

The Depository Trust Company  
**IMPORTANT**

**B#:** 1453  
**DATE:** February 07, 2001  
**TO:** All Participants  
**CATEGORY:** Dividends  
**FROM:** Anthony Capizzi, Domestic Tax Services, Dividend Dept.  
**ATTENTION:** Managing Partner/Officer, Cashier, Dividend Mgr. Tax Mgr.  
**SUBJECT:** Advanced Tobacco Products, Inc.  
CUSIP# 00755G101  
2000 Tax Information

The attached correspondence containing tax information was received by the Depository Trust Company. If applicable please consult your tax advisor to assure proper treatment of this event.

Attachment

ARTHUR ANDERSEN

December 14, 2000

Strictly Confidential

Mr. Jim Linahan  
Advanced Tobacco Products, Inc.  
16607 Blanco Road  
Suite 1504  
San Antonio, TX 78232

Arthur Andersen LLP  
Suite 1500  
75 North Pearl Street 410  
San Antonio, TX 78215  
Tel: 210 979 3100  
Fax: 210 979 1370

Dear Jim:

We have calculated current and accumulated earnings and profits through the year ending June 30, 2000. For the distribution from Advanced Tobacco Products, Inc. on January 10, 2000 of \$1,228,820, the following information should be used to complete Forms 1099 shareholder information:

	\$	%
Amount from Earnings and Profits (A dividend that is taxable as ordinary income)	\$ 455,168	37.0411 %
Amount from other than Earnings and Profits (A return of capital)	\$ 773,652	62.9589 %
Totals	\$ 1,228,820	100 %

Please verify that the date and total distribution for the year are correctly reflected above. We appreciate the opportunity to be of service. Please give me a call if you have any questions.

Very truly yours,

007559101

ARTHUR ANDERSEN LLP

By   
Michael E. Dively

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