
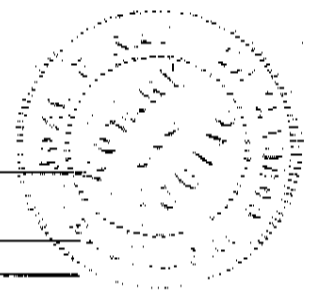


MASTER SETTLEMENT AGREEMENT EXECUTION

The undersigned authorized representative hereby executes the Master Settlement Agreement, as amended (hereafter "Agreement") on behalf of General Jack's, Inc. ("General Jack's") thereby becoming a Subsequent Participating Manufacturer. General Jack's and its authorized representatives agree to be bound by such Agreement and to fulfill all the obligations of a Participating Manufacturer under the Agreement, including, but not limited to, making all payments that it would have been obligated to make had it been a signatory as of the MSA execution date.

The undersigned further consents to release directly to the MSA Escrow Agent any funds held in escrow pursuant to a Settling State's escrow funds law, and instructs the Independent Auditor to apply such funds toward any past, present or future MSA payment obligation.

Company Name: General Jack's, Inc.
 Executive Plaza III, Suite 800, 11350 McCormick Road
 Address:
 Hunt Valley, Maryland 21031
 Address:
 (410) 771-9150 (Voice) (410) 771-9153 (Fax)
 Phone/Fax:
 December 28, 2006
 Date: 12/28/06 Signature: 

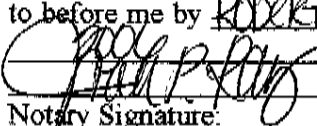


Printed Name: Robert Mansfield Douglas
 Title: President/Sole Shareholder
 Address: Executive Plaza III, Suite 800
11350 McCormick Rd., Hunt Valley, MD 21031
 Phone/Fax: Voice (410)771-9150 Fax (410) 771-9153
 Email: robertmdouglas@hotmail.com

[Affix corporate seal and the signatures of the president and secretary of the corporation.]

Notarization:

The foregoing Master Settlement Agreement Execution was subscribed and sworn to before me by Robert Douglas on this 28 day of 200 at

Notary Signature: 
 Address: 1738 Waverly Road Lethbridge, MD - 21093

[SEAL]
 Commission expires: _____

JOAN P RAY Notary Public-Maryland Baltimore County My Commission Expires June 24, 2009
--

General Jack's Inc. Tobacco Adherence Agreement

This Agreement is entered into by and between General Jack's Inc. ("General Jack's") and the undersigned Settling States under the Master Settlement Agreement ("Settling States"); collectively the Parties; and shall bind the Parties, their successors, assigns, and affiliates.

WHEREAS, General Jack's wishes to become a Subsequent Participating Manufacturer under the Master Settlement Agreement ("MSA") and filed its application therefor; and

WHEREAS, General Jack's represents that, heretofore, no cigarettes manufactured by General Jack's have been sold in the fifty United States, the District of Columbia or Puerto Rico; and

WHEREAS, General Jack's agrees and understands that General Jack's as a Participating Manufacturer, may not, under the MSA §XVIII(c), sell or otherwise transfer any of its Cigarette brands, Brand Names, Cigarette product formulas or Cigarette business to any person or entity unless such person is or becomes prior to the sale or acquisition a Participating Manufacturer; and

WHEREAS, General Jack's agrees and understands that General Jack's, as a Participating Manufacturer under the MSA, is required to comply with all State laws, regulations and rules regarding and/or applying to Tobacco Products Manufacturers, including state directory and certification laws; and

WHEREAS, General Jack's will benefit from its entry into the MSA; and

NOW, THEREFORE, the Parties agree as follows:

(Unless otherwise indicated, all capitalized terms in this Agreement shall have the same meaning as in the MSA.)

1. **Quarterly Payment of Escrow for MSA Obligations**

a. General Jack's shall make quarterly payments ("Quarterly Payment(s)") into escrow towards its MSA obligations based on a fixed amount per-cigarette. The per-cigarette amount shall be the aggregate base amounts in MSA Section IX(c)(1) and IX(c)(2) for payments to be made in the year following the year in which FET is collected, adjusted by the Inflation Adjustment (assuming a 3% increase from the Inflation Adjustment made to the payments made in the year in which FET is collected), and divided by the Base Volume. This quarterly payment obligation shall not modify or reduce the amount of, or the responsibility of General Jack's to pay in full, its obligations as determined pursuant to the relevant provisions of the MSA.

b. The Quarterly Payments will be made, at the option of General Jack's, to the MSA Escrow Agent on behalf of the Settling States, or to an escrow account (the "Escrow Account") held for the benefit of the Settling States by First Marinar Bank or another bank acceptable to both General Jack's and the Settling States. The escrow agreement for this account will provide that the deposits are held for the benefit of the Settling States and are not part of estate of General Jack's in the event of a bankruptcy. The escrow agreement will also specify that the amount necessary to satisfy the MSA obligations of General Jack's, as calculated by the MSA Independent Auditor, or the full amount of the principal and interest in such account if such funds are insufficient to satisfy MSA obligations of General Jack's, will be paid to the MSA Escrow Agent on or before the Payment Dates specified in the Master Settlement Agreement.

c. General Jack's will provide the States with an agreement granting the Settling States a security interest in the principal placed in the Escrow Account, effective on or before the date of General Jack's first payment is due, in the form attached as Exhibit A.

d. General Jack's will obtain the benefit of all interest accrued on such principal, which amounts shall remain in escrow and can, if transferred to the MSA Escrow Agent for payment to the States, be applied toward the MSA payments due on April 15 of the year in question.

e. General Jack's shall make the Quarterly Payments 60 days after the end of the calendar quarter in which a payment obligation accrues.

f. In any calendar year, the first Quarterly Payment, made for Cigarettes on which FET is collected for January, February, and March of that year, is due on May 31 of that year. The second Quarterly Payment, for Cigarettes on which FET is collected for April, May and June of that year, is due on August 31. The third Quarterly Payment, for Cigarettes on which FET is collected for July, August and September, is due on November 30. The fourth Quarterly Payment, for Cigarettes on which FET is collected for October, November and December of that year, is due on February 28 of the following year.

g. On or before April 15 of each year, the amount necessary to satisfy the MSA obligations of General Jack's for the period of January 1 through December 31 of the preceding year, as calculated by the MSA Independent Auditor, shall be transferred from the Escrow Account to the MSA Escrow Agent. If the full amount of principal and interest in the Escrow Account is insufficient to satisfy the MSA obligations of General Jack's, then General Jack's shall transfer such full amount of the Escrow Account on or before April 15 together with such additional amounts as are necessary to satisfy in full the MSA obligation of General Jack's.

h. Should General Jack's make its payment on April 15 of any given year and should the principal in the Escrow Account, plus any accumulated interest, be greater than the amount necessary to satisfy the MSA obligations of General Jack's for the period of January 1 through

December 31 of the preceding year as calculated by the MSA Independent Auditor, the excess amount shall remain in the Escrow Account and serve to reduce the May 31 Quarterly Payment for the first calendar quarter of that year.

i. General Jack's may reduce the amount of the Quarterly Payments for the second, third and fourth calendar quarters in any year by the amount of the interest earned on the principal held in the Escrow Account from the previous Quarterly Payment, net of any charges made against the interest by the escrow agent.

j. The Quarterly Payments into the Escrow Account made in compliance with this Agreement shall not be applied toward the payment obligations of General Jack's under the MSA until the monies held in the quarterly payment escrow account are duly transferred to the MSA Escrow Agent.

k. The failure of General Jack's to (i) make a full Quarterly Payment in accordance with Paragraph 1 of this Agreement and its included subparts, or (ii) fail to adhere to any requirement or required action in accordance with Paragraph 1 of this Agreement and its included subparts, shall be deemed to be a breach of its payment obligations under the MSA and the individual Consent Judgments and shall give rise to any available remedy for the breach thereof.

2. **Sales Reporting.** General Jack's will report all its shipments of Cigarettes in or to the fifty United States, the District of Columbia and Puerto Rico to Management Science Associates, Inc. in accordance with the Section II (jj) of the Master Settlement Agreement and will timely and accurately make all other reports required of it by Management Science Associates, Inc., or requested of it by the MSA Independent Auditor. General Jack's will provide the Settling States

with copies of all reports to Management Science Associates, Inc. and the MSA Independent Auditor at the time such reports are made.

3. **Monitoring.**

a. To enable the Settling States to monitor the compliance of General Jack's with this Agreement, General Jack's agrees to grant permission to the Tobacco Project of the National Association of Attorneys General ("NAAG") and the Settling States to review its tax filings with TTB and will duly execute a Tax Information Authorization (TTB Form 5000.19) as well as other necessary forms. The Settling States shall have the right to review, copy and inspect these reports without notice to General Jack's. Further, General Jack's shall provide NAAG copies of all monthly reports and excise tax returns filed by General Jack's or any Affiliate with TTB or any predecessor or successor agency, and; copies of all import and export documents filed with the United States Customs and Border Protection Agency or any predecessor or successor agency, and; upon request, Importer Trade Activity Reports ("ITRAC Reports") and copies of all invoices and bills of lading for Cigarettes sold by General Jack's.

b. Upon request, General Jack's agrees to provide books, records and documents to the Settling States at any time, and further, to informally or formally under oath, provide testimony and other information to the States relating to compliance with this Agreement and the MSA. General Jack's shall make any requested information available within ten (10) business days of the request, at NAAG, 750 First St., NE, Suite 1100, Washington, DC 20002, or at any other location that is mutually agreeable in writing to General Jack's and the Settling States. This section shall in no way limit the Settling States' right to obtain documents, information, or testimony pursuant to any federal or state law, regulation, or rule.

4. **Contract Manufacturing**

a. General Jack's represents that it has not contract manufactured Cigarettes (i.e., manufactured and sold Cigarettes as to which it does not own or control the trademark rights to the brand thereof) for sale in domestic markets in any State.

b. General Jack's agrees that it will provide the Settling States with forty-five business days' notice prior to entering into any agreement to contract manufacture Cigarettes for sale in any of the fifty United States, the District of Columbia, Puerto Rico, the American Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, and that it will not enter into any such agreement if the Settling States object.

c. General Jack's agrees that it will not contract manufacture Cigarettes for sale in domestic markets in any State under any brand family that was previously manufactured by a Non-Participating Manufacturer, nor will it acquire the trademark to such brand family and manufacture for itself Cigarettes for sale in domestic markets in any State under such brand family, unless and until General Jack's makes any payments that would be due under the MSA if all Cigarettes sold under such brand family from 1999 forward had been manufactured by General Jack's.

d. If in the future General Jack's contract manufactures Cigarettes for sale in domestic markets in any State for any person or entity that is not a Participating Manufacturer, it will include such Cigarettes as its Cigarettes under the MSA, including making applicable payments, and the parties agree that such Cigarettes shall be included in the Market Share of General Jack's and Relative Market Share under the MSA.

e. If General Jack's contract manufactures Cigarettes for another Participating Manufacturer for sale in domestic markets in any State, General Jack's shall treat such Cigarettes as its Cigarettes under the MSA by including them in its Market Share and making any applicable payments, unless such other Participating Manufacturer treats such Cigarettes as its Cigarettes under the MSA by including them in its Market Share and making any applicable payments.

f. If General Jack's contract manufactures Cigarettes for an entity that is not a Participating Manufacturer for sale in domestic markets in any State, General Jack's agrees that it shall enter into a contract with the entity that owns or controls the trademarks to the brands (the "Trademark Holder"), which shall provide:

- i. That, during the term of such contract, General Jack's shall be the exclusive manufacturer and supplier of any brand of Cigarettes it produces for the Trademark Holder for sale in the United States, including Puerto Rico and the District of Columbia, the U.S. Virgin Islands, Guam, American Samoa and the Northern Mariana Islands (the "United States"), and that the Trademark Holder shall not purchase or procure Cigarettes bearing such brands, or variations thereof, from any other source for distribution in the United States or authorize any other party to purchase or procure Cigarettes bearing such brands, or variations thereof, from any other source for distribution in the United States, and
- ii. That the Trademark Holder shall cooperate with General Jack's in the registration with U.S. Customs of any trademarks for brands produced by General Jack's in order to prevent unauthorized imports of any Cigarettes bearing such brands, and shall cooperate in any action against anyone infringing on such trademarks; and
- iii. That, for any brand of Cigarette produced for the Trademark Holder by General Jack's, the Trademark Holder agrees to be bound by all provisions in Section III of the MSA, and agrees that such brands will not ever be transferred to or licensed to a manufacturer that is not a Participating Manufacturer in the MSA, and that the Trademark Holder will not itself manufacture Cigarettes under such brands unless and until the Trademark Holder becomes a Participating Manufacturer in the MSA;

iv. That the Settling States are third party beneficiaries of the provisions in the contract relating to i, ii, and iii.

g. General Jack's agrees that it will not have another entity manufacture Cigarettes for it, if those Cigarettes are for sale in any of the fifty United States, the District of Columbia, Puerto Rico, the American Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

h. If all Cigarettes pursuant to subsections c, d, e, f and g above and all Cigarettes sold under brand families for which General Jack's has certified in the Settling States are included in the Market Share of a Participating Manufacturer and all applicable payments are made thereon, General Jack's shall be deemed to be in compliance with the payment obligations of the MSA with respect to such Cigarettes.

5. **Exporting Cigarettes.** General Jack's agrees that it, and any Affiliate, will not export any Cigarettes unless such Cigarette packages are permanently imprinted with a clear and conspicuous notice on the outside of the Cigarette packs, cartons, and master cases stating "U.S. TAX EXEMPT. FOR USE OUTSIDE THE U.S."

6. **Limited Most Favored Nation Rights.** General Jack's agrees that, because it did not sell Cigarettes during calendar years 1999 through 2006, it has no "most favored nation" rights pursuant to Section XVIII(b)(4) of the MSA with respect to any agreements that have been or may be entered into between the Settling States and any Participating Manufacturer regarding the payment obligations of Participating Manufacturers for Cigarette sales in such years, including the agreements which resolve claims relating to potential NPM Adjustments for the calendar years 1999 through 2002. General Jack's further agrees that, because it did not sell Cigarettes during calendar years 1999 through ~~2007~~²⁰⁰⁶ and ~~has not~~^{has not} made any payments pursuant to the MSA for Cigarette sales in such years, General Jack's has no right under the MSA to claim an NPM Adjustment for payments related to such years.

7. **Enforcement.**

a. Any of the undersigned Settling States may enforce this Agreement and the individual Consent Decree in its respective Court (as defined in Section II(p) of the MSA) and the application of its respective State law (as defined in Section XVIII(n) of the MSA). In the event that one or more of the Settling States seeks to enforce this Agreement, the individual Consent Decree or the MSA, General Jack's agrees that service of such motion or action to enforce by mail upon any of the persons designated by General Jack's pursuant to Section XVIII(k) of the MSA to receive notices under the MSA shall constitute valid service of process, and General Jack's waives its right to service of process by any other means specified by applicable law.

b. General Jack's agrees that the Settling States shall be entitled to remove any brands listed by General Jack's in the NAAG List of Participating Manufacturers and Brand Names and to remove any brands certified by General Jack's in any Settling State from such Settling State's directory of certified manufacturers, or to take any other actions to ensure that such brands are not stamped or sold in the State, in the event that General Jack's fails to perform any obligations under this Adherence Agreement, individual Consent Judgment or under the MSA. The Settling States reserve the right to object to any contract manufacturing arrangement beyond the forty-five business day notice period in the event of a material misrepresentation made in conjunction with any contract manufacturing proposal.

c. General Jack's agrees that in any bankruptcy, delisting proceeding pursuant to paragraph 7(b), collection proceeding or other judicial or administrative enforcement action, including an action to seize and/or forfeit contraband product, it will not contend that it may

certify its status or be allowed to sell while it is in default under any of these provisions, or obtain a temporary restraining order, discretionary stay pursuant to Section 105(a) of the Bankruptcy Code, or other injunction to bar the completion of any litigation relative to the proposed delisting or other enforcement action, provided that nothing herein shall be deemed to allow the States to act in violation of Sections 362(a) and (5) and Section 525 of the Bankruptcy Code.

d. General Jacks further stipulates that if General Jack's should file a bankruptcy case, that it agrees that (and will not argue to the contrary in any such proceeding):

i. Any delisting or other judicial or administrative enforcement actions triggered by its failure to satisfy any of the obligations under this Agreement or the MSA are covered by the police or regulatory exception to the automatic stay (but subject to that exception's bar on actions to enforce a monetary judgment);

ii. It will consent to and not oppose, or assist any other party to oppose, the immediate lifting of the bankruptcy stay to allow the States to execute on any security interests they hold in any of its assets to satisfy amounts owed under the MSA unless it provides adequate protection, pursuant to Section 361 of the Bankruptcy Code, to the States of those security interests, and will stipulate that "cause" exists within the meaning of Section 362(d) of the Bankruptcy Code to lift the stay, if necessary to allow such execution on the security interests;

iii. It will further provide adequate assurances to the States that it will satisfy its MSA Obligations as they come due for sales made during the case, and that such assurances will apply to any requests under Section 363 with respect to estate property or under Section 364 with respect to the use of cash collateral. Such adequate protection shall consist, at a minimum, of

setting aside in an escrow account, on a monthly basis, an amount per cigarette sold to customers, calculated as provided under paragraph 1(a), above.

e. General Jack's shall not, because of these provisions, be precluded from filing bankruptcy whether or not it is fully in compliance with its obligations under this agreement. The filing of bankruptcy, standing alone, shall not be treated as a default under this agreement, if General Jack's is otherwise current on its payments and provides adequate assurances, pursuant to Section 361 of the Bankruptcy Code, to the States that it intends to remain so during the bankruptcy.

f. Any remedies provided in this Agreement are cumulative, supplemental and not exclusive to other remedies in this Agreement, individual consent judgments or under the MSA available to the States.

g. Any failure by any party to this Agreement to insist upon the strict performance by any other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and such party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement and the imposition of any applicable penalties, including imposition of additional civil penalties against General Jack's and/or the payment of attorneys' fees and costs to the states.

h. This Agreement may only be enforced by the Parties hereto.

8. **NPM Adjustments.** With respect to potential NPM Adjustments for all subsequent years, General Jack's represents and agrees that it shall not, prior to a determination pursuant to Section IX(d)(1)(C) of the MSA that the disadvantages experienced as a result of the provisions of the MSA were a significant factor contributing to the Market Share Loss for a year in question, withhold from any payment calculated as due from it to the Settling States by the

Independent Auditor's Final Calculation, nor, prior to such determination, place in the Disputed Payments Account any amount attributed to its assertion of such NPM Adjustment claim for such year in question.

9. **Severability.** If any provision of this Agreement is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of this Agreement shall remain operative and binding on the Parties.

10. **Authority.** General Jack's certifies that it has caused this Adherence Agreement to be executed in its name and on its behalf by its below designated officer by manual signature of said officer, and said officer certifies he or she is authorized to sign on behalf of General Jack's.

11. **Miscellaneous Provisions.**

a. General Jack's will not participate directly or indirectly in any activity to form a separate entity or corporation for the purpose of engaging in acts prohibited in this Agreement or for any other purpose which would otherwise circumvent any part of this Adherence Agreement or the MSA or the spirit or purposes of this Agreement, the individual Consent Decree or the MSA.

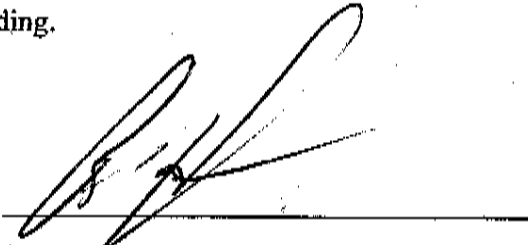
b. Nothing in this Agreement constitutes an agreement by any Settling State concerning the characterization of the amounts paid hereunder for purposes of any proceeding under the Internal Revenue Code or any state tax laws.

c. General Jack's represents and warrants that the execution and delivery of this Agreement is its free and voluntary act, that this Agreement is the result of good faith negotiations, and that General Jack's agrees that the Agreement and terms hereof are fair and reasonable. Further, no offer, agreements, or inducements of any nature whatsoever have been made to it by the Settling States, its attorneys or any employee of the Attorneys General's Office or the Departments of Revenue to procure this Agreement.

d. Nothing in this Agreement shall be construed to waive any claims of Sovereign Immunity the State may have in any action or proceeding.

e. General Jack's agrees that the location of any meetings relating to this Agreement or its MSA application shall not be used for any venue or jurisdictional purpose in any action or proceeding.

By:



Robert Douglas

Date:

12/28/06

Title:

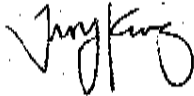
General Jack's Inc.
11350 McCormick Road
Executive Plaza III, Suite 800
Hunt Valley, MD 21031

WITNESS!

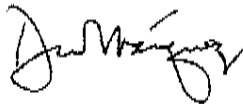


Settling States

Signed: December __, 2006



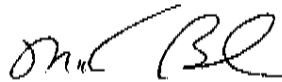
Troy King
Attorney General of Alabama



David W. Márquez
Attorney General of Alaska



Terry Goddard
Attorney General of Arizona



Mike Beebe
Attorney General of Arkansas

Malaetasi M. Togafau
Attorney General of American Samoa

Bill Lockyer
Attorney General of California

John Suthers
Attorney General of Colorado

Richard Blumenthal
Attorney General of Connecticut

Carl C. Danberg
Attorney General of Delaware

Robert Spagnoletti
Attorney General of District of Columbia

Thurbert E. Baker
Attorney General of Georgia

Douglas Moylan
Attorney General of Guam

Mark J. Bennett
Attorney General of Hawaii

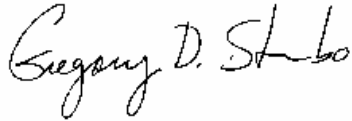
Lawrence Wasden
Attorney General of Idaho

Lisa Madigan
Attorney General of Illinois

Steve Carter
Attorney General of Indiana

Tom Miller
Attorney General of Iowa

Phill Kline
Attorney General of Kansas



Gregory D. Stumbo
Attorney General of Kentucky



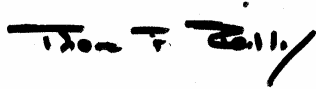
Charles C. Foti Jr.
Attorney General of Louisiana



G. Steven Rowe
Attorney General of Maine



J. Joseph Curran Jr.
Attorney General of Maryland



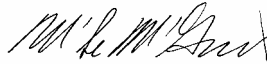
Tom Reilly
Attorney General of Massachusetts



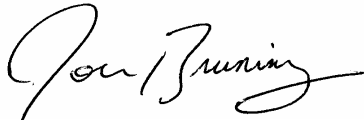
Mike Cox
Attorney General of Michigan



Jeremiah W. Nixon
Attorney General of Missouri



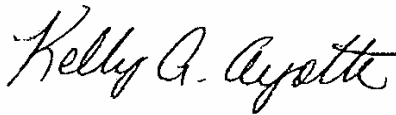
Mike McGrath
Attorney General of Montana



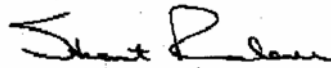
Jon Bruning
Attorney General of Nebraska



George J. Chanos
Attorney General of Nevada



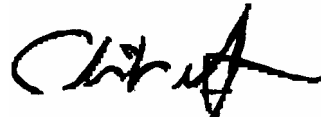
Kelly Ayotte
Attorney General for New Hampshire



Stuart Rabner
Attorney General of New Jersey



Patricia A. Madrid
Attorney General of New Mexico



Eliot Spitzer
Attorney General of New York



Roy Cooper
Attorney General of North Carolina



Wayne Stenehjem
Attorney General of North Dakota



Matt Gregory
Attorney General of Northern Mariana Islands



Jim Petro
Attorney General of Ohio



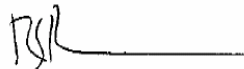
W.A. Drew Edmondson
Attorney General of Oklahoma



Hardy Myers
Attorney General of Oregon



Tom Corbett
Attorney General of Pennsylvania



Roberto J. Sanchez-Ramos
Attorney General of Puerto Rico



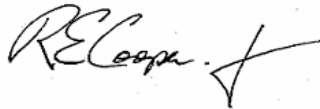
Patrick Lynch
Attorney General of Rhode Island



Henry McMaster
Attorney General of South Carolina



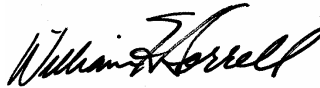
Lawrence Long
Attorney General of South Dakota



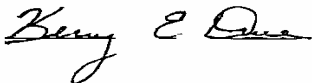
Robert Cooper Jr.
Attorney General of Tennessee



Mark Shurtleff
Attorney General of Utah



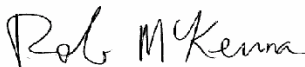
William H. Sorrell
Attorney General of Vermont



Kerry E. Drue
Attorney General of Virgin Islands



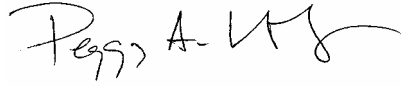
Bob McDonnell
Attorney General of Virginia




Rob McKenna
Attorney General of Washington



Darrell V. McGraw Jr.
Attorney General of West Virginia



Peg Lautenschlager
Attorney General of Wisconsin



Pat Crank
Attorney General of Wyoming

ATTACHMENT 1

§ 1. Subparagraph B of paragraph 2 of subdivision b of section XXX is amended to read as follows:

(B) to the extent that a tobacco product manufacturer establishes that the amount it was required to place into escrow on account of units sold in the State in a particular year was greater than ~~the state's allocable share of the total payments that such manufacturer would have been required to make in that year under the Master Settlement Agreement (as determined pursuant to section IX(i)(2) of the Master Settlement Agreement, and before any of the adjustments or offsets described in section IX(i)(3) of that Agreement other than the Inflation Adjustment)~~ the Master Settlement Agreement payments, as determined pursuant to section IX(i) of that Agreement including after final determination of all adjustments, that such manufacturer would have been required to make on account of such units sold had it been a participating manufacturer Participating Manufacturer, the excess shall be released from escrow and revert back to such tobacco product manufacturer; or

§ 2. If this act, or any portion of the amendment to subparagraph B of paragraph 2 of subdivision b of section XXX made by this act, is held by a court of competent jurisdiction to be unconstitutional, then such subparagraph B shall be deemed to be repealed in its entirety. If paragraph 2 of subdivision b of section XXX shall thereafter be held by a court of competent jurisdiction to be unconstitutional, then this act shall be deemed repealed, and subparagraph B of paragraph 2 of subdivision b of section XXX be restored as if no such amendments had been made. Neither any holding of unconstitutionality nor the repeal of subparagraph B of paragraph 2 of subdivision b of section XXX shall affect, impair or invalidate any other portion of section XXX, or the application of such section to any other person or circumstance, and such remaining portions of section XXX shall at all times continue in full force and effect.

AMENDMENT NO. 21 TO THE MASTER SETTLEMENT AGREEMENT

Notwithstanding Section IX(d)(2)(E) and Exhibit T of the Master Settlement Agreement ("MSA"), each Participating Manufacturer and each Settling State agree that the model statute set forth in Exhibit T (the "Model Statute") to the MSA, if modified through the adoption of an amendment in the form annexed hereto as Attachment 1 (the "Allocable Share Amendment"), shall continue to constitute both a Model Statute and a Qualifying Statute under the MSA. Each Participating Manufacturer agrees to support the enactment of the Allocable Share Amendment if such amendment is introduced or proposed (i) without modification or addition (except for particularized procedural or technical requirements), and (ii) not in conjunction with any other legislative proposal. This Amendment #21 does not require any Settling State to enact the Allocable Share Amendment, nor does it affect the status of any existing statute as constituting a Model Statute or a Qualifying Statute.

Name of Company:

General Jack's, Inc.

Authorized Signature:

