

Pat
Taitz
Pat Dunn
Thes
20/5

Imperial Tobacco Limited/Limitée



3810, rue St-Antoine Street
Montréal, P.Q. H4C 1B5
(514) 932-6161
P.O. Box 6500 C.P.
Montréal, P.Q. H3C 3L8
Cable/Cable 'Telimp'
Telex/Télex 055-60873

May 15, 1984

L.C.F.B:	
21 MAY 1984	
FILE	<input checked="" type="checkbox"/>
PASS	<input type="checkbox"/>
COPY	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>

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

Dear Lionel,

The purpose of this letter is to request your assistance in resolving a specific issue concerning the terms of my transfer from BAT Co. to Imperial Tobacco Ltd.

In discussing with ITL the terms of this transfer one point on which I requested clarification related to my being able to continue to participate in the BAT 'A' Share Option Scheme. In light of the statement on page 2 of the letter dated 2nd December 1983 (copy attached), from Mr. W.E. Green (Personnel Dept., Millbank) to Mr. C. Bleich (Compensation Manager, ITL), I had concluded that continued participation in the Scheme was indeed acceptable. However, you will see from subsequent correspondence (copies also attached) that this is in fact not the case. Indeed, it is fortunate that I will be in England in June and will be able to retrieve the necessary paper work to exercise at least some of the options.

Currently, the consequences of not being able to capitalize on this investment are that in 1986 I will be taking a personal loss of C\$5120 as expressed in F'85 dollars. This statement is based on the following points:

- 1) The assumption that BAT Industries shares do not show a significant decline in the first half of 1986.
- 2) A current share price of 218 pence and an exchange rate of £ 1.00 = C\$1.80 (Montreal Gazette 12/5/84).
- 3) That I will not be able to exercise options on 1809 of the original 4936 shares.

109874634

-2-

I am sure that you can appreciate, that I am neither impressed with the way this has been handled from the Millbank side or satisfied with the situation. In addition, I am somewhat embarrassed since the IIL Personnel people have been particularly careful in clarifying all of the various points associated with the transfer. Thus, anything that you can do to resolve this issue will be very much appreciated and perhaps you will be in a position to discuss this with Pat during his forthcoming visit.

With kind regards,
Yours sincerely,



S.R. Massey

cc: Mr. Mercier
Dr. Dunn

109874635