

PHILIP MORRIS USA

INTER-OFFICE CORRESPONDENCE

120 PARK AVENUE, NEW YORK, NY 10017-5592

TO: Joanne Kerzner

DATE: June 25, 1996

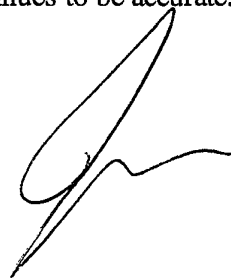
FROM: James Spector

SUBJECT: Project X40 - Restaurant Accommodation

We have researched the December 1995 payment of \$600,000 which was coded to incorrectly coded to account 451 as a political contribution. It should have been coded to expense code 503 as a dues payment.

For 1995, the Restaurant Accommodation project is deemed to be involved in lobbying activities of no greater than 10%. This percentage continues to be accurate.

Please let me know if you have any other questions.



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