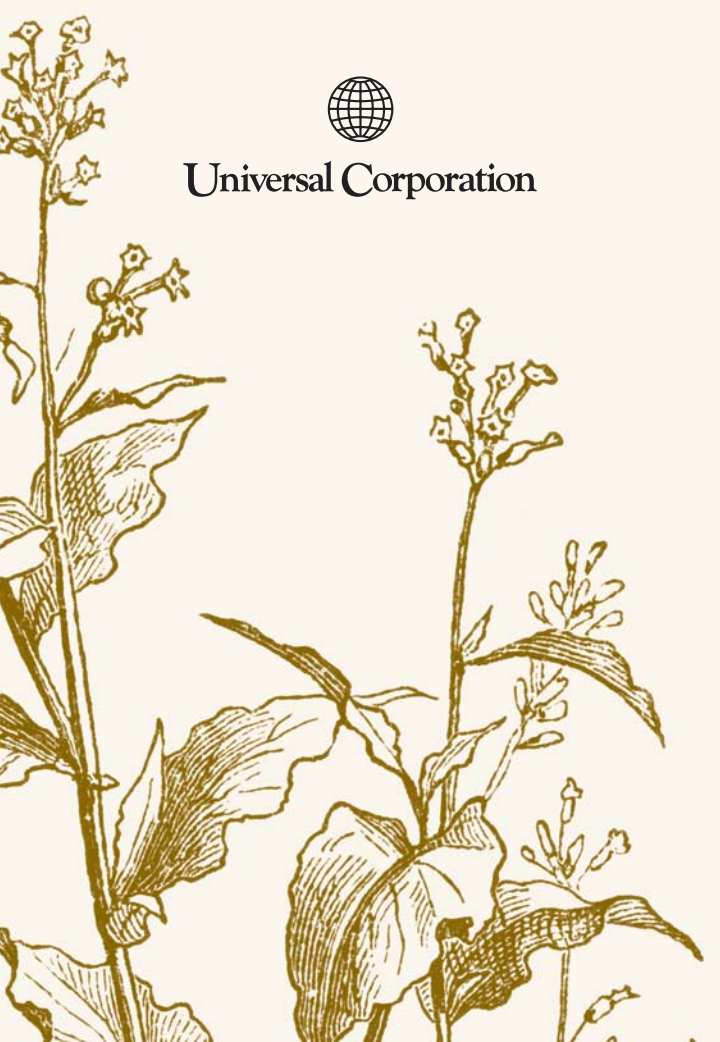




Universal Corporation



**AUTOMATIC DIVIDEND
REINVESTMENT PLAN**

For Shareholders

October 2010
CUSIP 913456 10 9

The Automatic Dividend Reinvestment Plan (the “Plan”) of Universal Corporation (“Universal”) offers you an opportunity to increase your holdings in shares of Universal common stock without the payment of brokerage fees, commissions or any administrative charges. The Plan allows you to reinvest your dividends from all or a designated portion of your common stock holdings. You also may make additional cash investments in the Plan from a minimum of \$10 to a maximum of \$1,000 each month. Under the Plan, your dividends are promptly reinvested for you thereby increasing your common stock holdings in Universal. All the administrative work is done for you automatically by Wells Fargo Bank, N.A. (the “Bank”), as Plan agent, and you will receive regular statements from the Bank, providing you with a permanent record of your transactions. Since the shares are purchased for you at prevailing market prices on a regular basis, you realize the long-range benefits of dollar-cost averaging. The Plan also acts as a self-elected savings program.

PARTICIPATION IN THE PLAN

All holders of record of shares of Universal common stock are eligible to participate in the Plan. Beneficial owners of Universal common stock whose shares are registered in names other than their own may participate in the Plan by either having some or all of their shares transferred into their own name.

Shareholders of record may participate in the Plan by requesting an authorization card from Wells Fargo Shareowner Services at the address listed in this brochure. Or, you may enroll online by going to www.shareowneronline.com and click “First Time Visitor Sign Up”. Next, simply follow the instructions found on the “First Time Visitor New Member Registration” page.

According to your election on the authorization card, cash dividends either from all or from the number of shares you designate will be sent to the Bank for reinvestment in the Plan.

Note: Regulations in certain countries may limit or prohibit participation in this type of plan. Accordingly, persons residing outside the United States who wish to participate in the Plan should first determine whether they are subject to any governmental regulation prohibiting their participation.

HOW THE AUTOMATIC DIVIDEND REINVESTMENT PLAN WORKS

Once you are enrolled, the Plan is automatic. The Bank will be sent the cash dividends paid on your shares of Universal common stock and will use these funds to buy more shares for you at the then current market price. The dividends will ordinarily be received on the second Monday in February, May, August, and November (including dividends on any additional shares acquired under the Plan). If your dividend is not large enough to buy a full share, the Bank will credit your account with a fractional share, computed to three decimal places, which will also earn additional dividends for you.

Dividends on shares registered in your name will be deposited by Universal with Wells Fargo Shareowner Services in accordance with your instructions on the authorization card.

Full Dividend Reinvestment—All cash dividends on shares registered in your name on the records of Universal and all cash dividends on all Plan shares credited to your account under the Plan will be used to purchase additional shares. If you elect Full Dividend Reinvestment, you will not receive cash dividends from Universal. The dividends will be reinvested.

Partial Dividend Reinvestment—If you do not wish to have dividends reinvested on all of your Universal shares, the partial reinvestment option permits you to designate a whole number of your shares held in physical certificate form registered in your name on Universal’s records for which dividends paid thereon will be invested. Those dividends that are not reinvested will be paid to you by check or directly to your bank account.

If you wish to have your cash dividends that are not being reinvested transferred directly to your bank for deposit, contact the Bank to request a

Direct Deposit of Dividends Authorization Form, complete and return the form to Wells Fargo Shareowner Services. Be sure to include a voided check for checking accounts, or savings deposit slip for savings accounts. If your stock is jointly owned, all owners must sign the form.

Dividends on all reinvested shares will be reinvested for you. The Bank, as Plan agent, combines your dividends with those of other participants to purchase additional shares of Universal common stock at the prevailing market price. Your dividends, regardless of size, are fully invested. The Bank credits you with full and fractional shares computed to three decimal places.

You will receive a detailed statement of your Plan account following each dividend reinvestment transaction showing the total amount of the cash dividends credited to your account, the total number of full and fractional shares purchased, and the total number of shares in the Plan held by you and by the Bank.

The Bank will hold the shares it has purchased for you until you terminate your participation in the Plan. This convenience provides you additional protection against loss, theft or inadvertent destruction of your stock certificates. Certificates for full shares purchased under the Plan will be issued to you upon the receipt of your written request by the Bank. You may also deposit your original certificate(s) into your dividend reinvestment account for safekeeping.

You may terminate your participation in the Plan at any time by giving notice to the Bank and all subsequently declared cash dividends will be sent directly to you. Upon termination, stock certificates for any full number of shares held in your account by the Bank will be issued in your name or, depending on your instructions to the Bank, sold for you. Any fractional shares at the time of termination will be converted by the Bank into cash on the basis of the then current market price of shares of Universal common stock.

You may change the number of shares for which dividends are reinvested for you by calling (see "Telephone Privileges") or sending written notice to the Bank at any time. However, to be effective with respect to a particular investment date, your change request must be received by the Bank on or before the record date of the next dividend investment date. If you have designated reinvestment of all your shares and subsequently dispose of some portion of your shares, the Bank will continue to reinvest the dividends received on your remaining shares.

If you have authorized the reinvestment of dividends on only a designated portion of the shares registered in your name and subsequently dispose of some of your shares, the Bank will continue to reinvest the dividends received on the lesser of either (a) the number of shares of common stock with respect to which the reinvestment of dividends was originally authorized or (b) all of the remaining shares of common stock registered in your name.

Your attention is directed to the Terms and Conditions set forth herein which govern the operation of the Plan by the Bank.

YOU MAY ALSO INVEST ADDITIONAL CASH

As a participant in the Plan, you may also increase your investment in shares of Universal common stock in any month by sending a check, from \$10 to a maximum of \$1,000 each month, to the Bank. Your payment must be received by the Bank at least one (1) business day prior to the first business day of the month to participate in purchases of common stock for that month; funds received on or after that date will be held by the Bank and used to purchase shares in the following month. Any cash payment will be refunded if a written request for such refund is received by the Bank two (2) business days prior to the first day of the month during which the money was to be invested. You will receive a Plan statement indicating the number of new shares held by the Bank in your account following each monthly cash purchase transaction.

Through the Plan's Automatic Cash Withdrawal and Investment feature, participants may elect to invest additional funds in Universal common

stock through optional cash payments, paid by electronic funds transfer and withdrawn automatically from a participant's pre-designated United States bank account. To invest additional funds by Automatic Cash Withdrawal and Investment, participants must first complete and sign an Automatic Cash Withdrawal and Investment Form and return the form to the Bank. Automatic Cash Withdrawal and Investment Forms are available upon request from the Bank. After the automatic monthly cash withdrawal and investment option is initiated, funds will be drawn from the participant's designated bank account on or about five (5) business days preceding the next investment date of each month and will be invested in Universal common stock beginning on the investment date.

Forms will be processed and will become effective as promptly as practicable. Participants may change the designated account for automatic deduction or discontinue this feature by calling (see "Telephone Privileges") or sending written instruction to the Bank.

To be effective with respect to a particular investment date, your request to enroll in, change, or terminate the Automatic Cash Withdrawal and Investment Service must be received by the Bank at least fifteen (15) business days prior to the investment date.

Checks should be in U.S. funds and drawn on a United States bank made payable to Wells Fargo Shareowner Services.

If any optional cash contribution, including payments by check or automatic withdrawal, is returned for any reason, the Bank will remove from the participant's account any shares purchased upon prior credit of such funds, and will sell these shares. The Bank may sell other shares in the account to recover a returned funds fee for each optional cash contribution returned unpaid for any reason and may sell additional shares as necessary to cover any market loss incurred by the Bank.

You are under no obligation to make additional cash investments. Funds awaiting purchase do not earn interest.

During the period that an optional cash investment is pending, the collected funds in the possession of the Bank may be invested in certain Permitted Investments. For purposes of the Plan, "Permitted Investments" shall mean any money market mutual funds registered under the Investment Company Act (including those of an affiliate of the Bank or for which the Bank or any of its affiliates provides management advisory or other services) consisting entirely of (a) direct obligations of the United States of America; or (b) obligations fully guaranteed by the United States of America. The risk of any loss from such Permitted Investments shall be the responsibility of the Bank. Investment income from such Permitted Investments shall be retained by the Bank.

WHAT IS THE COST

THERE IS NO COST TO YOU. Universal is paying all brokerage fees, commissions and administrative charges incurred under the Plan as an additional shareholder service.

TAXES

Dividends, even though automatically reinvested, are items of taxable income to you. The payment of brokerage fees and commissions by Universal on your behalf are deemed to be a taxable dividend. The amount of your dividends and the amount of any brokerage fees and commissions paid on your behalf will be reported to you and the Internal Revenue Service at year end by the Bank.

WHEN THE PLAN STARTS

Your participation in the Plan will begin with the next common stock dividend payable after receipt of your authorization by the Bank; however, should your authorization arrive after the dividend record date, the Bank will be obliged to delay your dividend reinvestment participation in the Plan until the following dividend payment date. However, you may make a cash

investment immediately following your enrollment in the Plan. Once you are enrolled, the program will continue automatically so long as you wish to remain a participant in the Plan.

TELEPHONE PRIVILEGES

If you have established automated privileges on your account, you can: change the amount of or stop automatic monthly bank withdrawals; change your dividend reinvestment option (for example, from full to partial reinvestment); sell some or all of your Plan shares if the current market value of the shares to be sold is \$25,000 or less; and request a certificate for some or all full shares in the Plan, but only if the current market value of the shares to be issued is \$50,000 or less.

To establish automated privileges, please call the Bank and request an Automated Request Authorization form.

TERMS AND CONDITIONS OF AUTHORIZATION OF THE AUTOMATIC DIVIDEND REINVESTMENT PLAN

1. As the administrator of the Automatic Dividend Reinvestment Plan (the "Plan"), Wells Fargo Bank, N.A. (the "Bank") will apply all dividends received (a) on the number of shares of common stock of Universal Corporation ("Universal") designated by the participant for participation in the Plan, and (b) on any full or fractional shares subsequently acquired by the participant under the Plan toward the purchase of additional full or fractional shares for the participant's account. Such purchases may be made on any securities exchange where such shares are traded, in the over-the-counter market or in negotiated transactions, and may be on such terms as to price, delivery and otherwise as the Bank may determine. No purchases will be made from Universal or any of its affiliates.

2. In making purchases for a participant's account, the Bank will commingle the participant's funds with those of other participants in the Plan. The price at which the Bank shall be deemed to have acquired shares for a participant's account with any cash dividend received from Universal or from any additional cash investment by the participant shall be the average price of all shares purchased by it with such cash dividends or additional cash investments. The Bank may hold the shares of all participants together in its name or in the name of its nominee. The Bank shall have no responsibility as to the value of the shares acquired for the participant's account. The Bank will invest dividends received within thirty (30) days after receipt and additional cash investments within thirty (30) days of the first business day of the month following the month of receipt except when purchases under the Plan have to be temporarily curtailed or suspended to comply with applicable rules and regulations of the Securities and Exchange Commission.

3. The Bank will confirm its purchases to participants in the Plan as soon as practicable after the purchases are completed, but no certificates will be issued to a participant for such shares unless the participant so requests of the Bank, or until the account is terminated.

4. A participant may elect to deposit their original certificate(s) of Universal common stock into their account for safekeeping by sending the certificate(s) to the Bank together with instructions to deposit the certificate(s) into the Plan. The transaction will appear on the statement for that period and shares will be held by the Bank in its name or nominee name. These shares will be held in the account until the participant requests a certificate, sale or termination from the Plan. Because participants bear the risk of loss when sending stock certificates through the mail, the Bank suggests that participants send them registered insured for at least three percent (3%) of the current market value. Participants should not endorse certificates. Participants should note that cost basis records for such deposited shares cannot be provided by the Bank or Universal. The participant should retain a record of the purchase price.

5. The Bank will vote any shares that it holds in the Plan for a participant in accordance with the proxy returned by the Participant to Universal. If a participant disposes of all shares registered in his name on the stock record

books of Universal, voting instructions for the shares held by the Bank for such participant may be solicited, and the Bank will vote such shares in accordance with the participant's direction.

6. Participation in the Plan may be terminated at any time by notice received by the Bank or in the case of death or adjudicated incompetency of a Plan participant by a similarly received written notice of such an event. If a participant requests to transfer all shares in his Plan account between a dividend record date and payable date, the transfer request will be processed; however, the participant's Plan account will not be terminated. The participant may receive additional dividend reinvestment shares which will require a written request to transfer the additional shares.

When submitting written requests to the Bank, all registered owners must sign as their name(s) appears on their account.

In the event written notice of termination, death, or adjudicated incompetency is received by the Bank prior to the determination by the Bank of the number of shares to be purchased for a participant following a dividend record date, participation in the Plan shall be terminated immediately. Upon termination by reason of notice of death or adjudicated incompetency, no purchases of shares shall be made for a participant's account and any cash dividends paid thereon shall be retained by the Bank subject to these Terms and Conditions until such time as such participant's legal representative shall have been appointed and shall have furnished proof satisfactory to the Bank of his right to receive payment. If the written notice of termination is received during a month following a cash contribution by a participant, distribution will be delayed until the purchase of the shares is completed. If a participant's request to terminate from the Plan is received on or after a dividend record date, but before the dividend payment date, the termination will be processed as soon as practicable, and a separate dividend check will be mailed to the participant. Future dividends will be paid in cash, unless the participant rejoins the Plan. Upon termination, the Bank will send the participant a certificate for the number of full shares in his account and a check in the amount equal to the then current market price of any fractional share.

In connection with any termination, upon receipt of instructions from the participant to so act, the Bank will sell the participant's full shares as soon as is practicable following termination and send to the participant a check representing the sale proceeds.

7. If a participant who has authorized the reinvestment of dividends on only a designated number of shares registered in his name subsequently disposes of some of those shares, the Bank will continue to reinvest the dividends received on the lesser of either (a) the number of shares of common stock with respect to which the reinvestment of dividends was originally authorized by him, or (b) all of the remaining shares of common stock registered in his name.

8. A participant who desires to purchase additional shares of common stock of Universal in any month may do so by sending a check, from \$10 to a maximum of \$1,000 each month, to the Bank. Payments may also be made in the form of recurring automatic deductions. Cash payments must be received by the day prior to the first business day of the month in order to participate in purchases for that month; any amounts received on or after that date will be held by the Bank and used to purchase shares in the following month. While uninvested funds are in the custody of the Bank, no interest or similar consideration will be paid on such funds by the Bank. Participants have an unconditional right to obtain the return of any cash contributions made by them pursuant to this Section by giving the Bank written notice two (2) business days prior to the first day of the month in which the funds are to be invested.

If submitting a request to sell all or part of the participant's Plan shares, and the participant is requesting net proceeds to be automatically deposited to a bank checking or savings account, the participant must provide a voided blank check for checking or blank savings deposit slip for a savings account. If the participant is unable to provide a voided check or deposit

slip, the participant's written request must have the participant's signature(s) medallion guaranteed for direct deposit. Requests for automatic deposit of sale proceeds that do not provide the required documentation will not be honored and a check for the net proceeds will be issued.

A participant's participation in the Plan will be terminated if he does not have at least one full share registered in his name or in his Plan account.

9. Universal may modify, suspend or terminate the Plan at any time by mailing written notice of such modification, suspension or termination to the participants.

10. It is understood that any stock dividends or split shares distributed by Universal on shares held by the Bank for the participant will be credited to the participant's account. If a participant sends notice of termination or a request to sell to the Bank between the record date and the payable date for a stock distribution, the request will not be processed until the stock distribution is credited to the participant's account.

11. **Limitation of Liability.** In administering the Plan, neither Universal nor the Bank shall be liable for any good faith act or omission to act, including but not limited to any claim of liability (a) arising out of any such act or omission to act that occurs prior to the termination of participation pursuant to Section 6 or Section 8 above, (b) arising out of the failure to terminate a participant's account upon such participant's death prior to receipt of noticing in writing of such death, (c) with respect to the prices or times at which shares are purchased or sold, or (d) as to the value of the shares acquired for participants. Selling participants should be aware that the share price of Universal common stock may fall or rise during the period between a request for sale, its receipt by the Bank, and the ultimate sale in the open market. Participants should evaluate this possibility while deciding whether and when to sell any shares through the Plan. Such price risk will be borne solely by the participant.

The Bank is acting solely as agent of Universal and owes no duties, fiduciary or otherwise, to any other person by reason of the Plan, and no implied duties, fiduciary or otherwise, shall be read into the Plan.

The Bank undertakes to perform such duties and only such duties as are expressly set forth herein, to be performed by it, and no implied covenants or obligations shall be read into the Plan against the Bank or Universal.

In the absence of negligence or willful misconduct on its part, neither Universal nor the Bank, whether acting directly or through agents or attorneys, shall be liable for any action taken, suffered, or omitted or for any error of judgment made by it in the performance of its duties hereunder. In no event shall Universal or the Bank be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profit), even if it has been advised of the likelihood of such loss or damage and regardless of the form of action.

Neither Universal nor the Bank shall: (a) be required to and shall make no representations and have no responsibilities as to the validity, accuracy, value or genuineness of any signatures or endorsements, other than its own; and (b) not be obligated to take any legal action hereunder that might, in its judgment, involve any expense or liability, unless it has been furnished with reasonable indemnity.

The Bank shall not be responsible or liable for any failure or delay in the performance of its obligations under the Plan arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities; computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental actions; it being understood that the Bank shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

12. Subject to the approval of Universal, the Bank is authorized to choose a broker, including an affiliated broker, to facilitate purchases and sales of Common Stock by Plan participants. The Bank will furnish the name of the registered broker/dealer, including any affiliated broker/dealer, utilized in share transactions within a reasonable time upon written request from the participant.

13. The Terms and Conditions of the Plan and the Authorization shall be governed by the Laws of the Commonwealth of Virginia, without regard to conflicts of law rules.

All questions, correspondence and notices regarding the Plan should be addressed to:

GENERAL SHAREOWNER INFORMATION

Plan Requests should be mailed to:

Wells Fargo Shareowner Services
P.O. Box 64856
St. Paul, MN 55164-0856

Certified/Overnight Mail:

Wells Fargo Shareowner Services
161 North Concord Exchange
South St. Paul, MN 55075-1139

Written Requests to:

Wells Fargo Shareowner Services
P.O. Box 64854
St. Paul, MN 55164-0854

General Information:

Fax: 1-651-450-4085
Tel: 1-800-468-9716
Tel: 1-651-450-4064 (outside the United States)

An automated voice response system is available 24 hours a day, 7 days a week. Customer Service Representatives are available from 7:00 a.m. to 7:00 p.m., Central Standard Time, Monday through Friday.

Internet:

General Information: www.wellsfargo.com/shareownerservices
Shareowner Access: www.shareowneronline.com

FEE DISCLOSURE TABLE

Transaction or plan service fees

Certificate deposit	company paid
Certificate issuance	company paid

Investment fees

via optional cash investment	company paid
via dividend reinvestment	company paid
purchase commission	company paid

Sale fees

service fee	company paid
sale commission	company paid

Fee for returned checks or rejected automatic bank withdrawals	\$25.00 per item
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Prior year duplicate statements	\$15.00 per year
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