

Imperial Tobacco Limited/Limitée



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July 26, 1984

Dr. L.C.F. Blackman
British-American Tobacco Co. Ltd.
Westminster House
7 Millbank
London SW1P 3JE
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| L.C.F.B. | |
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1 ALDENIS

Dear Lionel,

I refer to my letter dated 15th May concerning my participation in the BAT 'A' Share Option Scheme, to which I have yet to receive a formal reply. Our cursory discussions on this subject at the 'nicotine barbeque' were unsatisfactory and did not resolve the position equitably.

As far as I am concerned, I can see no justification for my having to accept the financial consequences of incorrect statements from Millbank regarding specific questions relating to the terms of my transfer to ITL. I am also less than convinced by explanations of this error which are based on a legal interpretation of the term "Associate Company" (within the context of the UK Income and Corporation Taxes Act 1970: Pt XI, Section 302).

Following discussions within ITL I intend to pursue this matter further. I fully appreciate that there is little that you can do personally to resolve this issue, however, I would be grateful if you could inform Mr. Gerald Dennis of the situation. As BAT Industries liaison director to Imasco, Mr. Dennis will be visiting ITL in the near future and the opportunity may arise to discuss the matter with him. If such discussion does not take place then I will write direct to Mr. Dennis at a later date.

Yours sincerely,

S.R. Massey
S.R. Massey

cc: Mr. J.-L. Mercier
Mr. C. Mercier
Dr. P.J. Dunn

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