

A meeting of the Executive Committee of the Company was held in the Company's offices on Wednesday, February 28, 1973, at 9:10 a.m. Present were Messrs. William S. Smith, Wm. D. Hobbs, and Chas. B. Wade, Jr. Also present, by invitation, were the Secretary, Max H. Crohn, Jr., and Messrs. David R. Blanco and George I. Clover, Jr. After a thorough discussion of the prices charged for the Company's various brands of cigarette, smoking tobacco, plug, twist, and cigarette paper products, and all matters relative thereto, including increasing cost trends and the general competitive situation, upon motion duly made and seconded, it was unanimously

RESOLVED, that effective March 5, 1973, the Company's invoices will reflect the following price increases for its cigarette brands:

Domestic and Puerto Rican	\$.20 per 1,000
Military/contract and	
military/sea stores	\$.19 per 1,000
Commercial sea stores and commercial export	\$.34 per 1,000

and further

RESOLVED, that the Sales Department be, and it hereby is, instructed to dispatch telegrams on February 28, 1973, to the Company's direct domestic and ^{commercial} sea stores customers informing them of the above cigarette price increases and further advising that

invoices dated March 1 and March 2, 1973, have been mailed at the old prices and will stand. The telegrams shall further state that shipments bearing invoice dates of March 5, 1973, and thereafter will be at the new price and shall also contain the following paragraph:

"As soon as practicable, after your next order of our products is shipped, a check or credit memorandum will be sent you covering the difference between the old and new price on two average weeks' shipments. This average is based on cigarettes invoiced to you during the fourth quarter, 1972";

and further

RESOLVED, that the prices of individual items of the Company's smoking tobacco, plug, twist, and cigarette paper brands be increased *to direct domestic customers* roughly 8% as set forth in the tables entitled "Effect of Proposed Smoking Price Increase" and "Effect of Proposed Plug & Twist Price Increase" submitted to this meeting, such

tables being marked by the Secretary and ordered kept with the permanent records of the Company; and further

RESOLVED, that letters informing the Company's direct domestic and ^{Commercial} sea stores customers advising them of the above ^{price} increases in smoking tobacco, plug, twist, and cigarette paper brands ~~prices~~ shall be transmitted by the Sales Department on March 1, 1973; and further

RESOLVED, that letters shall be transmitted on March 1, 1973, by the Sales Department to the Company's Bermuda and Bahama direct customers advising them of all the above ^{Commercial} export cigarette price increases, and further advising that the Company will accept orders not to exceed one month's normal requirements at the old price, provided the order is placed for shipment prior to March 31, 1973; and further

RESOLVED, that, effective April 3, 1973, the Company's invoices for its cigarette brands to

military/contract and military/sea stores customers will reflect a price increase of \$.19 per 1,000; and further

RESOLVED, that letters shall be transmitted by the Sales Department on March 2, 1973, to the Company's direct sea stores distributors servicing United States military vessels advising them of the above military/sea stores cigarette price increases and informing them that all orders received by them from United States military vessels on or before April 3, 1973, will be billed to the Navy at the old prices for shipment no later than April 20, 1973; and further

RESOLVED, that letters informing all Military activities in the United States Army, Air Force, Navy, Coast Guard, and Marine Corps exchanges and commissaries, V. A. Canteens, and Officers' and Enlisted Men's Clubs of the above military/contract increases of the Company's cigarette brands shall be transmitted by the Sales Department on March 2, 1973, and informing them that all orders received on or before April 3, 1973, will be

billed at the old prices for shipment no later than April 20, 1973; and further

RESOLVED, that the prices of individual items of the Company's smoking tobacco, plug, twist, and cigarette paper brands be increased to military/contract, military/sea stores, commercial sea stores, and commercial export direct customers as set forth in the tables entitled

submitted to this meeting, such tables being marked by the Secretary and ordered kept with the permanent records of the Company; and further

RESOLVED, that letters informing the Company's military/contract, military/sea stores, commercial sea stores, and commercial export direct customers advising them of the above price increases of smoking tobacco, plug, twist, and cigarette paper brands shall be transmitted by the Sales Department on _____, 1973.