

Territory #	15-05-02	Promoted Brands				Marlboro Growth Fund
Account Name	Goblin Market	Marlboro	Virginia Slims	Parliament	Basic	Start Date:
Control #	357920	Start Date: 10/2/00	10/2/00	10/2/00	10/2/00	End Date:
Key Account #		End Date: 10/29/00	10/29/00	10/29/00	10/29/00	Max Ctns:
Promotion Volume Growth Expectation:		5%	5%	5%	0	

Prebooked Product (Retailer Reminder).

First Ship Date	Second Ship Date	Third Ship Date	Fourth Ship Date
10/3/00	10/17/00		
10/3/00	10/17/00		
10/3/00	10/17/00		
10/3/00	10/17/00		

To receive the Philip Morris USA Promotional allowance(s) indicated above, I understand that I will need to:

- 1 of 3

REVISÉ: 4/4/00

- product promotions (e.g., "Buy 4, Get 1 Free", "Buy 2, Get 1 Free", etc.) of the Promoted Brand(s) if I choose to offer reduced prices on those product promotions.
- product sold to other retail, wholesale or trade accounts.
- product purchased from other retail accounts at a reduced price due to Philip Morris USA Promotional allowance(s).
- any consumer transaction that exceeds 5 cartons.
- any consumer transaction that is not conducted on a face-to-face basis (e.g., mail order, internet).

In addition to the above terms, I understand that if I am using Retail Leaders Growth Funds, which are only available to accounts that choose to participate in Retail Leaders at Level E (and CPL3 accounts through June 30, 2000), I will need to spend my Growth Funds according to the following options:

- a) To promote Marlboro brand styles of cartons, packs and/or multi-packs only
- b) To extend a national Marlboro price promotion
- c) To increase the amount of a national Marlboro price promotion via an increase in the allowance, not to exceed the national Marlboro price promotion allowance for the period (as communicated to me by my Philip Morris USA representative) by more than 10¢ per pack or \$1.00 per carton
- d) To support Every Day Low Price (EDLP) promotions provided that one of the following three conditions are met:
 - i) I stop EDLP at least one week before the start of a nationally scheduled Marlboro price promotion, thereby resuming my normal premium brand pricing
 - or
 - ii) I reduce EDLP by at least the amount of the price promotion allowance of the nationally scheduled Marlboro price promotion as communicated to me by my Philip Morris USA representative
 - or
 - iii) I stop EDLP for 3 consecutive weeks in the first half of the year (January 1 - June 30, 2000) and 3 consecutive weeks in the second half of the year (July 1 - December 31, 2000)

I further understand that Philip Morris USA will not pay me any allowances over the Growth Fund budget or for unused Growth Funds remaining at the end of the year.

Promotion Allowance Payment

Payments will be made for full participation in this consumer promotion and only on product sold in accordance with the terms set out above. Payment will be made at the completion of the promotion period.

Philip Morris USA reserves the right to audit compliance of any of these program requirements at any time, to obtain, upon request, the documentation retailer is required to maintain, and to withhold payment for any non-compliance.

PM Representative:	<u><i>Alex Ghostly</i></u> Signature	<u>Alex Ghostly</u> Print Name	Date: <u>8/31/00</u>
I understand the elements of the promotional program(s) described above and on the previous page and I will participate.			
Retailer:	<u><i>Redd Skeleton</i></u> Signature	<u>Redd Skeleton</u> Print Name	Date: <u>8/31/00</u>

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PM USA PAYMENT WORKSHEET

Brands

I. For Scanning / PLU key: Enter total cartons sold (Attach summary sheet used to pay account)

II. For Count/Recount: Purchases (Cartons of product purchased during promotion period - See grid below)

[illegible]**Total Purchases** (Cartons of product purchased during promotion period)

Add: Beginning Inventory (Cartons of product in store on start date)

Subtract: Ending Inventory (Cartons of product in store at promotion completion)

Equals: Total Sold (Cartons of product sold to adult consumers)

440	80	40	160
40	10	5	20
27	4	5	28
453	86	40	152

Payment Information: Two payment sections are provided to document two payments during extended price promotions

Brand	Cartons Sold	x	PM Allowance	=	Calculated Payment Due	-	Budget Amount	=	Amount (Over)/Under Budget	Date	Promo Code
Marlboro	453	x	\$4.50	=	\$2,038.50	-	\$2,160.00	=	\$121.50		
Virginia Slims	86	x	\$4.50	=	\$387.00	-	\$378.00	=	(\$9.00)		
Parliament	40	x	\$4.50	=	\$180.00	-	\$180.00	=	0		
Basic	152	x	\$4.50	=	\$684.00	-	\$720.00	=	\$36.00		
		x		=		-		=			

[illegible][illegible]

FOR MGMT USE ONLY		
Invoice Amt	Invoice Date	Invoice #

Comments (e.g., why calculated payment exceeded budget): Virginia Slims increased due to volume switched from Basic.

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