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TO: All PM USA Employees **DATE:** November 16, 1998

FROM: M.E. Szymanczyk

SUBJECT: Attorneys General Proposed Settlement

Earlier today you received Geoff Bible's desk drop on the proposed settlement with the state attorneys general. I want to take this opportunity to reiterate that this is just the beginning of the process and until we know that the requisite number of states agree to participate, it is premature for us to discuss any of the implications of this agreement.

I intend to address all PM USA employees early in December with my "state of the union" message. At that time, I think we should have some insights as to what this agreement represents for our business and our plans as we go forward; and as a result, I will be prepared to go into much more detail with each of you.

As Geoff indicated, we are all very appreciative of your ongoing support in this matter.

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MES/kak