
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 25, 2019

ALTRIA GROUP, INC.
(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction
of incorporation)

1-08940
(Commission
File Number)

13-3260245
(I.R.S. Employer
Identification No.)

6601 West Broad Street, Richmond, Virginia
(Address of principal executive offices)

23230
(Zip Code)

Registrant's telephone number, including area code: (804) 274-2200

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On January 25, 2019, Altria Group, Inc. (the “Company”) entered into Amendment No. 1 (the “Amendment”) to its \$3.0 billion senior unsecured 5-year revolving credit agreement, dated as of August 1, 2018 (the “Credit Agreement”), with the lenders party thereto (the “Lenders”) and JPMorgan Chase Bank, N.A. (“JPMCB”) and Citibank, N.A. (“Citibank”), as administrative agents. The Amendment will be effective upon the closing of the Company’s previously announced investment in Cronos Group Inc. (the “Cronos Investment”).

The Amendment amends the Credit Agreement to add certain covenants and an event of default specifically related to the Cronos Investment that are included in the Company’s Term Loan Agreement, dated as of December 20, 2018 (the “Term Loan Agreement”), with the lenders named therein and JPMCB, as administrative agent, which the Company entered into to fund the Cronos Investment and its previously announced investment in JUUL Labs, Inc. The Term Loan Agreement was previously disclosed in the Company’s Current Report on Form 8-K filed on December 20, 2018.

All other terms and conditions of the Credit Agreement remain in full force and effect.

Some of the Lenders and their affiliates have various relationships with the Company and its subsidiaries involving the provision of financial services.

The description above is a summary and is qualified in its entirety by the Amendment, a copy of which is attached as Exhibit 10.1 and incorporated by reference in this Current Report on Form 8-K. The Credit Agreement was previously filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed on August 1, 2018.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.*Election of Officer*

As previously reported, on January 8, 2019, Ivan S. Feldman, Vice President and Controller of the Company, announced his intention to retire effective April 30, 2019. On January 30, 2019, the Board of Directors of the Company (the “Board of Directors”) elected Steven D’Ambrosia to become Vice President and Controller of the Company, effective upon Mr. Feldman’s retirement.

Mr. D’Ambrosia, age 52, currently serves as Senior Director, Accounting and Reporting, Altria Client Services LLC, a wholly owned subsidiary of the Company, a position he has held since August 2014. Prior to this role, he served as Director, Reporting and Analysis from 2008 through July 2014. Since 1995, he has been continuously employed by Company subsidiaries in various accounting, financial reporting, planning and analysis positions.

As a result of his election, Mr. D’Ambrosia will become a salary band F employee effective May 1, 2019. The Compensation Committee of the Board of Directors set his annual base salary at \$265,000, which is consistent for salary band F employees.

Mr. D’Ambrosia’s annual incentive award plan, long-term incentive plan (“LTIP”) and annual equity award targets are consistent with current salary band F targets as follows: Mr. D’Ambrosia’s annual incentive award plan target will be 50% of base salary, his LTIP award target will be 35% of each of his year-end base salaries over the three-year performance cycle and his annual equity award target is \$165,000. Mr. D’Ambrosia will be eligible to participate in the same compensation programs as the Company’s other executive officers.

The Company's annual incentive award plan, long-term incentives and other elements of its executive compensation program are more fully described under the "Compensation Discussion and Analysis" section of the Company's Proxy Statement for its 2018 Annual Meeting of Shareholders filed on April 5, 2018.

Arrangement with Retiring Named Executive Officer

As previously reported, on January 4, 2019, Craig A. Johnson, President and Chief Executive Officer, Altria Group Distribution Company, a wholly owned subsidiary of the Company ("AGDC"), announced his intention to retire effective March 1, 2019.

Mr. Johnson will remain eligible for cash payments under the Company's (i) annual incentive award plan for 2019 and (ii) 2017-2019 LTIP for his service as President and Chief Executive Officer, AGDC, in each case, pro-rated through the date of his retirement. The pro-rated payment under the annual incentive award plan will be \$151,000, reflecting individual and Company performance ratings at target. The pro-rated payment under the 2017-2019 LTIP will be based on an individual performance rating at target and a Company performance rating using actual Company business performance. His award target for the annual incentive award plan is 95% of his base salary, and his award target for the 2017-2019 LTIP is 140% of each of his year-end base salaries over the three-year performance cycle. These targets are consistent with the pre-existing targets for salary band B. There is no guarantee of any payment under the LTIP. In addition, in accordance with the terms of the Company's shareholder-approved 2015 Performance Incentive Plan and related award agreements, all of Mr. Johnson's unvested restricted stock units and performance stock units will become fully vested upon the date of his retirement and paid in accordance with their terms due his retirement at or after age 65. Mr. Johnson will also be entitled to payments and benefits generally available to employees under the terms of the Company's benefit plans.

The Company expects that Mr. Johnson will serve as a consultant to the Company upon his retirement for a period ending December 31, 2019, unless terminated earlier, and receive \$50,000 per month.

Mr. Johnson will remain subject to the restrictive covenants and other terms of the Executive Confidentiality and Non-Competition Agreement, dated February 7, 2011, between the Company and Mr. Johnson for the period set forth in that agreement. A copy of the form of the Executive Confidentiality and Non-Competition Agreement was filed previously as Exhibit 10.3 to the Company's Current Report on Form 8-K filed on January 27, 2011.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

10.1 [Amendment No. 1 to the Credit Agreement, dated January 25, 2019, among the Company, the Lenders and JPMCB and Citibank, as administrative agents.](#)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ALTRIA GROUP, INC.

By: /s/ W. HILDEBRANDT SURGNER, JR.

Name: W. Hildebrandt Surgner, Jr.

Title: Vice President, Corporate Secretary and
Associate General Counsel

DATE: January 31, 2019

**AMENDMENT NO. 1 TO THE
5-YEAR REVOLVING CREDIT AGREEMENT**

THIS AMENDMENT NO. 1, dated as of January 25, 2019 (this “Amendment”) by and among ALTRIA GROUP, INC., a Virginia corporation (“Altria”), the Lenders party hereto and JPMORGAN CHASE BANK, N.A. (“JPMorgan Chase”) and CITIBANK, N.A., as administrative agents (the “Administrative Agents”), is an amendment to that certain US\$3,000,000,000 5-Year Revolving Credit Agreement, dated as of August 1, 2018 (the “Revolving Credit Agreement”), by and among Altria, the Lenders party thereto and the Administrative Agents.

W I T N E S S E T H

WHEREAS, in accordance with Section 9.01 of the Revolving Credit Agreement, Altria, the Administrative Agents and the Lenders party to this Amendment have agreed to amend the Revolving Credit Agreement pursuant to the terms hereof and subject to the conditions set forth herein.

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Defined Terms.

For the purposes of this Amendment, all capitalized terms used but not otherwise defined herein shall have the respective meanings assigned to such terms in the Revolving Credit Agreement.

SECTION 2. Amendment to Section 1.01. The following definitions are hereby added to Section 1.01 of the Revolving Credit Agreement:

“Civil Asset Forfeiture Reform Act” means the Civil Asset Forfeiture Reform Act of 2000 (18 U.S.C. Sections 983 et seq.), as amended from time to time, and any successor statute.

“Controlled Substances Act” means the Controlled Substances Act (21 U.S.C. Sections 801 et seq.), as amended from time to time, and any successor statute.

“Cronos” means Cronos Group Inc., a corporation organized and existing under the laws of the Province of Ontario.

“Cronos Closing Date” means the date on which the Cronos Investment is consummated.

“Cronos Investment” means the acquisition of 45% of the capital stock of Cronos by Altria Summit LLC pursuant to the Cronos Subscription Agreement.

“Cronos Subscription Agreement” means the subscription agreement by and among Cronos, Altria Summit LLC and Altria as in effect on December 7, 2018.

SECTION 3. Amendment to Article V. Article V of the Revolving Credit Agreement is hereby amended to:

(a) Add and include Section 5.01.01 as follows:

Section 5.01.01 Affirmative Covenants Related to the Cronos Investment. On and after the Cronos Closing Date and so long as Altria maintains any equity or other similar or related financial interest in respect of Cronos or any successor thereto:

(a) Altria will comply, and cause each of its Subsidiaries to comply with the Controlled Substances Act and the Civil Asset Forfeiture Reform Act (as it relates to violation of the Controlled Substances Act) and all related applicable anti-money laundering laws, to the extent such noncompliance with such regulations would materially adversely affect the financial condition or operations of Altria and its Subsidiaries taken as a whole. Altria shall not, and shall cause its Subsidiaries to not, knowingly and intentionally repay any principal of the Advances, pay any interest or fees accruing thereon or pay any other obligations hereunder, in each case, with funds that it knows, at the time of such payment, that Cronos derived from a violation of the Controlled Substances Act.

(b) Altria will notify the Administrative Agents and the Lenders as soon as possible and in any event within five days after obtaining knowledge thereof:

(i) any material action, suit or proceeding against Altria or any of its Subsidiaries or any of their respective properties (x) with respect to the Controlled Substances Act or, solely as they may relate to an alleged violation of the Controlled Substances Act, the Civil Asset Forfeiture Reform Act or applicable anti-money laundering laws, or (y) by a governmental authority of any foreign jurisdiction where the sale of marijuana or such other controlled substance is illegal that alleges a violation of applicable narcotics-related laws of such foreign jurisdiction; and

(ii) any failure by Cronos to comply with Section 5.1(c) of the Investor Rights Agreement (as defined in the Cronos Subscription Agreement).

(c) It is agreed that solely for the purposes of Section 5.01(a), Cronos shall be deemed to constitute a “Major Subsidiary.”

(d) It is agreed that solely for purposes of Section 5.01.01(a), Cronos shall be deemed to constitute a “Subsidiary.”

(b) Add and include Section 5.02.01 as follows:

Section 5.02.01 Negative Covenants Related to the Cronos Investment. On and after the Cronos Closing Date and so long as Altria maintains any equity or other similar or related financial interest in respect of Cronos or any successor thereto, the proceeds of any Borrowing shall not be used in contravention of the Controlled Substances Act or any related applicable anti-money laundering law.

SECTION 4. Amendment to Section 6.01. Section 6.01 of the Revolving Credit Agreement is hereby amended to add and include subclause

(i) as follows:

(i) On and after the Cronos Closing Date and so long as Altria maintains any equity or other similar or related financial interest in respect of Cronos or any successor thereto, any property of Altria, or any part thereof, has been seized by a Governmental Authority pursuant to the Civil Asset Forfeiture Reform Act or other applicable law on the grounds that such property or any such portion thereof had been used to commit or facilitate the commission of a criminal offense by Altria or its affiliates under the Controlled Substances Act, as determined by a court of competent jurisdiction by final and nonappealable judgment.

SECTION 5. Representations and Warranties of Altria. Altria represents and warrants to the Lenders as of the date hereof and as of the Amendment Effective Date that:

(a) The execution, delivery and performance of this Amendment are within Altria's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) Altria's charter or by-laws or (ii) in any material respect, any law, rule, regulation or order of any court or governmental agency or any contractual restriction binding on or affecting it.

(b) This Amendment is a legal, valid and binding obligation of Altria enforceable against Altria in accordance with its terms, subject to the effect of any applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

SECTION 6. Conditions to Effectiveness. This Amendment shall become effective (the "Amendment Effective Date") upon the satisfaction of the following conditions precedent: (i) the occurrence of the Cronos Closing Date, (ii) the receipt by the Administrative Agent of duly executed counterparts of this Amendment from Altria and Lenders constituting the Required Lenders (which may be delivered by telecopy or electronic transmission (such as a .pdf file)) and (iii) the execution by the Administrative Agent of this Amendment.

SECTION 7. Reference to and Effect on the Revolving Credit Agreement.

(a) On and after the Amendment Effective Date, the Revolving Credit Agreement shall be, and be deemed to be, modified and amended in accordance herewith and all the terms and conditions of this Amendment shall be deemed to be part of the terms and conditions of the Revolving Credit Agreement for any and all purposes and shall be binding on each party to the Revolving Credit Agreement. Except as expressly modified and expressly amended by this Amendment, the Revolving Credit Agreement is in all respects ratified and confirmed, and all the terms, provisions and conditions thereof shall be and remain in full force and effect.

(b) On and after the Amendment Effective Date, each reference in the Revolving Credit Agreement to "this Agreement," "hereunder," "hereof" or words of like import referring to the Revolving Credit Agreement shall, unless the context otherwise requires, mean and be a reference to the Revolving Credit Agreement, as amended by this Amendment.

(c) The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Lender under the Revolving Credit Agreement nor constitute a waiver of any provision of the Revolving Credit Agreement.

SECTION 8. Governing Law.

This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

SECTION 9. Execution in Counterparts.

This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by telecopier or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Amendment.

SECTION 10. Headings. The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

[*Signature page omitted.*]