

Clerk of the House of Representatives  
Legislative Resource Center  
B-106 Cannon Building  
Washington, DC 20515

Secretary of the Senate  
Office of Public Records  
232 Hart Building  
Washington, DC 20510

SECRETARY OF THE SENATE

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**LOBBYING REPORT**

Lobbying Disclosure Act of 1995 (Section 5) - All Filers Are Required to Complete This Page

1. Registrant Name <b>The Potomac Group</b>			
2. Registrant Address <input type="checkbox"/> Check if different than previously reported Address <b>816 Connecticut Avenue, NW</b> <b>Tenth Floor</b> City <b>Washington</b> State/Zip (or Country) <b>DC 20006</b>			
3. Principal Place of Business (if different from line 2) City _____ State/Zip (or Country) _____			
4. Contact Name <b>Wayne Smith</b>			5. Senate ID # <b>31918-140</b>
Telephone <b>202-783-3460</b>			E-mail (optional)
7. Client Name <input type="checkbox"/> Self <b>R. J. Reynolds Tobacco Company</b>			6. House ID # <b>33426-010</b>

**TYPE OF REPORT** 8. Year 2003 Midyear (January 1-June 30)  OR Year End (July 1-December 31)

9. Check if this filing amends a previously filed version of this report

10. Check if this is a Termination Report  >> Termination Date \_\_\_\_\_

11. No Lobbying Activities

**INCOME OR EXPENSES - Complete Either Line 12 OR Line 13**

12. Lobbying Firms	13. Organizations
<p><b>INCOME</b> relating to lobbying activities for this reporting period was:</p> <p>Less than \$10,000 <input type="checkbox"/></p> <p>\$10,000 or more <input checked="" type="checkbox"/> &gt;&gt; \$ <u>\$40,000.00</u> Income (nearest \$20,000)</p> <p>Provide a good faith estimate, rounded to the nearest \$20,000 of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).</p>	<p><b>EXPENSES</b> relating to lobbying activities for this reporting period were:</p> <p>Less than \$10,000 <input type="checkbox"/></p> <p>\$10,000 or more <input type="checkbox"/> &gt;&gt; \$ _____ Expenses (nearest \$20,000)</p> <p><b>14. REPORTING METHOD.</b> Check box to indicate accounting method. See instructions for description of method.</p> <p><input type="checkbox"/> <b>Method A.</b> Reporting amounts using LDA definition</p> <p><input type="checkbox"/> <b>Method B.</b> Reporting amounts under section 6033(e) of the Internal Revenue Code</p> <p><input type="checkbox"/> <b>Method C.</b> Reporting amounts under section 162(e) of the Internal Revenue Code</p>

Signature Wayne Smith Date 2/2/2004

Printed Name and Title Wayne Smith - President/CEO Pag

Registrant Name: The Potomac Group

Client Name: R. J. Reynolds Tobacco Company

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code AGR (one per page)

16. Specific Lobbying issues  
**Tobacco Market Transition Act of 2003**  
**Elimination of the Federal quota and price support programs for tobacco, that provide assistance to quota holders active producers and to tobacco dependant communities**

17. House(s) of Congress and Federal agencies contacted  Check if None  
**House of Representatives**  
**Senate**

18. Name of each individual who acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
<b>Hegg, Richard</b>	
<b>Smith, Wayne</b>	

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Signature Wayne Smith Date 2/2/2004

Printed Name and Title Wayne Smith - President/CEO Pag

Registrant Name: The Potomac Group

Client Name: R. J. Reynolds Tobacco Company

**LOBBYING ACTIVITY.** Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code TOB (one per page)

16. Specific Lobbying issues  
**S. 2778, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations / Working Capitol Fund for Tobacco Litigation**

17. House(s) of Congress and Federal agencies contacted  Check if None  
**US House of Representatives**  
**US Senate**

18. Name of each individual who acted as a lobbyist in this issue area

Name	Covered Official Position (if applicable)
<b>Hegg, Richard</b>	
<b>Smith, Wayne</b>	

19. Interest of each foreign entity in the specific issues listed on line 16 above  Check if None

Signature  Date 2/2/2004

Printed Name and Title Wayne Smith - President/CEO Pag