

PROPOSAL FOR THE ORGANISATION OF THE WHITECOAT PROJECT

SUMMARY OF THE WHITECOAT PROJECT

The Project is designed to support market-level ETS programmes within the PM EEMA and EEC markets. The Objectives of these overall ETS programmes are defined as:-

- End Goals: - Resist and roll back smoking restrictions.
- Restore smoker confidence.
- Pre-requisites: - Reverse scientific and popular misconception that ETS is harmful.
- Restore social acceptability of smoking.

Within this overall ETS context the Whitecoat Project comprises two elements:-

- Pro-active element: a) To generate a body of scientific and technical knowledge in the field of ETS within the PM EEMA and EEC markets. The Project's activities and programmes will include fundamental research, IAQ and IFAQ studies. These will be undertaken by whitecoats, contract laboratories and commercial organisations such as ACVA.
- b) To disseminate and exploit such knowledge within specific communication programmes in these markets.

Reactive element: To provide scientific and technical resources to challenge existing laws; to counter specific legislative and regulatory threats; and to respond to scientific mis-information and bias as it arises in these markets.

It is a self-standing Project initially led by PM, but will recruit as many member companies and NMA's as possible operating within the respective markets.

It will be independent from, but work cooperatively with, bodies such as INFOTAB and the US CIAR (Center for Indoor Air Research).

A priority for the Project is to address product liability concerns in all international markets, including the US.

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OVERVIEW OF THE ORGANISATION

The Project Leader is A - currently S&T (HGa). In due course this could be expanded to include scientists from other companies and NMA's and could become, say, the Scientific Committee of the International Centre for Indoor Air Research (ICIAR).

Not is accountable to SCD

A is accountable to C for administering the Project. C is the entity responsible for overseeing all ETS-related activities within designated markets and for ensuring the necessary support from the Whitecoat Project. For PM EEMA today, WT has designated responsibility for C to KJW/JBR. For PM EEC, C is SCD &/or MDH. In the future, other companies and NMA's will be involved and one could envisage these C's constituting the ICIAR Supervisory Board.

B functions as the executive arm (the ICIAR Executive) of A to which it is directly accountable. Covington & Burling performs this function and, thus, acts at the same time as a legal buffer. B is the interface with the operating units (whitecoats, laboratories, etc.) except for those aspects that A elects to manage directly.

D has responsibility for the range of ETS activities in its given markets(s), and will exploit the work output of the Project and call upon its resources as a support service. For the purposes of this Project, D may be considered as being accountable to C. D interfaces directly with B. For PM EEMA today this translates, for example, into SGC being responsible to KJW/JBR for ETS related activities in the Nordic countries, and communicating directly with C&B on day to day matters. In the future, D could be, say, the Corporate Affairs delegate within the Swedish NMA with this NMA or STA being a C. (SGC would then formally operate within the Swedish NMA and through KJW/JBR.)

DETAILED RESPONSIBILITIES OF ICIAR COMPONENTS

A - ICIAR Scientific Steering Committee (HGa)

A will initiate all long range and annual plans for the Project. This embraces both the pro-active and reactive elements, and will cover all elements relating to objectives, strategies, action plans, resource allocation, and budgets. The inputs from D relating to forecasted support needs will be channelled through B (as well as C).

A will seek approval for these plans from C, and will revert to C to redeploy resources or seek incremental approvals as cases arise.

A will be responsible to C for implementation of approved plans and will provide regular progress reports (quarterly?).

A will manage the activities of B, being ultimately accountable for all, except legal aspects. A will approve C&B expenses.

A will budget and allocate all Project expenses by unit of C (such as PM EEMA, PM EEC, and other companies and NMA's). These expenses will include C&B's own expenses in fulfilling its function relating to B.

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B - ICIAR Executive (C&B)

B will implement all approved long range and annual plans, and manage the programmes and action plans based thereon. For the pro-active elements especially it is understood that the direct involvement of A will be essential for technical aspects, and A may exercise direct responsibility in certain areas. (Also, A will directly seek the assistance of Shook, Hardy & Bacon for symposia and conferences.)

B will provide inputs to the planning/budgeting process, including the forecasts of support requirements emanating from D.

B will service direct support requests from D, provided these fall within existing budget and resource availabilities. Otherwise B will revert to A, with final decision power residing with C should D be dissatisfied.

B will work actively with its operating units, and A and D to generate and identify opportunities to disseminate and communicate scientific and technical ETS-related information.

B will closely manage implementation, particularly direct support requests from D.

B will provide quarterly reports to A and C on pro-active elements of the Project, and monthly reports to A, C, and D on reactive elements.

B will budget and seek approval from A for all expenses relating to the operation of B (i.e. C&B expenses).

B will ensure that the Project's activities do not give rise to product liability issues for C members, will assist in forestalling the assertion of product liability claims against C members, and will provide support for C members in resisting ETS-related legal claims. B will act in consultation with FHD and BBB and their counterparts in other C members. (In this regard C&B will be accountable to PMI Legal for US considerations.)

C - ICIAR Supervisory Board (KJW/JBR and SCD/MDH)

C will consult with D and provide direct inputs to A (and thus B) to assist in the development of the Project's plans and programmes.

C will review and approve the long range and annual plans submitted by A, together with periodic amendments and ad hoc requests.

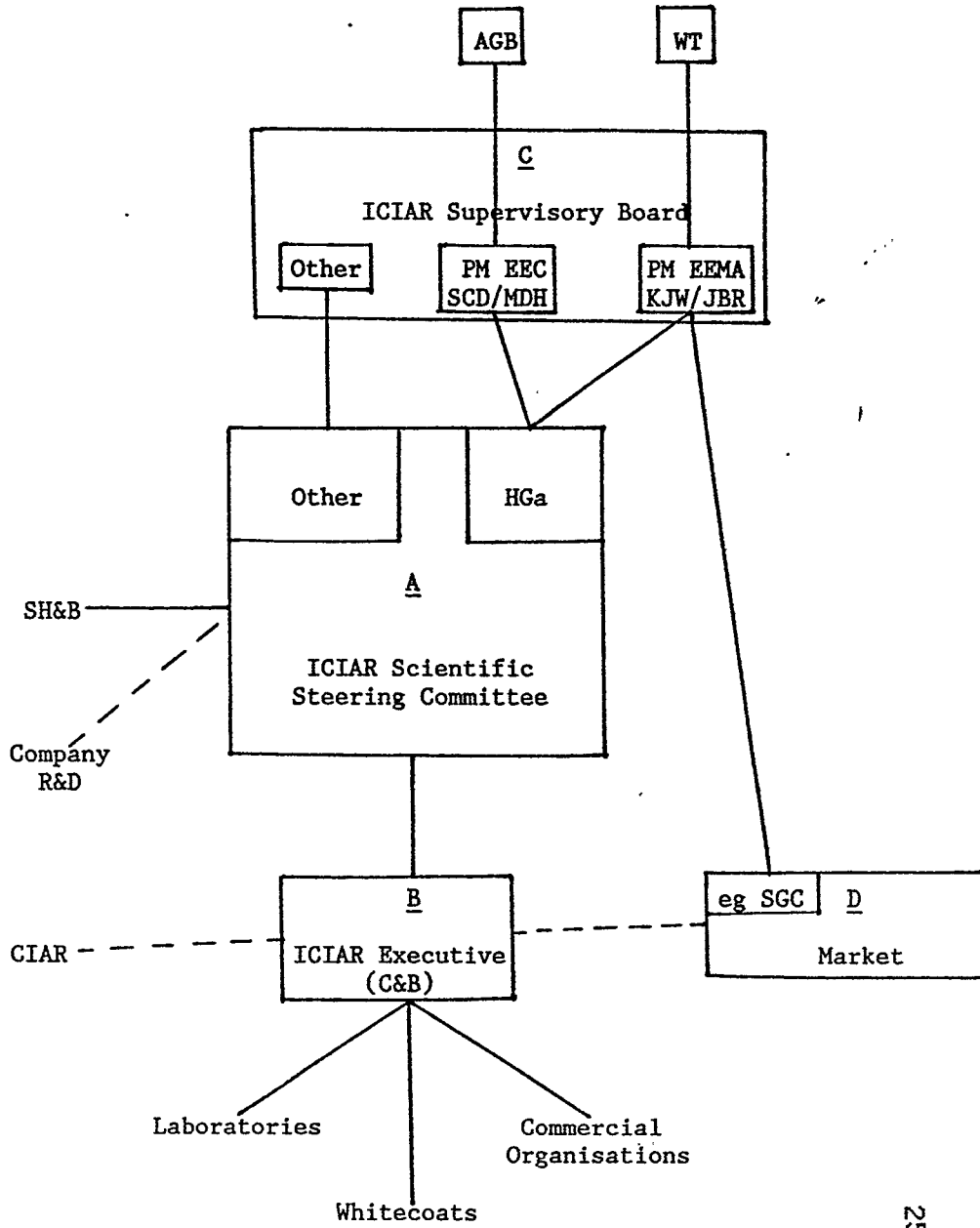
C will monitor progress against these plans on a quarterly basis, and monitor progress in supporting those specific support requests submitted by D to B.

C will approve on an annual basis the final allocation of incurred expenses to units of C.

C will resolve conflicts arising between A, B, D.

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ICIAR ORGANISATION



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