

# PHILIP MORRIS

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March 13, 1996

VIA FACSIMILE

Josiah S. Murray, III Esquire  
Senior Vice President & General Counsel  
Liggett Group Inc.  
300 North Duke Street  
Durham, NC 27702

Dear Mr. Murray:

We have just been informed of statements made by Castano plaintiffs' counsel at today's press conference reporting Liggett's intention to provide documents to the plaintiffs as part of a proposed settlement.

The purpose of this letter is to inform you that Philip Morris objects to any action by Liggett to provide potentially privileged or confidential documents which may be subject to a joint defense privilege with other cigarette manufacturers, or any document the production of which might result in a waiver of privileges or confidentiality as to any other cigarette manufacturer. We also object to Liggett taking any other actions that may adversely affect the privileges or other legal rights of Philip Morris and demand that Philip Morris be notified in advance of any such action in order to allow Philip Morris to take appropriate legal steps to protect our rights.

Sincerely,



JJM/krr

cc: James Kearney, Esquire  
Gary Long, Esquire

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