons for each brand style, Tantus will place special orders for the specific health warnings needed to ensure that the display of all four warnings is equalized on the packs and cartons for each brand style by the plan's anniversary date.

Tantus understands that the FTC is charged with ensuring that Tantus' Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. Tantus shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to ensure that the warnings as they appear on the packs and cartons comply with the statutory requirements by: (1) providing by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) preventing the recurrence of any mistakes, errors, or omissions that have come to its attention.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 *et seq.*) including any modifications made by the Public Health Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this renewal plan as soon as possible.

Should you have any further questions regarding this matter, please do not hesitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN



Barry M. Boren

BMB:mw/encs.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 16, 2006

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on November 8, 2006, calling for quarterly rotation of the four health warnings in advertising of the Golden Blend brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of nine soft pack varieties of that brand.

Tantus's plan for the rotation of the warnings in advertising of the Golden Blend brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Tantus' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 16, 2006 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tantus' plan for the display of the four health warnings on packaging for the Golden Blend brand is hereby approved for the following nine soft pack varieties: Full Flavor kings, Light kings, Menthol kings, Non-Filter kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s.¹ This approval is effective on the date of this letter and ends on November 15, 2007. Approval of the plan is contingent on its good faith

¹ The approval of Tantus' cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Tantus' packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Tantus' packaging or advertising complies with relevant trademark law or with other applicable laws.

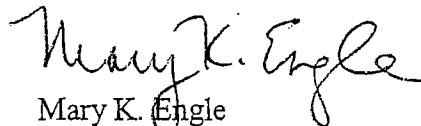
Barry M. Boren, Esq.
November 16, 2006
Page 2

implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Katherine Zownir at (202) 326-2949.

Very truly yours,


Mary K. Engle
Associate Director

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

May 30, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission ("the Commission") has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed the revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on May 23, 2007 calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the Berkley brand of cigarettes.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letter of March 9, 2005 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for packaging is hereby approved for eleven soft pack varieties of the Berkley brand of cigarettes (Full Flavor kings, Light kings, Ultra Light kings, Menthol kings, Menthol Light kings, Non-filter kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s) and two box varieties of the brand (Full Flavor kings and Light kings). This approval is effective on the date of this letter and ends on May 29, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

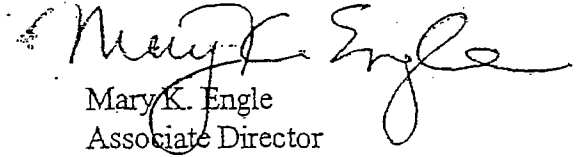
You should be aware that Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.
May 30, 2007
Page 2

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,


Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

August 16, 2007

Barry M. Boren, Esq.
One Datan
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on August 14, 2007, calling for the simultaneous display of the four health warnings on the packaging of sixteen varieties of the Berley brand of cigarettes.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your May 18, 2005 and November 6, 2006 letters appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for the display of the four health warnings on the packaging of the Berley brand is hereby approved for five King size box varieties (Full Flavor, Lights, Ultra Lights, Menthol, and Menthol Lights) and eleven soft pack varieties (Full Flavor Kings, Full Flavor 100's, Lights Kings, Lights 100's, Ultra Lights Kings, Ultra Lights 100's, Menthol Kings, Menthol 100's, Menthol Lights Kings, Menthol Lights 100's, and Non-Filter Kings). This approval is effective on the date of this letter and ends on August 15, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services

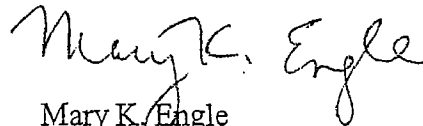
¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.
August 16, 2007
Page 2

a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Clovia Hutchins at (202) 326-3215.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

September 13, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a proposed plan filed on August 22, 2007 on behalf of Tantus Tobacco, LLC ("Tantus"), calling for the simultaneous display of the four health warnings on the packaging of the Full Flavor King Size Box varieties of the 24/7, Dillon, Dixon, and Superior brands of cigarettes.

Tantus's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letter of August 15, 2006 appear to comply with the requirements of the Cigarette Act for size and conspicuousness. Tantus's plan for the display of the four health warnings on packaging is hereby approved for the Full Flavor King Size Box variety of the 24/7, Dillon, Dixon, and Superior brands. This approval is effective on the date of this letter and ends on September 12, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,

Mary K. Engle
Associate Director

Knowing and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

EXHIBIT "D"



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

July 18, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC on July 9, 2007, calling for quarterly rotation of the four health warnings in advertising of the G-Smoke, Main Street and Sport brands of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of those brands.

Tantus Tobacco's plan for the rotation of the warnings in advertising of the G-Smoke, Main Street, and Sport brands of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Tantus Tobacco's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your June 5, 7, and 11, 2007 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tantus Tobacco's plan for the display of the four health warnings on packaging for the G-Smoke brand is hereby approved for the following fifteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard pack), Ultra Light 100's soft pack, Menthol Kings (soft pack and hard pack), Menthol 100's soft pack, "Woman" Full Flavor 100's hard pack, "Woman" Light 100's hard pack, and "Woman" Menthol Light 100's hard pack. Tantus Tobacco's plan for the Main Street brand is hereby approved for the following thirteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard pack), Ultra Light 100's (soft pack and hard pack), Menthol King soft pack, Menthol 100's soft pack, and Menthol Light 100's soft pack. Tantus Tobacco's plan for the Sport brand is hereby approved for the following fourteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard

Barry M. Boren, Esq.

July 18, 2007

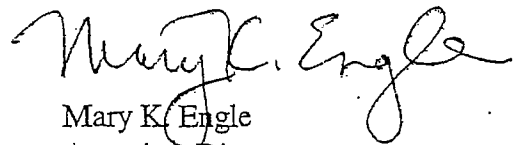
Page 2

pack), Ultra Light 100's soft pack, Menthol Kings (soft pack and hard pack), Menthol 100's (soft pack and hard pack), and Menthol Light 100's soft pack.¹ This approval is effective on the date of this letter and ends on July 17, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,



Mary K. Engle
Associate Director

¹ The approval of Tantus Tobacco's cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Tantus Tobacco's packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Tantus Tobacco's packaging complies with relevant trademark law or with other applicable laws.

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

EXHIBIT 'F' LIST OF CIGARETTE BRAND STYLES
TANTUS TOBACCO, LLC

GOLDEN BLEND CIGARETTES

Full Flavor King Size Soft Pack
Lights King Size Soft Pack
Menthol King Size Soft Pack
Non-Filter King Size Soft Pack

Full Flavor 100's Soft Pack
Lights 100's Soft Pack
Ultra Lights 100's Soft Pack
Menthol 100's Soft Pack
Menthol Lights 100's Soft Pack

GoldenBlendBrandStyles

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580



Division of Advertising Practices

January 22, 2007

Barry M. Boren, Esq.
9350 South Dixie Highway
Penthouse II
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I approved your August 30, 2005 (Berkley and Berley), September 6, 2006 (24/7, Dixon, Dillon and Superior) and November 16, 2006 (Golden Blend) plans filed on behalf of Tantus Tobacco, LLC ("Tantus"), calling for the quarterly rotation of the four health warnings in the advertising of the aforementioned brands. In a letter dated January 2, 2007, you now propose to expand Tantus' plan to include advertising between 160 and 1,200 square feet.

The expansion of Tantus' plan for the rotation of the warnings in advertising for the Berkley, Berley, 24/7, Dixon, Dillon, Superior, and Golden Blend brands of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

If you have any questions regarding this approval, please contact Katherine Zownir at (202) 326-2949.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle".

Mary K. Engle
Associate Director

EXHIBIT "G"



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 16, 2007

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC ("Tantus") on November 14, 2007 calling for the simultaneous display of the four health warnings on the packaging of nine soft pack varieties of the Golden Blend brand of cigarettes.

Tantus' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 16, 2006 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tantus' plan for the display of the four health warnings on packaging for the Golden Blend brand is hereby approved for the following nine soft pack varieties: Full Flavor kings, Light kings, Menthol kings, Non-Filter kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s.¹ This approval is effective on the date of this letter and ends on November 15, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

¹ The approval of Tantus' cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Tantus' packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Tantus' packaging complies with relevant trademark law or with other applicable laws.

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.

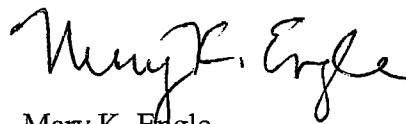
November 16, 2007

Page 2

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Conor McEvily at (202) 326-2410.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mary K. Eagle". The signature is written in a cursive style with a large, looped initial "M".

Mary K. Eagle
Associate Director

LAW OFFICES OF
FINGER, PARKER, BROWN & ROEMER, L.L.P.
204 NORTHGATE PARK DRIVE
WINSTON-SALEM, NORTH CAROLINA 27106

M. NEIL FINGER
RAYMOND A. PARKER, II
HENRY C. ROEMER, III, P.C.
ANDREW G. BROWN

GABRIEL A. AVRAM (RETIRED)

MAILING ADDRESS
POST OFFICE BOX 11633
WINSTON-SALEM, NORTH CAROLINA 27116-1633
TELEPHONE (336) 759-0964
TELEFAX (336) 759-0965

OTHER OFFICE:
105 SOUTH BRIDGE STREET
P. O. BOX 8
JONESVILLE, N. C. 28642
(336) 835-4000

Writer's Direct Dial:
(336) 759-0955

November 16, 2007

Via Fax (202-326-3259 - 3 pages) and FedEx

Ms. Sallie Schools
Federal Trade Commission
601 New Jersey Avenue, N.W.
3rd Floor, Room NJ-3212
Washington, DC 20001

**Re: Request for Addition of One Style (Oriental) to the Approved Warning Statement
Rotation Plan for the brand SHEPHEARD'S HOTEL**

Dear Ms. Schools:

I am writing this letter on behalf Connshade Cigar Corporation ("Connshade").

In a letter from Mary K. Engle dated July 8, 2005, the Federal Trade Commission approved a certain health warning rotation plan filed on behalf of Connshade (the "Plan") for the international, hard-pack variety of the Shepheard's Hotel brand of cigarettes.

It is our desire to add one style of the Shepheard's Hotel brand of cigarettes to the Plan. Specifically, the style to be added is: Oriental (the "Additional Style").

The company official responsible for overseeing this matter is Pit N. Brockhausen, whose title is President. Mr. Brockhausen's contact information is as follows:

Mr. Pit N. Brockhausen
Connshade Cigar Corporation
13365 S.W. 135th Avenue Unit 106
Miami, FL 33186

Telephone number: (786) 293-5480

Ms. Sallie Schools
November 16, 2007
Page 2

Exhibit A shows that the four Warning Statements will be rotated quarterly based on the quarter in which the products are manufactured. Moreover, the Warning Statements will appear in the final or finished products exactly as shown on the enclosed pack and carton samples.

Connshade conducts no consumer advertising for the Shepherd's Hotel brand, and if it decides to conduct such advertising, it will submit to you a rotation plan pursuant to the requirements of the Federal Cigarette Labeling and Advertising Act.


Connshade agrees to maintain records to demonstrate compliance with the Plan.

Please also note that in the attachment submitted on behalf of Connshade with our letter dated July 1, 2005, the name of the brand was listed as "Dimitrino Shepherd's Hotel". "Dimitrino" is being removed from the brand name, leaving the brand name going forward as simply "Shepherd's Hotel".

With the foregoing in mind, we hope that you can grant Connshade approval of the Additional Style. It is hoped that you can grant this approval **as soon as possible**. If you can fax us the news it would be most appreciated.

Thank you for your courtesy and cooperation.

Sincerely,



Henry C. Roemer, III

HCRiii/cjm

cc: Connshade Cigar Corporation

EXHIBIT A

Connshade Cigar Corporation
Warning Rotation Schedule

Proposed Addition of One Style for SHEPHEARD'S HOTEL

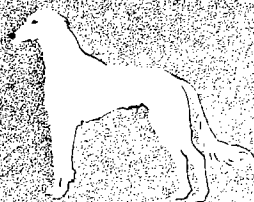
- 1- SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.
- 2- SURGEON GENERAL'S WARNING: Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
- 3- SURGEON GENERAL'S WARNING: Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low Birth Weight.
- 4- SURGEON GENERAL'S WARNING: Cigarette Smoke Contains Carbon Monoxide.

BRAND: SHEPHEARD'S HOTEL – international, hard pack version
additional style: (Oriental)

PERIOD MANUFACTURED

	1 st Quarter (Jan-Feb-Mar)	2 nd Quarter (Apr-May-Jun)	3 rd Quarter (Jul-Aug-Sep)	4 th Quarter (Oct-Nov-Dec)
DIMITRINO BOTSCHAFTER (Brown and Vanilla)	Warning #3	Warning #4	Warning #1	Warning #2
SHEPHEARD'S HOTEL (Original and Oriental)	Warning #4	Warning #1	Warning #2	Warning #3
SPRINGWATER (Vanilla and Cherry)	Warning #2	Warning #3	Warning #4	Warning #1
ASHFORD	Warning #1	Warning #2	Warning #3	Warning #4
MANITOU (Golden Blend, Original Blend, Easy Blend, Dark Blend, Virginia Sky, Virginia Menthol, American Red, and American Blonds)	Warning #4	Warning #1	Warning #2	Warning #3

**Selected packaging samples from those
submitted with the plan.**



SHEPHERD'S HOTEL

John Willh. von Eicken

**SURGEON GENERAL'S WARNING:
Smoking By Pregnant Women May Result in Fetal
Injury, Premature Birth, And Low Birth Weight.**



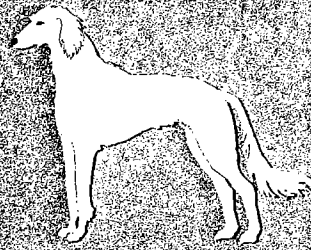
SHEPHEARD'S HOTEL

Joh. Wiltk. von Eicken

ORIENTAL

5 x 20 / 100

CIGARETTES FILTRE DE LUXE

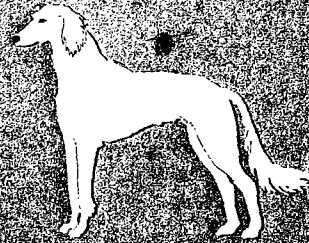


SHEPHEARD'S HOTEL

Joh. Wiltk. von Eicken

ORIENTAL

LA CIGARETTE DES ROIS
CIGARETTES FILTRE DE LUXE



SHEPHEARD'S HOTEL

Joh. Wiltk. von Eicken

ORIENTAL

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 21, 2007

Henry C. Roemer, III, Esq.
Finger, Parker, Avram, Martin & Roemer, LLP
204 Northgate Park Drive
Winston-Salem, NC 27106

Dear Mr. Roemer:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* (“the Cigarette Act”). Pursuant to that delegation, on July 8, 2005 I approved a plan filed on behalf of Connshade Cigar Corporation (“Connshade”) calling for quarterly rotation of the four health warnings on the packaging of certain varieties of the Shepheard’s Hotel and Botschafter brands of cigarettes. You now propose in a letter dated November 16, 2007 to expand your plan for the Shepheard’s Hotel brand to include the “Oriental” international hard pack variety.

The warnings on the sample packs and revised sample cartons submitted with your November 16, 2007 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness.¹ Connshade’s expansion of its plan for packaging is hereby approved for the “Oriental” international hard pack variety of the Shepheard’s Hotel brand. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If Connshade does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

¹ Although the warnings on the sample cartons previously submitted did not meet the size requirements of the Cigarette Act, corrected samples were submitted. This approval pertains only to packaging that meets the requirements of the Cigarette Act.

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. Henry C. Roemer, III

November 21, 2007

Page 2

I also wish to remind you that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes. Furthermore, the Tariff Act of 1930, 19 U.S.C § 1681a (c)(1), as amended by the Tariff Suspension and Trade Act of 2000, Pub. L. No. 106-476, 114 Stat. 2179, prohibits the importation of cigarettes unless at the time of entry the importer presents a sworn statement signed by the original cigarette manufacturer stating that the manufacturer has submitted and will continue to submit the list of ingredients to HHS.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

Neal N. Beaton
212 513 3470
neal.beaton@hklaw.com

November 15, 2007

VIA FEDERAL EXPRESS

Ms. Sallie Schools
Bureau of Consumer Protection
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, D.C. 20580

Dear Ms. Schools:

As you may recall, JT International U.S.A., Inc. is planning to introduce revised packaging for the individual packages for five of the brand styles of "Wave" cigarettes. We submitted to you, for review, artwork (i.e. color prints) for the revised "Wave" individual packages under cover of letter dated July 26, 2007 and you advised me by telephone on August 13, 2007 that they were satisfactory. We are now submitting the actual revised individual packages based on such artwork with all four health warnings, as follows:

<u>BRAND</u>	<u>STYLE</u>	<u>SIZE</u>	<u>PACKAGING</u>
Wave	Full Flavor	King Size	Box
Wave	Lights	King Size	Box
Wave	Menthol	King Size	Box
Wave	Menthol Lights	King Size	Box
Wave	Ultra Lights	King Size	Box

Ms. Sallie Schools
November 15, 2007
Page 2

As previously noted, the changes are to introduce rounded corners (indicated by the two sets of seven parallel lines on each package). The cartons are unchanged as are the other "Wave" brand styles.

As such, these changes to the packaging do not impact in any way on the location, size or other aspects of the health warning on the packaging or its conspicuousness.

Please confirm that this packaging is approved. As I mentioned to you when we spoke, our client has imminent production needs and therefore would appreciate it if this review could be handled as promptly as possible.

Thank you in advance for your kind and prompt consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Neal N. Beaton', with a large, stylized flourish at the end.

Neal N. Beaton

Enclosures

4942719_v1

Selected packaging samples from those
submitted with the plan.

SURGEON GENERAL'S WARNING:
Cigarette Smoke
Contains Carbon Monoxide.



Wave

Made in Turkey for
JT INTERNATIONAL USA, INC. N.J.
To Contact US: 1-877-899-WAVE



MENTHOL
20 CLASS A CIGARETTES



20 CLASS A CIGARETTES

Master Blenders with over
100 years of experience,
Uncompromising in their
search for premium tobacco,
Wave, an exceptionally rich
texture & unique depth of flavor.

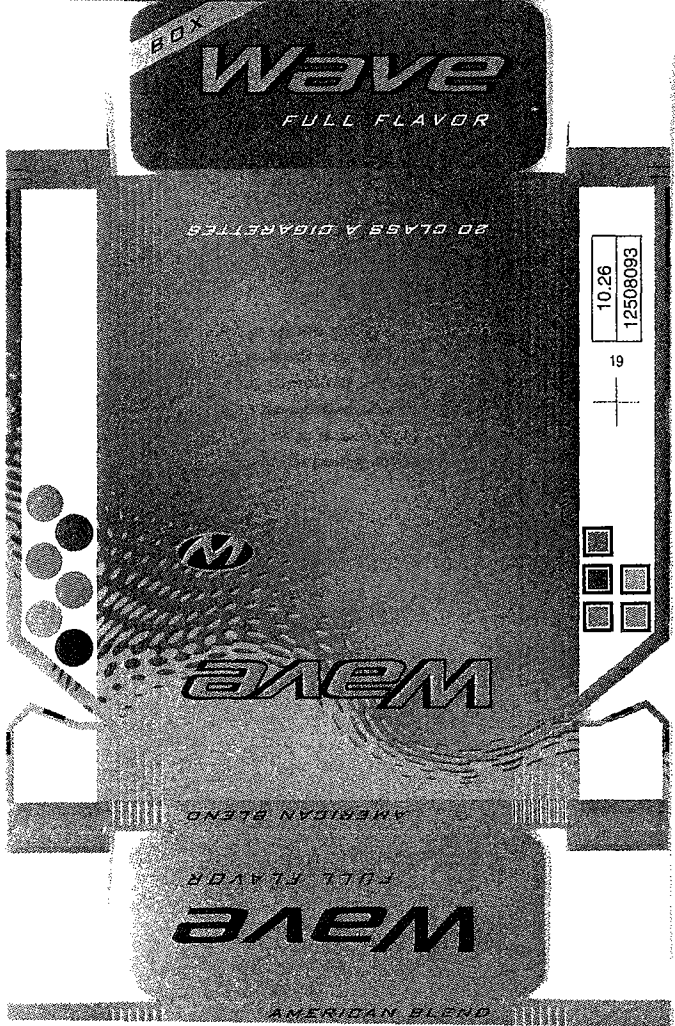
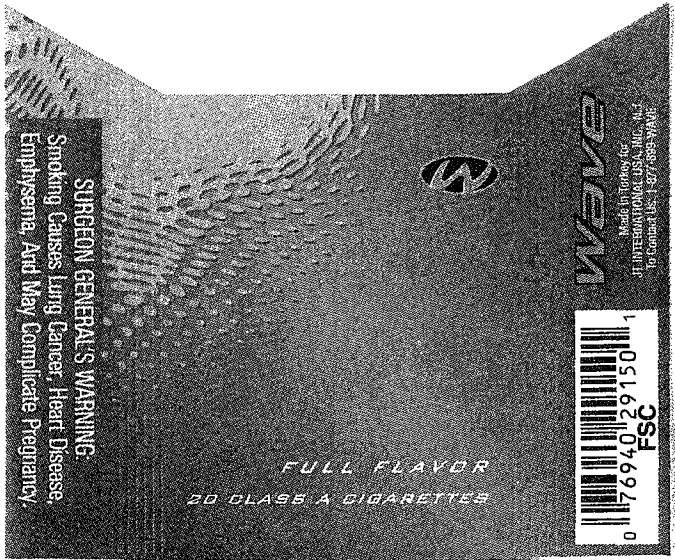
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12508114

17



Wave







UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 26, 2007

Neal N. Beaton, Esq.
Holland & Knight, LLP
195 Broadway, 24th Floor
New York, NY 10007

Dear Mr. Beaton:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on March 26, 2007, I approved a plan filed on behalf of Japan Tobacco, Inc. and its affiliate, Japan Tobacco International U.S.A., Inc. (collectively "Japan Tobacco") for the display of the health warnings on the packaging of certain varieties of the Cabin Mild, Caster Mild, Export A, Mild Seven, Seven Stars, and Wave brands of cigarettes. You now propose in a letter dated November 15, 2007 to modify the display of the health warnings on the packs of certain varieties of the Wave brand.

It appears that the health warnings on the redesigned packs for the following five king size hard pack varieties of the Wave brand submitted with your November 15, 2007 letter continue to meet the size and conspicuousness requirements of the Cigarette Act: Full Flavor, Lights, Menthol, Menthol Lights, and Ultra Lights. I wish to remind you that the approval of your March 26, 2007 health warning rotation plan expires on March 25, 2008.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

Mary K. Engle
Associate Director

LAW OFFICES OF
BARRY M. BOREN

borenlaw@bellsouth.net

One Datan
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Telephone
(305) 670-2200
Facsimile
(305) 670-0032

November 20, 2007

**CONTAINS TRADE SECRETS
AND CONFIDENTIAL
BUSINESS INFORMATION
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary K. Engle, Associate Director
Division of Advertising Practices
Federal Trade Commission
600 Pennsylvania Avenue, N.W. , Mail Drop NJ-3212
Washington, D.C. 20580

Attention: Ms. Diana Feingold

Renewal of Surgeon General's Warning Rotation Plan for
American Cigarette Company, Inc. for
Union Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, American Cigarette Company, Inc. ("ACC"), a Florida corporation, with offices located at 1291-B N.W. 65th Pl., Frt. Lauderdale, FL 33309 and the telephone number for ACC is (954) 974-8853. ACC wishes to renew its existing equalization Surgeon General's Warning Rotation Plan as required by the Federal Cigarette Labeling and Advertising Act of 1964, as amended, ("Act") (15 U.S.C. §1331 *et seq.*) for cigarettes they are manufacturing in the United States under the brand name "Union." The contact person for the company will be its President, Basil Battah, who can be reached at the above address and phone number.

An equalization and advertising plan was approved for Union on October 21, 2005 and a copy is attached hereto as Exhibit "A."¹ ACC continues to be in compliance with this plan and wishes to make no changes to its advertising plan at this time.

¹ A revised plan was approved on November 16, 2006 (see Exhibit "B"). An expansion equalization plan for Union cigarettes was approved by the FTC on March 15, 2007 (see Exhibit "C"). An equalization and advertising plan for Prestige cigarettes was approved by the FTC on October 22, 2007 (see Exhibit "D").

The brand styles of Union cigarettes ACC intends to manufacture are listed on Exhibit "E." These are the same brand styles that were listed in the Union plan approved on November 16, 2006 with additional brand styles approved on March 15, 2007. Actual samples of the Union packs and cartons for the various brand styles (listed on Exhibit "D") showing exactly where and how the four (4) Surgeon General's health warnings appear and will continue to appear on individual packs and cartons of the Union brand ACC is manufacturing, were enclosed with the submissions of September 28, 2005, October 19, 2006, and February 26, 2007. None of the packs or cartons have changed since they were submitted.

ACC manufactured approximately [REDACTED] Union brand cigarettes) in fiscal year 2006. In fiscal 2007 to date, it has manufactured approximately [REDACTED] Union brand cigarettes. ACC anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Union and Prestige) in fiscal year² 2007.

No one brand style of cigarettes sold by ACC has, for the past fiscal year, constituted more than 1/4 of 1% of all the cigarettes sold in the United States in such year. and no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in the next fiscal year. In addition, more than one-half of the cigarettes manufactured by ACC for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, ACC wishes to renew its plan to equalize the health warning statements as required by 15 U.S.C. §1333(c) for its Union brand. Each of the four warning statements will appear on the packs and cartons of each brand style of cigarettes manufactured by ACC an equal number of times in the one year period beginning on the date the renewal of this plan is approved.

The individual packs of Union cigarettes to be manufactured by ACC will have the proper health warnings printed by the manufacturer directly on the packs under the cellophane. The cartons will have the proper health warnings printed directly on the cartons by the manufacturer.

ACC intends to print all four (4) health warnings in equal numbers on each printed sheet of packaging for all of its cartons and packs so that when the sheets are die cut, each shipment should be approximately equalized for each brand style as manufactured. If, toward the end of the one year period, it appears that the warnings are not equalized on the packs and cartons for each brand style, ACC will place special orders for the specific health warnings needed to ensure that the display of all four warnings is equalized on the packs and cartons for each brand style by the plan's anniversary date.

² ACC's fiscal year coincides with the calendar year.

ACC understands that the FTC is charged with ensuring that ACC' Surgeon General's Health Warning Label Plan is complied with and, therefore, it agrees to maintain records to demonstrate that they are in compliance with, and are properly implementing their plan.

Nothing herein shall be construed to require the manufacture, packaging, distribution or importation of any cigarette during any period of time. ACC shall be deemed to have satisfied its responsibilities under the plan if it has taken reasonable steps to ensure that the warnings as they appear on the packs and cartons comply with the statutory requirements by: (1) providing by written contract or the giving of clear instructions, or otherwise, for the rotation of the warning statements required by the Act in accordance with the pertinent provisions of this plan; and (2) preventing the recurrence of any mistakes, errors, or omissions that have come to its attention.

No provision of this plan and no action taken pursuant hereto or statement made in connection herewith constitutes or shall be construed as an admission in any judicial or administrative proceeding, in any private litigation, or in any official action, report or statement by the United States Government, or any instrumentality thereof.

We believe this plan complies in all respects with the Federal Cigarette Labeling and Advertising Act, as amended, (15 U.S.C. §1331 *et seq.*) including any modifications made by the Public Health Act of 1969, the Comprehensive Smoking Education Act of 1984, the Nurses' Education Amendments of 1985 and the Imported Cigarette Compliance Act of 2000. For this reason, we hereby request that you approve this renewal plan as soon as possible.

Should you have any further questions regarding this matter, please do not hesitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN


Barry M. Boren

BMB:mw/encs.



Division of Advertising Practices

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

October 21, 2005

Andrew M. Parish
Attorneys at Law
6100 Hollywood Boulevard
Suite 421
Hollywood, FL 33024-7900

Dear Mr. Parish:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331. *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company ("ACC") on October 19, 2005, calling for quarterly rotation of the four health warnings in advertising of the Union brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of five soft pack varieties of that brand.

ACC's plan for the rotation of the warnings in advertising of the Union brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 28, 2005 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. ACC's plan for the display of the four health warnings on packaging for the Union brand is hereby approved for the following five soft pack varieties: Ultra Light 100's, Light 100's, Full Flavor 100's, Menthol 100's, and Menthol Light 100's. This approval is effective on the date of this letter and ends on October 20, 2006. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

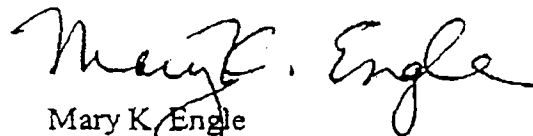
EXHIBIT "A"

Andrew M. Parish
October 21, 2005
Page 2

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,



Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

November 16, 2006

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company ("ACC") on November 8, 2006, calling for the simultaneous display of the four health warnings on the packaging of fourteen varieties of the Union brand of cigarettes.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 19, 2006 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. ACC's plan for the display of the four health warnings on packaging is hereby approved for ten soft pack varieties of the Union brand of cigarettes (Full Flavor kings, Light kings, Ultra Light kings, Menthol kings, Menthol Light kings, Full Flavor 100s, Light 100s, Ultra Light 100s, Menthol 100s, and Menthol Light 100s) and five box varieties of the brand (Full Flavor kings, Light kings, Ultra Light kings, Menthol kings, and Menthol Light kings). This approval is effective on the date of this letter and ends on November 15, 2007. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

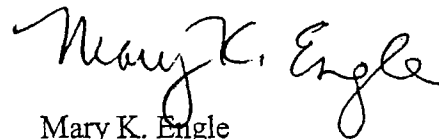
Barry M. Boren, Esq.

November 16, 2006

Page 2

If you have any questions regarding this approval, please contact Katherine Zownir at (202) 326-2949.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

March 15, 2007

Barry M. Boren, Esq.
Datran One
9100 South Dadeland Blvd., Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on November 16, 2006, I approved a plan filed on behalf of American Cigarette Company ("ACC") calling for the simultaneous display of the four health warnings on packaging for fifteen varieties of the Union brand of cigarettes. You now propose in a letter dated February 26, 2007 to expand ACC's plan to include five additional hard pack varieties of that brand.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your February 26, 2007 letter appear to meet with the requirements of the Cigarette Act for size and conspicuousness. ACC's expansion of its plan for the display of the four health warnings on packaging for the Union brand is hereby approved for the following five hard pack varieties: Full Flavor 100's, Lights 100's, Ultra Lights 100's, Menthol 100's and Menthol Lights 100's. This approval is effective on the date of this letter and ends on March 14, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If you have any questions regarding this approval, please contact Clovia Hutchins at (202) 326-3215.

Very truly yours,

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

October 22, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard, Suite 1800
Miami, Florida 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company, Inc. ("ACC") on October 15, 2007, calling for quarterly rotation of the four health warnings in advertising of the Prestige brand of cigarettes, and for the simultaneous display of the four health warnings on the packaging of the king size hard pack variety of that brand.

ACC's plan for the rotation of the warnings in advertising of the Prestige brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 27, 2007 letter appear to comply with the size and conspicuousness requirements of the Cigarette Act. ACC's plan for the display of the four health warnings on packaging is hereby approved for the king size hard pack variety of the Prestige brand. This approval is effective on the date of this letter and ends on October 21, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers and importers annually file with the Secretary of the Department of Health and

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.

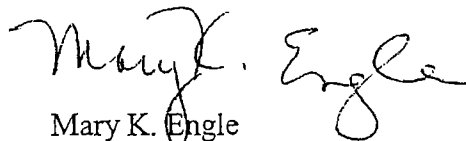
October 22, 2007

Page 2

Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Haley Zernich at (202) 326-3485.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

AMERICAN CIGARETTE COMPANY
UNION CIGARETTES
EXHIBIT "E"

Brand Styles

Full Flavor King Size Soft Pack
Lights King Size Soft Pack
Ultra Lights King Size Soft Pack
Menthol King Size Soft Pack
Menthol Lights King Size Soft Pack

Full Flavor 100's Soft Pack
Lights 100's Soft Pack
Ultra Lights 100's Soft Pack
Menthol 100's Soft Pack
Menthol Lights 100's Soft Pack

Full Flavor King Size Box
Lights King Size Box
Ultra Lights King Size Box
Menthol King Size Box
Menthol Lights King Size Box

ADDITIONAL BRAND STYLES SENT TO THE FTC 2/20/07:

Full Flavor 100's Box
Lights 100's Box
Ultra Lights 100's Box
Menthol 100's Box
Menthol Light 100's Box



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

December 3, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of American Cigarette Company ("ACC") on November 20, 2007, calling for the simultaneous display of the four health warnings on packaging for twenty varieties of the Union brand of cigarettes.

ACC's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your September 28, 2005, November 8, 2006, and February 26, 2007 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. ACC's plan for the display of the four health warnings on packaging for the Union brand is hereby approved for the following ten soft pack varieties (Full Flavor King, Lights King, Ultra Lights King, Menthol King, Menthol Light King, Full Flavor 100's, Light 100's, Ultra Light 100's, Menthol 100's, and Menthol Light 100's) and ten hard pack varieties (Full Flavor King, Lights King, Ultra Lights King, Menthol King, Menthol Light King, Full Flavor 100's, Light 100's, Ultra Light 100's, Menthol 100's, and Menthol Light 100's). This approval is effective on the date of this letter and ends on December 2, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Barry M. Boren, Esq.

December 3, 2007

Page 2

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Diana Finegold at (202) 326-3182.

Very truly yours,

A handwritten signature in cursive script that reads "Mary K. Engle". The signature is written in black ink and is positioned above the printed name and title.

Mary K. Engle
Associate Director

G&R Brands, LLC

December 7, 2007

Ms. Mary Kay Engle
Federal Trade Commission
Division of Advertising Practices
600 Pennsylvania Avenue, N.W.
Room NJ-3212
Washington, DC 20580

RE: Cigarette Health Warning Rotation Plan

Dear Ms. Engle,

This letter is being submitted for the approval of the Surgeon General Warning Rotation Plan for packaging of the American Diplomat cigarette brand. The American Diplomat brand is manufactured by Joseph M. Anderson d/b/a Smokin Joes for G&R Brands, LLC. Upon approval of this plan, the manufacturer intends to manufacture these cigarettes under the authority of the Bureau of Alcohol, Tobacco & Firearms (Manufacturer of Tobacco Products License TP-NY-168).

The American Diplomat cigarette brand will be manufactured in a variety of styles. The following varieties of American Diplomat cigarettes will be manufactured:

Full Flavor King size box
Light King size box
Menthol King size box
Menthol Light King size box
Ultra Light King size box

Non-filter King size soft pack

Full Flavor 100 size box
Light 100 size box
Menthol 100 size box
Menthol Light 100 size box
Ultra Light 100 size box

These cigarettes will be packaged in 200 count cartons ("Outer Cartons"). Each Outer Carton will contain ten (10) packs of twenty (20) cigarettes each ("Pack"). The warnings will appear exactly as they do on the actual pack labels and cartons submitted with the letter dated October 19, 2007.

6525 South Bruce Street
Las Vegas, NV 89119

(702)736-7372 Tel
(702)736-9455 Fax

G&R Brands, LLC

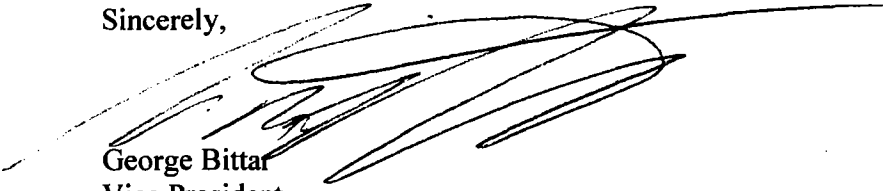
G&R Brands, LLC believes that it will have a low sales volume of American Diplomat cigarettes that fit the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333 (c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331. G&R Brands, LLC has never manufactured cigarettes, therefore sales estimates for the 2008 calendar year have been provided on Exhibit A for the eleven brand styles of the American Diplomat brand. American Diplomat cigarettes are the only contracted cigarette brand of G&R Brands, LLC therefore based on the sales estimates on Exhibit A, the most that G&R Brands, LLC anticipates selling of any one American Diplomat cigarette brand style in the next one year period is [REDACTED] sticks.

If this plan for the alternative to quarterly rotation of warnings on packaging is approved, the four cigarette health warnings will appear on each of the packs and cartons of each of the varieties listed above of the American Diplomat cigarette brand an equal number of times for the one year period beginning the date this plan is approved. To ensure the cigarette health warnings appear on each of the above listed brand styles an equal number of times throughout the plan year, raw material packaging inventory will be stored and loaded into packaging machines alternating the four health warnings equally.

At this time, there will be no advertising, in any form, of American Diplomat cigarettes. If in the future, G&R Brands, LLC decides to engage in advertising, G&R Brands, LLC will submit a plan to the FTC before doing so.

Smokin Joes, the manufacturer, and G&R Brands, LLC are aware of the requirements set forth by the Federal Trade Commission in the Cigarette Labeling and Advertising Act and the companies' efforts are always to be fully compliant with the regulations. G&R Brands, LLC believes that Exhibit A satisfies the requirement to submit a Surgeon General warning rotation plan. G&R Brands, LLC will maintain records of compliance with the approved plan. The submitted carton and pack label for each brand style bearing each Surgeon General warning satisfies the requirement of package submission. If there are any questions or concerns regarding these plans, please contact me.

Sincerely,




George Bittar
Vice President
G&R Brands, LLC

Enclosures


6525 South Bruce Street
Las Vegas, NV 89119

(702)736-7372 Tel
(702)736-9455 Fax

EXHIBIT A

PRODUCT	STICKS [^]
American Diplomat Full Flavor King size box	
American Diplomat Light King size box	
American Diplomat Menthol King size box	
American Diplomat Menthol Light King size box	
American Diplomat Ultra Light King size box	
American Diplomat Non-Filter King size soft pack	
American Diplomat Full Flavor 100 size box	
American Diplomat Light 100 size box	
American Diplomat Menthol 100 size box	
American Diplomat Menthol Light 100 size box	
American Diplomat Ultra Light 100 size box	

[^]Estimated 2008 Annual Stick Sales Figures

PRODUCT (TOP SELLING SKU)	STICKS [^]
American Diplomat Full Flavor 100 size box	

[^]Estimated 2008 Annual Stick Sales Figures

Selected packaging samples from those
submitted with the plan.



AMERICAN
DIPLOMAT

MENTHOL LIGHTS

KINGS

Made in
USA

SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly
Reduces Serious Risks to Your Health.

20-02389
OS

DIPLOMAT

MENTHOL LIGHTS
KINGS

Made in
USA

018481

KINGS

MENTHOL LIGHTS
DIPLOMAT
AMERICAN

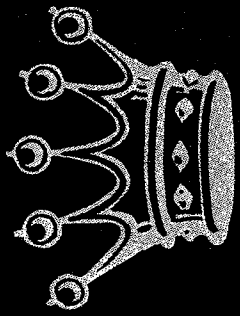
DIPLOMAT
MENTHOL LIGHTS
KINGS

5

20
CIGARETTES

Select Tobaccos

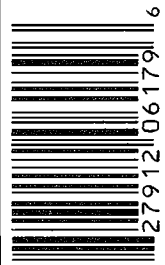
UNDERAGE
SALE
PROHIBITED



AMERICAN DIPLOMATTM

FULL
FLAVOR
100'S

Made in
USA



AMERICAN DIPLOMATTM FULL FLAVOR 100'S

SURGEON GENERAL'S WARNING:
Cigarette Smoke
Contains Carbon Monoxide.

Made in
USA



AMERICAN DIPLOMATTM

100'S



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

December 13, 2007

Mr. George Bittar
Vice President
G&R Brands, LLC
6525 South Bruce St.
Las Vegas, NV 89119

Dear Mr. Bittar:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by G&R Brands, LLC ("G&R") on December 7, 2007 calling for the simultaneous display of the four health warnings on the packaging of certain varieties of the American Diplomat brand of cigarettes.

G&R's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your October 19, 2007 letter appear to meet the requirements of the Cigarette Act for size and conspicuousness. G&R's plan for the display of the four health warnings on packaging for the American Diplomat brand is hereby approved for the Non Filter king size soft pack variety, and for the following ten hard pack varieties: Full Flavor kings, Light kings, Menthol kings, Menthol Light kings, Ultra Light kings, Full Flavor 100s, Light 100s, Menthol 100s, Menthol Light 100s, and Ultra Light 100s. This approval is effective on the date of this letter and ends on December 12, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

If G&R does decide to advertise in the future, it must submit a plan detailing how it will comply with the requirements of the Cigarette Act with respect to display of the health warning statements in advertisements.

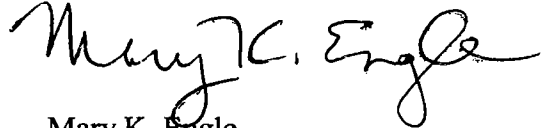
¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

Mr. George Bittar
December 13, 2007
Page 2

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Conor McEvily at (202) 326-2410.

Very truly yours,

A handwritten signature in black ink that reads "Mary K. Engle". The signature is written in a cursive style with a large, stylized "M" and "E".

Mary K. Engle
Associate Director

LAW OFFICES OF
BARRY M. BOREN

borenlaw@bellsouth.net

Datran One
9100 South Dadeland Boulevard
Suite 1800
Miami, Florida 33156

Telephone
(305) 670-2200
Facsimile
(305) 670-0032

December 11, 2007

**CONTAINS TRADE SECRETS
AND CONFIDENTIAL
BUSINESS INFORMATION
NOT FOR PUBLIC DISCLOSURE**

Ms. Mary Engle, Associate Director
Division of Advertising Practices
Federal Trade Commission
Mail Stop NJ 3212
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

Attention: Ms. Sallie Schools

Expansion To
Surgeon General's Health Warning Equalization Plan
For Tantus Tobacco, LLC For Main Street and Sport Cigarettes

Dear Ms. Engle:

Please be advised that we are the attorneys for a manufacturer of tobacco products, Tantus Tobacco, LLC ("Tantus"), a Kentucky limited liability corporation, with offices located at 200 Progress Dr., Russell Springs, Kentucky 42642 and the mailing address is P.O. Box 1030, Jamestown, Kentucky 42629. Tantus' phone number is (270) 866-8888. Tantus wishes to expand its plan to equalize its health warning statements as required by 15 U.S.C. § 1333(c) by adding one (1) new brand style to each of its existing Surgeon General's Health Warning Plan for cigarettes they are manufacturing in the United States under the brand names "Main Street" and "Sport." The contact person for the company will continue to be its President, Brian Cooper, who can be reached at the above address and phone number.

Tantus wishes to amend Exhibits "I" (Main Street) and "J" (Sport) (list of brand styles) attached to its July 9, 2007 equalization plan which was approved by the FTC on July 18, 2007. A copy of the FTC approval letter is attached hereto as Exhibit "A." Tantus would like this expansion plan to expire July 17, 2008 with the Tantus plan that was approved on July 18, 2007.

The amendment we are requesting will add the following Main Street and Sport brand styles to the previously submitted:

Main Street - Non-Filter King Size Soft Pack

Sport - Non-Filter King Size Soft Pack

New Exhibits "I" and "J" listing all the brand styles of the Main Street and Sport Cigarettes Tantus will be manufacturing are attached hereto. Enclosed with this submission are actual production packs and cartons for the new brand styles being submitted which show exactly where and how the four (4) Surgeon General's health warnings will appear on the individual packs and cartons Tantus will be manufacturing.

Tantus continues to qualify as a small importer/manufacturer as defined by the Act based on the following figures:

Tantus manufactured approximately [REDACTED] cigarettes (all were either Golden Blend, Berkley or Berley brand cigarettes) in fiscal year 2006. In fiscal 2007 to date,¹ it has manufactured approximately [REDACTED] cigarettes (all were Golden Blend, 24/7, Dillon, Dixon, Superior, Berkley, Berley, Main Street, Sport and GSmoke brand cigarettes). Tantus anticipates manufacturing approximately [REDACTED] cigarettes of all its brand styles (Dixon, Dillon, 24/7, Superior, Golden Blend, Berkley, GSmoke, Main Street, Sport and Berley) in fiscal year 2007.

No one brand style of cigarettes sold by Tantus has for the past fiscal year constituted more than 1/4 of 1% of all the cigarettes sold in the United States in such year. and no one brand style will constitute more than 1/4 of 1% of all the cigarettes sold in the United States in the next fiscal year. In addition, more than one-half of the cigarettes manufactured by Tantus for sale in the United States will be packaged into brand styles which meet the requirements of 15 U.S.C. §1333(c)(2)(A)(I).

As a small manufacturer as defined by the Act, Tantus wishes to submit a plan to equalize for each brand style the health warning statements as required by 15 U.S.C. §1333(c) for its Sport brand. Each of the four warning statements will appear on the packs and cartons of each brand style of cigarettes manufactured by Tantus an equal number of times in the one year period beginning on the date this plan is approved.

Tantus also has an advertising rotation plan in place for its Main Street and Sport cigarettes. It is in compliance with this plan and wishes to make no changes to its advertising

¹ Tantus' fiscal year coincides with the calendar year.

Ms. Mary Engle, Associate Director
Division of Advertising Practices
Federal Trade Commission

Page 3
December 11, 2007

plan at this time.

All other provisions of the existing plan will remain in place. Should you have any further questions regarding this matter, please do not hesitate to contact us.

Sincerely yours,

LAW OFFICES OF BARRY M. BOREN


Barry M. Boren

BMB:mw/encs.



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

July 18, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed on behalf of Tantus Tobacco, LLC on July 9, 2007, calling for quarterly rotation of the four health warnings in advertising of the G-Smoke, Main Street and Sport brands of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of those brands.

Tantus Tobacco's plan for the rotation of the warnings in advertising of the G-Smoke, Main Street, and Sport brands of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith.

Tantus Tobacco's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your June 5, 7, and 11, 2007 letters appear to meet the requirements of the Cigarette Act for size and conspicuousness. Tantus Tobacco's plan for the display of the four health warnings on packaging for the G-Smoke brand is hereby approved for the following fifteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard pack), Ultra Light 100's soft pack, Menthol Kings (soft pack and hard pack), Menthol 100's soft pack, "Woman" Full Flavor 100's hard pack, "Woman" Light 100's hard pack, and "Woman" Menthol Light 100's hard pack. Tantus Tobacco's plan for the Main Street brand is hereby approved for the following thirteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard pack), Ultra Light 100's (soft pack and hard pack), Menthol King soft pack, Menthol 100's soft pack, and Menthol Light 100's soft pack. Tantus Tobacco's plan for the Sport brand is hereby approved for the following fourteen varieties: Full Flavor Kings (soft pack and hard pack), Full Flavor 100's (soft pack and hard pack), Light Kings (soft pack and hard pack), Light 100's (soft pack and hard

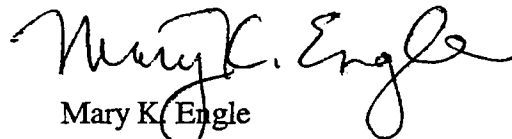
Barry M. Boren, Esq.
July 18, 2007
Page 2

pack), Ultra Light 100's soft pack, Menthol Kings (soft pack and hard pack), Menthol 100's (soft pack and hard pack), and Menthol Light 100's soft pack.¹ This approval is effective on the date of this letter and ends on July 17, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.² The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,



Mary K. Engle
Associate Director

¹ The approval of Tantus Tobacco's cigarette health warning display plan is an approval of its plan for displaying the four health warnings mandated by the Cigarette Act. Approval of the plan is not in any way an approval of Tantus Tobacco's packaging, other than the display of the mandated health warnings. This approval expresses no opinion on whether or not Tantus Tobacco's packaging complies with relevant trademark law or with other applicable laws.

² Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

EXHIBIT 'I' LIST OF CIGARETTE BRAND STYLES
TANTUS TOBACCO, LLC

MAIN STREET CIGARETTES

Full Flavor King Size Soft Pack
Lights King Size Soft Pack
Menthol King Size Soft Pack

Full Flavor 100's Soft Pack
Lights 100's Soft Pack
Ultra Lights 100's Soft Pack
Menthol 100's Soft Pack
Menthol Lights 100's Soft Pack

Full Flavor King Size Box
Lights King Size Box

Full Flavor 100's Box
Lights 100's Box
Ultra Lights 100's Box

Additional Brand Style to be Added:

Non-Filter King Size Soft Pack

EXHIBIT 'J' LIST OF CIGARETTE BRAND STYLES
TANTUS TOBACCO, LLC

SPORT CIGARETTES

Full Flavor King Size Soft Pack
Lights King Size Soft Pack
Menthol King Size Soft Pack

Full Flavor 100's Soft Pack
Lights 100's Soft Pack
Ultra Lights 100's Soft Pack
Menthol 100's Soft Pack
Menthol Lights 100's Soft Pack

Full Flavor King Size Box
Lights King Size Box
Menthol King Size Box

Full Flavor 100's Box
Lights 100's Box
Menthol 100's Box

Additional Brand Style to be Added:

Non-Filter King Size Soft Pack

**Selected packaging samples from those
submitted with the plan.**

NON FILTER



Made In USA

NON FILTER



Made In USA

SURGEON GENERAL'S WARNING:
Cigarette Smoke
Contains Carbon Monoxide.

Manufactured By
Tantus Tobacco, LLC
Russell Springs, KY
866-747-0010
MADE IN USA



NON FILTER KINGS

STS

NON FILTER
KINGS



NON FILTER KINGS

SURGEON GENERAL'S WARNING: Smoking By
Pregnant Women May Result in Fetal Injury,
Premature Birth, And Low Birth Weight.

Made In USA



NON FILTER

Sport



Made In USA

NON FILTER KINGS

Sport

SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly
Reduces Serious Risks to Your Health.

NON FILTER

Sport



Made In USA

STS

Manufactured By
Tantus Tobacco, LLC
Russell Springs, KY
866-747-0010
MADE IN USA
TPKY15000



**NON FILTER
KINGS**

Sport[®]



NON FILTER KINGS

Sport[®]

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

Made In USA





UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

Division of Advertising Practices

December 13, 2007

Barry M. Boren, Esq.
One Datran
9100 South Dadeland Boulevard
Suite 1800
Miami, FL 33156

Dear Mr. Boren:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, on July 18, 2007, I approved a plan filed on behalf of Tantus Tobacco, LLC ("Tantus"), calling for quarterly rotation of the four health warnings in advertising for the G-Smoke, Main Street, and Sport brands of cigarettes, and for the simultaneous display of the four health warnings on the packaging of certain varieties of those brands. In a letter dated December 11, 2007, you now propose to expand Tantus' plan for packaging to include the non filter king size soft pack variety of the Main Street and Sport brands.

Tantus' sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letter of December 11, 2007 appear to comply with the size and conspicuousness requirements of the Cigarette Act. Tantus' expansion of its plan for packaging is hereby approved for the non filter king size soft pack variety of the Main Street and Sport brands of cigarettes. This approval is effective on the date of this letter and ends on December 12, 2008. Approval of the plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

As a reminder, Section 1335a of the Cigarette Act requires that a list of the ingredients added to tobacco in the manufacture of cigarettes be annually filed with the Secretary of the Department of Health and Human Services.

If you have any questions regarding this approval, please contact Aine Farrell at (202) 326-3013.

Very truly yours,

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.

SENECA MANUFACTURING COMPANY

155 Rochester Street
PO Box 496
Salamanca, New York 14779
716-945-4400
Fax - 716-945-4401
dsanden1@cox.net
Cell - 949-395-4666

December 17, 2007

Ms. Mary Engle Associate Director, Division of Advertising
Federal Trade Commission
600 Pennsylvania Avenue
Washington, DC 20580

Dear Ms. Engle,

This letter is being submitted for approval of the alternative method to the quarterly rotation of the Surgeon General's Warnings for packaging of the Heron cigarette brand and for approval of quarterly rotation of warnings in advertising. Heron brand is manufactured by the partnership of Travis G. Heron, Ellen R. Heron, and Gary C. Sanden, dba Seneca Manufacturing Company (Manufacturer of Tobacco Products License TP-NY-15007).

The Heron cigarette brand will be manufactured in the following varieties:

Full Flavor 100's
Light Flavor 100's
Ultra Light 100's
Menthol 100's
Menthol Light 100's

Full Flavor King Size Box
Light King Size Box
Ultra Light King Size Box
Menthol King Size Box
Menthol Light King Size Box
Non-Filter King Size Box

These cigarettes will be packages in 200 count cartons ("Outer Carton"). Each Outer Carton will contain ten (10) packs of twenty (20) cigarettes each ("Pack"). The warnings will appear exactly as they do on the actual packs and cartons submitted with our letters of July 13, 2006, July 31, 2006, August 2, 2006, December 11, 2006, April 25, 2007 (for the 100's) and June 8, 2007 (for the kings). Regardless of the overall appearance of the label and carton, a white background consistently embodies the Surgeon General's Warnings with black type in order to maximize the contrast and visibility of the image.

Seneca Manufacturing Company believes that it's low sales volume of cigarettes fits the criteria for the alternative to quarterly rotation of warnings on packaging, provided for in Section 1333(c)(2) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331. Seneca Manufacturing Company has never manufactured cigarettes before. Heron cigarette brand is the only cigarette brand Seneca Manufacturing Company intends to manufacture at this time. Our anticipated sales for each brand style for the next fiscal year are set out in Exhibit "A".

If this plan for the alternative to quarterly rotation of the warnings on packaging is approved, the four (4) cigarette health warnings will appear on the packs and cartons of each Heron cigarette brand style an equal number of times for the one year period beginning on the date of approval of this plan. To ensure the cigarette health warnings appear on the Heron cigarette brand styles an equal number of times throughout the plan year, raw material packaging inventory will be stored and loaded into packaging machines alternating the health warnings. Seneca Manufacturing Company will maintain records of compliance with the approved plan.

We do intend to advertise. We will use the warning formats that were submitted with the 1985 Plans of the 5 (five) leading U.S. cigarette manufacturers and we will place the warnings as specified in those plans. The warnings will be rotated quarterly according to the schedule set out below. Copies of the formats that we will be using were attached to the letter of November 29, 2007 as Exhibit "B". The size of our advertising will not exceed 10 square feet.

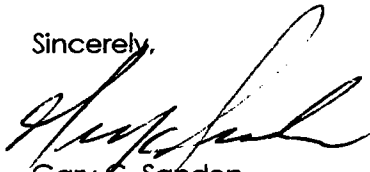
In Internet advertising the warnings will be displayed in an unavoidable manner on every web page where it may be viewed without scrolling and shall not be accessed thru hyperlinks, pop-ups, interstitials or other similar ways. We will use warning formats based on the warning formats that were submitted with the 1985 Plans of the 5 (five) leading U.S. cigarette manufacturers and the size of the warnings shall be proportionate to those warning formats. The warnings will be rotated quarterly according to the schedule set out below. Sample web pages showing the display of the Health Warning is attached with this letter as Exhibit "B".

Heron's quarterly rotation of the Health Warnings in advertising and internet advertising will be as follows:

First quarter (January-March)- Warning A. SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May
Complicate Pregnancy.
Second quarter (April - June) - Warning B. SURGEON GENERAL'S WARNING:
Quitting Smoking Now Greatly Reduces Serious Risks to Your Health.
Third quarter (July - September) - Warning C. SURGEON GENERAL'S WARNING:
Smoking By Pregnant Women May Result in Fetal Injury, Premature Birth, And Low
Birth Weight.
Fourth quarter (October - December) - Warning D. SURGEON GENERAL'S
WARNING: Cigarette Smoke Contains Carbon Monoxide.

If there are any questions or concerns regarding this, please contact me.

Sincerely,



Gary C. Sanden
716-945-4400
Fax- 716-945-4401

EXHIBIT "A"

Heron - Brand Styles

Estimated Sales/ Year

1. Full Flavor King Size Box -
2. Light King Size Box -
3. Ultra Light King Size Box -
4. Menthol King Size Box -
5. Menthol Light King Size Box -
6. Non Filter King Size Box -
7. Full Flavor 100's
8. Light Flavor 100's
9. Ultra Light 100's
10. Menthol 100's
11. Menthol Light 100's





Makers of HERON Brand Cigarettes

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

Must Be 18 Years of Age To ENTER

Exhibit "B"



**Seneca
Manufacturing
Company**

**Makers of HERON
Brand Cigarettes**

SURGEON GENERAL'S WARNING: Smoking Causes Lung Cancer, Heart Disease, Emphysema, And May Complicate Pregnancy.

About Us
Health Warnings
CDC Health Report
Products
Contact

Seneca Manufacturing Company (SMC) is located entirely within the borders of The Seneca Nation of Indians at Salamanca, NY.

The company is a partnership between two enrolled members of the Seneca Nation... Travis Heron and Gary Sanden. SMC is fully licensed with The Bureau of Alcohol, Tobacco and Firearms (ATF) and compliant with the laws and regulations of The Seneca Nation of Indians.

The Mission of SMC is to provide products for adult consumers, that meet industry standards and also provide HEALTH INFORMATION that will help adult consumers make responsible choices.

SMC supports youth prevention at all levels of governance including The Seneca Nation of Indians whose laws ban underage sales of tobacco products to minors.

© Copyright 2007 Seneca Manufacturing Co. All Rights Reserved
Website Development & Design By hole in the wall enterprises

Exhibit "B"

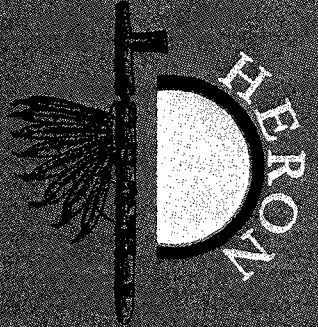
**Selected packaging samples from those
submitted with the plan.**

19



NATIVE AMERICAN BLEND

UNDERAGE SALES PROHIBITED



SMC
155 Rochester Street
Salamanca, NY 14779

**SURGEON GENERAL'S WARNING:
Smoking By Pregnant Women May
Result in Fetal Injury, Premature Birth,
And Low Birth Weight.**

FULL FLAVOR
100'S

NATIVE AMERICAN BLEND

NO TOBACCO / NO ADDITIVES

FULL FLAVOR
100'S

NATIVE AMERICAN BLEND

NO TOBACCO / NO ADDITIVES

SMC 06 2741
WN-3



HERON

HERON



ATIVE AMERICAN BLEND
OO CLASS A CIGARETTES

LIGHT 100'S

HERON



UNDERAGE SALES PROHIBITED

SMC
155 Rochester Street
Salamanca, NY 14779



LIGHT 100'S

LIGHT 100'S
LIGHT 100'S

SURGEON GENERAL'S WARNING:
Smoking Causes Lung Cancer, Heart Disease,
Emphysema, And May Complicate Pregnancy.

HERON

JWF



Division of Advertising Practices

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

December 19, 2007

Mr. Gary C. Sanden
Seneca Manufacturing Company
155 Rochester St.
P.O. Box 496
Salamanca, NY14779

Dear Mr. Sanden:

The Federal Trade Commission has delegated to the Associate Director for Advertising Practices its authority to review cigarette health warning display plans submitted to the Commission pursuant to Section 1333(c) of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331, *et seq.* ("the Cigarette Act"). Pursuant to that delegation, I have reviewed a revised proposed plan filed by the partnership of Travis G. Heron, Ellen R. Heron, and Gary C. Sanden, d/b/a Seneca Manufacturing Company ("Seneca") on December 17, 2007 calling for quarterly rotation of the four health warnings in advertising of the Heron brand of cigarettes, and for simultaneous display of the four health warnings on the packaging of eleven varieties of that brand.

Seneca's plan for the rotation of the warnings in advertising of the Heron brand of cigarettes has been approved. Approval of the plan assumes that the plan is implemented in good faith. Seneca's advertising rotational warning plan includes Internet advertising of Heron cigarettes. This approval of Seneca's plan for the rotation of the health warnings in advertising is not a determination as to the legality of advertising cigarettes on the Internet. With respect to the question of whether it is legal to advertise cigarettes on the Internet, Section 1335 of the Cigarette Act prohibits advertising cigarettes on any medium of electronic communication subject to the jurisdiction of the Federal Communications Commission. The enforcement of that provision is the responsibility of the Department of Justice and you should contact them directly (Kenneth Maddox at 202-307-0092) to determine whether such advertising on the Internet is permissible.

Seneca's sales appear to qualify for the aforementioned alternative to quarterly rotation of the warnings on packaging. The warnings on the sample packs and cartons submitted with your letters of July 13, July 31, August 2, and December 11, 2006, and April 25 and June 8, 2007 appear to meet the requirements of the Cigarette Act for size and conspicuousness. Seneca's plan for the simultaneous display of the four health warnings on packaging is hereby approved for six king size hard pack varieties of the Heron brand (Full Flavor, Light, Ultra Light, Menthol, Menthol Light, and Non Filter), and for the following five 100's soft pack varieties of that brand: Full Flavor, Light, Ultra Light, Menthol, and Menthol Light. This approval is effective on the date of this letter and ends on December 18, 2008. Approval of the

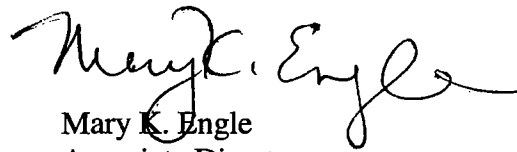
Mr. Gary C. Sanden
December 19, 2007
Page 2

plan is contingent on its good faith implementation. We may ask for information demonstrating proper implementation of the plan.¹ The Cigarette Act provides that any person who violates its provisions is guilty of a misdemeanor.

You should also be aware that Section 1335a of the Cigarette Act requires that cigarette manufacturers annually file with the Secretary of the Department of Health and Human Services a list of the ingredients added to tobacco in the manufacture of their cigarettes.

If you have any questions regarding this approval, please contact Bonnie Pulley at (202) 326-2356.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mary K. Engle". The signature is written in a cursive style with a large, looping initial "M".

Mary K. Engle
Associate Director

¹ Knowingly and willfully making false statements to a federal government agency is a crime punishable by a fine and/or imprisonment. 18 U.S.C. § 1001.