



Dear: Mr. Deqing Liang
General Manager, CTI-NA

April 14, 2018

Mr. Heng Zhang
Executive General Manager, CTI-NA

Madam Jie He
Deputy General Manager, CTI-NA

We have become aware of a communication from CTI that reports a decision to suspend purchase intentions for US tobacco in the 2018 crop. We understand that this decision may be a result of the ongoing tariff discussions happening between our two governments.

Certainly, these diplomatic circumstances are beyond our control and outside of our ability to exercise a great deal of influence. Our members are hard working family farmers, not politicians. Much of this detail comes to us as a surprise and certainly is beyond our technical expertise.

We are writing to you today to share the following important message. We greatly value our trusted business and personal relationships! For more than a decade CTI has been building strong business relationships with North Carolina tobacco farmers and even established an operating office in our State. All of this is much appreciated.

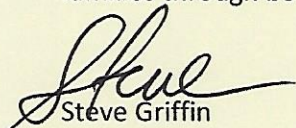
Representatives from TGANC have made several personal visits to China in recent years to meet with your leadership as well as visit your research and farming areas as part of further enhancing our partnership and trusted relationships. In one recent visit you brought to our attention concerns about observing certain weed seed in a small shipment of our product. Our response was swift and complete to address and remedy the circumstances so that we could retain the confidence of CTINA and CTI.

You are one of our most important customers. Our mission is to work hard to deliver you the quantity and style of high quality leaf that you desire to meet the expectations and satisfaction of your consumers.

We hope you will give careful reconsideration to your decision to suspend orders for our tobacco. As you are aware, the transplanting process in the south eastern United States is well under way this week through the middle of May. Should you need a significant quantity of leaf later in the season it is critical that farmers have the necessary assurances now, to plant sufficient acres to meet your future demand.

Like your reactions, we don't like the politics of trade agreements either. However, please know that an unexpected decision to suspend orders from such an important customer as CTI will not affect trade policy actions or influence governmental negotiations. It may only cause economic harm to the very farmers who are so committed to working with you in growing, delivering and providing a sustainable source for the worlds premium quality tobacco we hope you continue to need and desire.

Thank you for considering our points of view. And thank you very much for your history of supporting our farm families through both your purchases and your business partnerships.


Steve Griffin
President

Very sincerely,


Graham Boyd
CEO/Executive Vice President