

DEEP DISCOUNT PRICING WORKSHEET (EFFECTIVE 4/4/94)

	FM		RJR		AMERICAN	GPC	LIGGETT	
	BASIC	FVB	ASSOCIATE	MONARCH	PEER	FORSYTH	EAGLE	COVINGTON JASMINE
LIST PRICE	\$8.49	\$8.49	\$8.49	\$8.49	\$8.49	\$8.49	\$8.49	\$8.49
OFF INVOICE:		\$0.85 1	\$0.85 1		\$1.20 8		\$1.60 13	
TERMS (3.25%)	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28
NET INVOICE	\$8.21	\$7.36	\$7.36	\$8.21	\$7.01	\$7.01	\$6.61	\$8.21
VS. BASIC NET INV.		(\$0.85)	(\$0.85)	\$0.00	(\$1.20)	(\$1.33)	(\$1.60)	\$0.00
REBATES:								
MONTHLY		\$0.50	\$0.40 4		\$0.30 5	\$0.30 9	\$0.55 14	
QUARTERLY		\$0.20 2			\$0.20 6	\$0.30 6	\$0.05 15	
SEMI-ANNUAL		\$0.05 3			\$0.25 7	\$0.60 11		
ANNUAL		\$0.25 4	\$0.25 4		\$0.25 7	\$0.15 12	\$0.05 16	
TOTAL REBATES	\$0.00	\$1.00	\$0.65	\$0.00	\$0.75	\$0.85	\$0.65	\$0.00
NET COST	\$8.21	\$6.36	\$6.71	\$8.21	\$6.26	\$6.16	\$5.96	\$8.21
VS. BASIC NET COST		(\$1.85)	(\$1.50)	\$0.00	(\$1.95)	(\$2.05)	(\$2.25)	\$0.00

1. AMOUNT CAN RANGE FROM \$0.85 TO \$1.17, WITH CORRESPONDING ADJUSTMENT IN REBATES.
2. VOLUME INCENTIVE - ASSUME 28 UNITS/YEAR (RANGES FROM 3¢ - 20¢/CTN. BASED ON VOLUME).
3. POS FUND
4. PASS THRU VARIES BY ACCOUNT. AMOUNTS SHOWN ARE REPRESENTATIVE
5. MONTHLY RETAIL FEATURE COMPLIANCE REBATE PAID BY PMA.
6. "ALLIANCE PROGRAM" ACCRUAL FUND FOR POS MATERIAL
7. "SHARE OF CATEGORY INCENTIVE" IF RJR HAS MINIMUM OF 35%
8. AMOUNT CAN RANGE FROM \$0 TO \$1.20 BASED ON CUSTOMER PREFERENCE. BALANCE PAID BY REBATE
9. RETAIL DEFENSE FUND PAID BY RJR
10. PROMOTIONAL ACCRUAL FOR POS
11. 30¢/CTN. - PROFIT SHARING. 30¢/CTN. - MASTER DISTRIBUTOR ALLOWANCE
12. "SALES PROPORTION ADVANTAGE" MAX. PAYMENT.
(RANGES FROM \$0 - 15¢/CTN. BASED ON ATCS SHARE OF CATEGORY).
13. \$1.00/CTN. PROMOTION ALLOWANCE - 80¢ CTN RETAIL
14. DISTRIBUTOR REBATE 50¢/CTN - 5¢/CTN. ALLIED PRODUCT PAYMENT
15. POS ACCRUAL
16. YEAR END BONUS- 5¢/CTN.

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