

LOEWS/LORILLARD PUBLIC AFFAIRS COMMITTEE

18th Floor • One Park Avenue • New York, N.Y. 10016-5895

Committee

ARTHUR J. STEVENS, *Chairman*
JAMES R. CHERRY, JR., *Vice-Chairman*
BARRY HIRSCH, *Secretary*
CHARLES G. SPOSATO, JR., *Treasurer*
ELLEN A. HARRON, *Asst. Secretary*

Touche Ross & Co.
1633 Broadway
New York, NY 10019

Gentlemen:

As Vice-Chairman of and acting counsel
Lorillard Public Affairs Committee (herein
"the Committee"), I have no knowledge of
impending litigation or claims by or against
liability of as of this date, LOPAC. contingent

There are no matters pending which have been specifically identified
as contemplated by Clauses (b) or (c) of Paragraph 5 of the December
1975 ABA Statement of Policy Regarding Lawyers' Responses to Auditor's
Requests for Information.

LOPAC as established and operated is, in my opinion, in compliance
with the Federal Election Campaign Act, as amended, and the regu-
lations thereunder.

The information set forth herein is as of the date of this letter,
and I disclaim any undertaking to advise you of changes which there-
after may be brought to my attention.

This response is limited by, and in accordance with, the aforementioned
ABA Statement of Policy Regarding Lawyers' Responses to Auditor's Re-
quests for Information. Without limiting the generality of the fore-
going, the limitations set forth in such Statement on the scope and
use of this response (Paragraphs 2 and 7) are specifically incorporated
herein by reference, and any description herein of any "loss contin-
gencies" is qualified in its entirety by Paragraph 5 of the Statement
and the accompanying commentary (which is an integral part of the
Statement). Consistent with the last sentence of Paragraph 6 of the
ABA Statement of Policy, this will confirm as correct the Committee's
understanding that whenever, in the course of performing legal services
for the Committee with respect to a matter recognized to involve an
unasserted possible claim or assessment that may call for financial
statement disclosure, I have formed a professional conclusion that the
Committee must disclose or consider disclosure concerning such possible
claim or assessment, I, as a matter of professional responsibility to
the Committee, will so advise the Committee and will consult with the

2/27
Called Sposato's new
Secretary, Doria -
Inquired about attached
letter, who types it.
sent copy to Doria
88511586

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Committee

ARTHUR J. STEVENS, Chairman
JAMES R. CHERRY, JR., Vice-Chairman
BARRY HIRSCH, Secretary
CHARLES G. SPOBATO, JR., Treasurer
ELLEN A. NARROW, Asst. Secretary

February 10, 1989

Touche Ross & Co.
1633 Broadway
New York, NY 10019

Gentlemen:

As Vice-Chairman of and acting counsel for the Loews Corporation/Lorillard Public Affairs Committee (hereinafter called "LOPAC" or "the Committee"), I have no knowledge of any legal proceedings, impending litigation or claims by or against, or a contingent liability of as of this date, LOPAC.

There are no matters pending which have been specifically identified as contemplated by Clauses (b) or (c) of Paragraph 5 of the December 1975 ABA Statement of Policy Regarding Lawyers' Responses to Auditor's Requests for Information.

LOPAC as established and operated is, in my opinion, in compliance with the Federal Election Campaign Act, as amended, and the regulations thereunder.

The information set forth herein is as of the date of this letter, and I disclaim any undertaking to advise you of changes which thereafter may be brought to my attention.

This response is limited by, and in accordance with, the aforementioned ABA Statement of Policy Regarding Lawyers' Responses to Auditor's Requests for Information. Without limiting the generality of the foregoing, the limitations set forth in such Statement on the scope and use of this response (Paragraphs 2 and 7) are specifically incorporated herein by reference, and any description herein of any "loss contingencies" is qualified in its entirety by Paragraph 5 of the Statement and the accompanying commentary (which is an integral part of the Statement). Consistent with the last sentence of Paragraph 6 of the ABA Statement of Policy, this will confirm as correct the Committee's understanding that whenever, in the course of performing legal services for the Committee with respect to a matter recognized to involve an unasserted possible claim or assessment that may call for financial statement disclosure, I have formed a professional conclusion that the Committee must disclose or consider disclosure concerning such possible claim or assessment, I, as a matter of professional responsibility to the Committee, will so advise the Committee and will consult with the

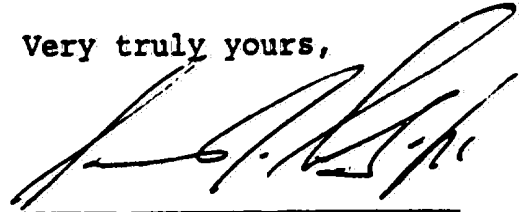
Touche Ross & Co.

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February 10, 1989

Committee concerning the question of such disclosure and the applicable requirements of Statement of Financial Accounting Standard No. 5.

Very truly yours,



JAMES R. CHERRY, JR.

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