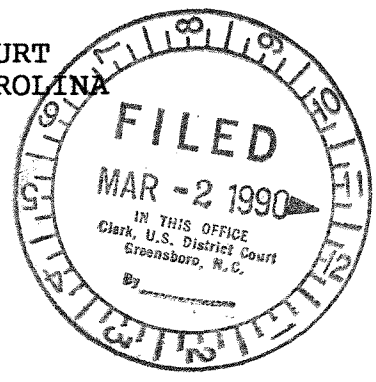


2/10/90

IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
DURHAM DIVISION



LIGGETT GROUP, INC.,)
)
Plaintiff,)
)
v.)
)
BROWN & WILLIAMSON TOBACCO)
CORPORATION,)
)
Defendant.)

CIVIL NO. C-84-617-D

I S S U E S

WE, the jury in the above-entitled civil action, do answer
the issues as follows:

1. Did Brown & Williamson engage in price discrimination
that had a reasonable possibility of injuring competition in the
cigarette market as a whole in the United States?

Yes
(Yes or No)

2. If so, did Liggett Group, Inc., suffer injury to its
business or property as a result of such price discrimination?

Yes
(Yes or No)

823.

3. Did Brown & Williamson engage in price discrimination in good faith with the intention to meet, but not beat, the equally low net prices of Liggett Group, Inc.?

No
(Yes or No)

4. What amount of damages, if any, is Liggett Group, Inc., entitled to recover from Brown & Williamson as a result of Brown & Williamson's violation of the Robinson-Patman Act?

(Do not consider this issue unless you have answered "Yes" to both Issues 1 and 2, and "No" to Issue 3.)

\$ 49.6 million
(Amount)

5. Did Brown & Williamson violate the United States Trademark Act by infringing Liggett Group, Inc.'s quality seal trademark?

No
(Yes or No)

6. Did Brown & Williamson violate the North Carolina common law of trademarks by infringing Liggett Group, Inc.'s quality seal trademark?

No
(Yes or No)

7. Did Brown & Williamson violate the North Carolina common law of unfair competition by infringing Liggett Group, Inc.'s quality seal trademark?

No
(Yes or No)

8. Did Brown & Williamson intend to infringe Liggett Group, Inc.'s quality seal trademark?

No
(Yes or No)

9. Were consumers actually confused by Brown & Williamson's infringement of Liggett Group, Inc.'s quality seal trademark?

No
(Yes or No)

10. What amount, if any, is Liggett Group, Inc., entitled to recover from Brown & Williamson as compensatory damages for Brown & Williamson's infringement of Liggett Group, Inc.'s quality seal trademark?

\$ -0-
(Amount)

11. What amount, if any, is Liggett Group, Inc., entitled to recover from Brown & Williamson as punitive damages for violation of the North Carolina common law of trademarks or unfair competition?

(Do not consider this issue unless you have answered Issue 6 or 7 "Yes" and have awarded compensatory damages in Issue 10.)

\$ -0-
(Amount)

SO SAY WE ALL.

Rocky Alan Phillips
Foreperson of the Jury

March 2, 1990