

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, :
 :
 Plaintiff, :
 :
 v. : Civil Action No. 99-2496 (GK)
 :
 PHILIP MORRIS USA INC. :
 f/k/a PHILIP MORRIS INC., :
 et al., :
 :
 Defendants. :

ORDER #600

The United States has filed a Motion for Evidentiary and Monetary Sanctions Against Philip Morris USA ("Philip Morris") and Altria Group Due to Spoliation of Evidence. Upon consideration of the Motion, the Opposition, the Reply, and the entire record herein, the Court concludes that the Motion should be **granted in part and denied in part.**

WHEREFORE, it is this 21st day of July, 2004,

ORDERED that Philip Morris and Altria Group are precluded from calling as fact or expert witnesses at trial any individual who has failed to comply with Philip Morris' own internal document retention program, including Peter Lipowicz and the ten other individuals identified by Philip Morris; and it is further

ORDERED that Philip Morris and Altria Group are jointly required to pay a monetary sanction of \$2,750,000 into the Court Registry no later than September 1, 2004; and it is further

ORDERED that Philip Morris and Altria Group shall reimburse the United States, no later than September 1, 2004, in the amount of \$5,027.48.

/s/

Gladys Kessler

United States District Judge

**Copies via ECF to all
counsel of record**