

AGREEMENT

This agreement is made as of the 15th day of April, 1995 by and between **Philip Morris Incorporated**, a Virginia corporation with executive offices located at 120 Park Avenue, New York, New York 10017 ("Philip Morris"), and **Gary M. Reynolds & Associates, Inc.**, a Wisconsin corporation with executive offices located at 16535 W. Bluemound Road, Suite 230, Brookfield, Wisconsin 53005 ("GMR"), pursuant to which GMR will perform services, which will include the following, for Philip Morris under the terms and conditions stated.

1. Services.

GMR will perform services in connection with the **PARLIAMENT Party Zone '95 Program** (the "Program") to be conducted at locations and at the times set out on Exhibit A hereto. The Program will comprise daytime activities and nighttime activities, which will include the **PARLIAMENT** Getaway video promotion (the "Video Promotions"), at the locations set forth in Exhibit A (the "Sites").

(a) GMR will enter into a written agreement in a form provided or approved in advance by Philip Morris and GMR ("Site Agreement") with an authorized representative of each Site to secure for Philip Morris the right to hold the Program at the Site. The Site must have a policy of physically identifying persons 21 years of age or older. Site Agreements must provide that Philip Morris will have the exclusive right to distribute complimentary samples of its products and promotional materials to smokers 21 years of age and older during the Program. GMR will promptly notify Philip Morris, in writing, if GMR becomes aware of any local laws or governmental regulations prohibiting the display or distribution of promotional materials or the distribution of Philip Morris products at the Site. GMR will deliver to Philip Morris an executed copy of each Site Agreement prior to the date of the Program.

(b) In connection with the Program GMR will:

(1) develop, create and produce the **PARLIAMENT** Party Zone materials listed on Exhibit B (the "Materials") in sufficient amounts for use throughout the Program. The Materials must be approved in advance by Philip Morris;

(2) set up and decorate in and around each Site including:

- (i) interior and exterior signage
- (ii) **PARLIAMENT** inflatable facade at the daytime Sites (where permitted)
- (iii) interior and exterior (where permitted) banner placement
- (iv) redemption tables

- (3) break down and securely store all Materials and Program-related equipment at the Program;
- (4) place and refill bar organizers;
- (5) distribute **PARLIAMENT** product, branded incentive giveaway merchandise and premiums to smokers 21 years of age or older. At the completion of the Program, GMR will ship excess incentives, if any, and materials as directed and at the expense of Philip Morris;
- (6) rent local warehouses or other facilities and vans for the storage, shipment and transportation of the Materials and other Program-related equipment;
- (7) provide miscellaneous Program-related supplies and equipment, e.g. pens, tablecloths, tape, beepers, gasoline, etc.;
- (8) subject to the prior approval of Philip Morris, make all necessary preliminary arrangements for the Program, including arranging for hotel accommodations;
- (9) cooperate and work with Philip Morris and third parties designated by Philip Morris on all matters relating to the organization of the Program including cooperating with local Philip Morris sales personnel;
- (10) create a videotape record of the Program, encompassing the various Sites, for Philip Morris' internal business use;
- (11) obtain all releases and consents necessary for the performance of GMR's duties. GMR warrants that it has obtained, or has ensured that the appropriate Site has obtained, all appropriate consents or licenses from ASCAP, BMI or other similar licensing organizations;
- (12) use best efforts to ensure that all participants in the Program are 21 years of age or older;
- (13) retain, train, supervise and assume complete responsibility for sufficient personnel to staff the Program, all of whom will be persons reasonably satisfactory to Philip Morris (the "Staff"). The Staff must include:
 - (i) Two Regional Managers (the "regional Program Managers") and five Sampling Supervisors (the "Sampling Supervisors"), who have received at least six hours of training prior to the Program. Three GMR Project Managers will oversee the overall program, and one Sampling Manager will be on location at each Site to supervise on-site activities.

- (ii) Twenty-five persons at least 21 years of age to conduct promotional activities and distribute **PARLIAMENT** brand cigarettes (the "Distributors") as directed or approved by Philip Morris. GMR will select the Distributors as far in advance as possible. The Distributors will be selected from agencies and will be subject to Philip Morris' prior approval as to appearance, presentation and sampling skills. If and when requested by Philip Morris, any Distributor who is satisfactory to Philip Morris will be replaced within 24 hours by an individual satisfactory to Philip Morris.

(14) develop and conduct training programs for the Staff, with all elements of the training subject to the advance approval of Philip Morris;

(15) in connection with the Sampling Program minimum, GMR will conduct a minimum of six hours of training for the Distributors and explain all details and requirements of the Sampling Program prior to the Program. GMR will train the Distributors using Philip Morris' approved training manual for sampling and distribution of branded incentive items, a copy of which is attached as Exhibit C, and will provide a copy of the manual to each Distributor. Each Distributor must sign the manual prior to participating in the Sampling Program. Philip Morris will, when practical, be given two weeks' notice of the time and location of the training meeting and Philip Morris representatives may attend or participate in the orientation meeting; and,

(16) design, schedule and implement, subject to the approval of Philip Morris, all aspects of the Program including signage placement and redemption table set-up.

(c) GMR will provide all services customarily performed by a professional producer, and other services reasonably requested by Philip Morris in connection with the Video Promotions, including all matters relating to the creation, development, promotion and operation of the hardware, software, props and display signage comprising the Video Promotions. During the Video Promotion, participants will have their video taken with a background of their choosing and obtain the completed video. GMR will conduct the Video Promotions during a four hour period on selected nights of the Program. GMR will provide sufficient staffing, satisfactory to Philip Morris, to conduct the Video Promotions at each Club and research and resolve technical questions including issues related to video backgrounds, materials and technical specifications, monitor placement and programming of appropriate music for the Video Promotions. GMR will provide a minimum of two video screens at the Video Promotions and maintain the video, audio and lighting equipment used for the Program. GMR will use best efforts to ensure that the equipment will be in full working order throughout the Video Promotions.

(d) Daytime Activities on the beach will include parasailing and sailing. Other activities will include a sponsored music party with a band or DJ, distribution of product and

branded incentive items and distribution of consumer surveys. GMR will make best efforts to ensure that each person entering the Site, who wishes to participate and who is a smoker 21 years of age or older, receives a **PARLIAMENT** wristband good for club discounts, drawings for branded incentive items during activities.

(e) GMR will perform the following services in connection with the **PARLIAMENT** Party Zone Sweepstakes (the "Sweepstakes") to be conducted at the daytime Sites and other selected Sites at night. The advertising and point of sale materials to be utilized will be supplied by Philip Morris. The Sweepstakes prize elements are set forth in Exhibit D attached. All aspects and other materials to be utilized in connection with the Sweepstakes must be approved in advance by Philip Morris.

- (1) provide general consulting services with respect to the Sweepstakes, including advice on copy, layout and Sweepstakes mechanics.
- (2) assist with the preparation of Sweepstakes rules, affidavits of eligibility, liability/publicity releases and other materials required for the administration of the Sweepstakes.
- (3) award and distribute the following prizes (the "Prizes") as and when directed by the official rules of the Sweepstakes and Philip Morris:

One Grand Prize - 1996 Blue Ford Mustang Convertible or Jeep Wrangler

One First Prize - One trip for two people to a resort location (TBA)

Three Second Prizes - 1995 Yamaha Wave Runner

- (4) ensure that the Sweepstakes is conducted and Prizes awarded in full compliance with the Official Rules and applicable laws, regulations and ordinances.
- (5) respond to inquiries and complaints concerning the administration of the Sweepstakes in accordance with instructions to be provided by Philip Morris.
- (6) respond promptly to inquiries concerning the distribution of Prizes.
- (7) conduct random drawings pursuant to confidential system to select all Prize winners.

- (8) verify that all Prize winners are eligible contestants, have submitted signed certifications on the entry form of age and smoker status and have otherwise complied with the Sweepstakes rules.
- (9) notify Grand Prize winners in accordance with the rules of the Sweepstakes. Obtain affidavits and releases from Grand Prize winners, as required by the rules of the Sweepstakes. Deliver to Philip Morris a certified document containing the names of all Prize winners together with copies of the Form 1099s that GMR will deliver to the Internal Revenue Service to report Prizes awarded with a fair market value in excess of \$600.
- (10) ensure that all necessary state registrations and filing in connection with the Sweepstakes and the Prizes are promptly effectuated and that surety bonds are secured as required.
- (11) submit to Philip Morris a final report on the notification of all Prize winners with copies of signed affidavits.

(f) GMR will lease a minimum of two vehicles and one cargo van (the "Vehicles") which will be specially customized for use in connection with the Program. All vehicle customization is subject to the prior approval of Philip Morris. GMR will provide the following services in connection with the Vehicles.

- (1) arrange for the safe and secure transport of the Vehicles to the Program;
- (2) provide at least one staff member to remain with the Vehicles at all times during the Program;
- (3) accept the Vehicles in good operating condition and provide reasonable care and maintenance for the Vehicles throughout the terms of the Agreement; and,
- (4) display the Vehicles in a primary location throughout the Program.

(g) GMR will provide Philip Morris with weekly written reports of GMR's promotional activities. Upon the conclusion of GMR's promotional activities, GMR will provide a comprehensive written report of GMR's promotional activities. The reports must include descriptions of smokers' comments on the branded incentive items, analyses of the impact of the promotional activities at each Site and total sampling and promotional hours performed to the date of the report. GMR will be available to meet at reasonable times with Philip Morris representatives at Philip Morris headquarters in New York City or other locations designated by Philip Morris.

(h) If and when Philip Morris requests that GMR perform additional services, the additional services will be the subject of a separate writing, the terms of which the parties will negotiate in good faith.

2. Payment.

In full and complete consideration for the services rendered by GMR throughout the term of the Agreement, Philip Morris will pay GMR a management fee of \$200,000 as follows: \$66,666.67 within ten days of execution of the Agreement and submission of an invoice; \$66,666.67 upon submission of an invoice on June 15, 1995; and \$66,666.66 upon submission of an invoice within thirty days of GMR's complete performance to the reasonable satisfaction of Philip Morris.

3. Expenses.

Philip Morris will reimburse GMR, at cost, for the reasonable expenses set forth in Exhibit B incurred in providing services within thirty days of Philip Morris' receipt of itemized weekly invoices in the form attached as Exhibit E. The expense estimates set forth on Exhibit B, which were prepared by GMR and approved by Philip Morris, are presumptively reasonable. All expenses of \$25 or more must be submitted with receipts. Total expenses are not to exceed \$789,200 throughout the term of the Agreement. Expenses in excess of the total set forth in Exhibit B must be approved in advance, in writing, by Philip Morris. GMR may not apply funds allocated to one expense category to expenses incurred in another category without the prior approval of Philip Morris.

If and when Philip Morris is requested to reimburse GMR for legal fees or insurance expenses, GMR must submit that request in writing for Philip Morris' approval prior to incurring the expense or submitting an invoice for payment.

4. Term and Termination.

The term of the Agreement commenced as of the 15th day of April 1995 and will continue through the later of October 31, 1995 or the completion of services to the reasonable satisfaction of Philip Morris. Philip Morris may terminate the Agreement without cause on thirty days advance written notice to GMR. If Philip Morris terminates the Agreement, Philip Morris will have no liability or payment obligation to GMR after the effective date of the notice of termination, with the exception of payments for services satisfactorily performed and expenses properly incurred prior to termination.

5. Records.

(a) GMR, its employees and agents will maintain detailed and accurate books and records of account with respect to activities undertaken on behalf of Philip Morris. Records of disbursements must indicate the check number, dollar amount, identity of the payee and

reason for the expenditure. GMR will provide periodic reports as and when requested by Philip Morris and a final accounting within 30 days of completion of all Services. The final accounting must include an itemization of all expenses incurred and must be certified by an appropriate officer or authorized representative of GMR. At the request of Philip Morris, Philip Morris or its designated agent may inspect, review and copy GMR's books and records at reasonable times during normal business hours upon reasonable, advance notice to GMR and at the expense of Philip Morris.

(b) GMR, its employees and agents will maintain accurate books and records of GMR's receipt and distribution of branded incentive giveaway merchandise, premiums and product samples provided by Philip Morris ("Records of Materials") in connection with the Program. Philip Morris, its employees and agents have the right, upon reasonable advance notice and at the expense of Philip Morris, to audit GMR's Records of Materials.

6. Representatives.

Philip Morris representatives may be present at the Program to see that the Program is conducted pursuant to the terms of the Agreement, and GMR will cooperate with the representatives in conducting the Program. GMR will cooperate with representatives of third parties if and when directed to do so by Philip Morris.

7. Promotional Materials.

(a) Philip Morris will supply or have the right to approve or reject, in advance, all Program materials, including advertising, press releases, tickets, flyers, and other promotional materials used at or in connection with the Program and the manner of their use. Philip Morris will provide all **PARLIAMENT** banners, signs, promotional materials, staff and sampling uniforms and cigarette samples. No materials furnished by Philip Morris will be changed without the prior written approval of an authorized Philip Morris representative. GMR will not sell or allow to be sold any items at the Program without the prior written approval of Philip Morris.

(b) No promotional or advertising materials of any other party will be permitted by GMR at the Program without the prior approval of Philip Morris. Fixed advertising signs or other in-place advertisements that the Site is contractually obligated to maintain are excluded from the prohibition of this paragraph provided GMR notifies Philip Morris of the existence of the fixed advertising prior to the Program.

8. Right to Materials.

GMR warrants that with respect to any property or material used in connection with the Program GMR has or has obtained from the owners of, claimants to and subjects of the material used, and when and where appropriate, their respective heirs, successors, executors, administrators and assigns, signed writings conveying all appropriate right, title and interest

in the material to Philip Morris, or, alternatively, expressly granting GMR the right to use the materials in connection with the Program.

9. Confidentiality.

GMR, its employees and agents will hold strictly confidential all information and materials provided by Philip Morris to GMR or created by GMR in performing the Agreement. The information and materials will remain the property of Philip Morris. GMR will not use or disclose the information unless authorized to do so in writing by Philip Morris. Upon termination or expiration of the Agreement, or within 30 days thereafter, GMR will return all confidential information and materials to Philip Morris. GMR's obligation to maintain the confidentiality of information and materials obtained from Philip Morris in connection with GMR's performance of the Agreement will survive the termination of the Agreement. Confidential information referred to herein will exclude all information generally known to the public.

10. The PARLIAMENT Name.

GMR recognizes and acknowledges that the **PARLIAMENT** mark and trade dress and the goodwill associated therewith have great value and are the exclusive property of Philip Morris. With the sole exception of GMR's right to use the mark and trade dress, subject to Philip Morris' approval, in connection with GMR's performance of the Agreement, GMR acknowledges that it has no right in and to the mark and trade dress of **PARLIAMENT** and agrees not to act in any manner that is inconsistent with or damaging to Philip Morris' rights in the **PARLIAMENT** mark and trade dress.

11. Indemnity.

(a) GMR indemnifies and holds harmless Philip Morris, its affiliates and each of their respective officers, employees, directors and agents from all claims, liabilities, costs and expenses, including reasonable attorneys' fees, that arise from, or may be attributable to negligent actions or omissions of GMR, and which are not substantially contributed to by Philip Morris. GMR's obligation to indemnify and hold harmless will survive the termination of the Agreement.

(b) Philip Morris indemnifies and holds harmless GMR, its affiliates and each of their respective officers, employees, directors and agents from all claims, liabilities, costs and expenses, including reasonable attorneys' fees, that arise from, or may be attributable to negligent actions or omissions of Philip Morris, and which are not substantially contributed to by GMR. Philip Morris' obligation to indemnify and hold harmless will survive the termination of the Agreement.

12. Insurance.

(a) Within ten days after execution of the Agreement, GMR will deliver to Philip Morris certificates of insurance evidencing coverage for (1) watercraft liability covering all water activities contemplated by the Agreement with coverage of no less than \$500,000; (2) comprehensive general liability, including advertiser, participants', spectators', contractual and products/completed operations liability, with limits of no less than \$6,000,000 combined single limit for bodily injury, including personal injury, and property damage; (3) comprehensive automobile liability, including all owned, non-owned and hired vehicles, with limits of no less than \$6,000,000 combined single limit; (4) statutory workers' compensation coverage meeting all state and local requirements; and (5) employer's liability with limits of no less than \$500,000 dollars. The insurance certificates required (other than that required by (4) above) must name Philip Morris, its affiliates, employees and assigns as additional insureds and must state that Philip Morris will be provided at least thirty days advance, written notice of a cancellation or modification of the insurance. The insurance must be primary coverage without right of contribution from any other Philip Morris insurance. Insurance maintained by Philip Morris is for the exclusive benefit of Philip Morris and will not inure to the benefit of GMR.

(b) GMR will ensure that each subcontractor under this Agreement will maintain such insurance with such limits of liability as Philip Morris may reasonably require, including host liquor liability. GMR will also ensure that each subcontractor provide Philip Morris with certificates of insurance evidencing such coverage. To the extent that Philip Morris requires a subcontractor to increase its limits of liability or to obtain insurance other than the insurance the subcontractor customarily maintains, the parties expressly acknowledge and agree that the cost of such requirements shall be solely the obligation of Philip Morris, which costs are in addition to and not a part of GMR's compensation under Section 2 of this Agreement. GMR will provide a written estimate of any such additional insurance costs, which must be approved in writing by Philip Morris.

13. Independent Contractor.

GMR is an independent contractor and the Agreement shall not be construed to create an association, partnership, joint venture, relation of principal and agent or employer and employee between Philip Morris and GMR or its agents within the meaning of any federal, state or local law. GMR will not enter into any agreement, oral or written, on behalf of Philip Morris or otherwise obligate Philip Morris without Philip Morris' advance written approval.

14. Exclusivity.

During the term of the Agreement, and for six months thereafter, GMR will not engage in the activities contemplated in the Agreement or similar activities in connection with

cigarettes or tobacco products of any other company or entity without the prior written consent of Philip Morris, which will not be unreasonably withheld.

During the term of the Agreement, and for one month thereafter, GMR will not, without the prior written consent of Philip Morris, engage in comparable activities within a radius of 100 miles of the site of the Program.

15. Standards.

The Program will be conducted in accordance with the highest industry standards prevailing for similar first-class Programs in the United States. The parties' intent is to provide the best possible atmosphere and environment for the conduct of the Program, and GMR will use its best efforts to accomplish this end.

16. Third Party Contacts.

If at any time GMR is contacted by a third party, including the media, concerning GMR's activities on behalf of Philip Morris, other than as contemplated by the terms of the Agreement, GMR will make no comment, immediately notify Philip Morris of the third party contact and refer the third party to Philip Morris, Vice President, Corporate Affairs.

17. Miscellaneous.

(a) The Agreement and all matters collateral hereto, shall be governed by the laws of the State of New York applicable to agreements made and to be performed entirely within the State of New York.

(b) GMR must comply with all applicable laws, regulations, and ordinances relating to its performance of the Agreement. GMR acknowledges that it is cognizant of the provisions of Title 15, Section 1331, et seq. of the United States Code.

(c) This Agreement is the complete agreement between the parties and supersedes any prior oral or written agreement concerning the subject matter.

(d) If any provision of the Agreement is held invalid or unenforceable, the remaining provisions will remain in effect.

(e) The Agreement may not be amended or assigned except in a writing signed by both parties. If an assignment occurs, the assignment will not relieve the assigning party of its liabilities and obligations under the Agreement. The Agreement is binding upon successors and assignees of the parties. A waiver by either party of any of the terms and conditions of the Agreement in one or more instances will not constitute a permanent waiver of the terms and conditions.

(f) Notices provided shall be in writing and sent by certified mail, return receipt requested. Notices to GMR will be sent to Gary M. Reynolds & Associates, Inc., 16535 W. Bluemound Road, Suite 230, Brookfield, Wisconsin 53005, Attention: Gary M. Reynolds. Notices to Philip Morris will be sent to Philip Morris Incorporated, 120 Park Avenue, New York, New York 10017, Attention: Director of Event Marketing.

IN WITNESS WHEREOF, the undersigned parties have duly executed the Agreement in a manner appropriate to each effective as of the date first written above.

GARY M. REYNOLDS
& ASSOCIATES, INC.

By: Gary M. Reynolds

Title: President

Taxpayer ID# 391451240

Filing Status: C-Corp

^{Gmm}
PHILIP MORRIS INCORPORATED

By: [Signature]

Title: SP M. Kelly

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Exhibit A

Parliament Party Zone Summer '95 Sites

Hamptons, NY

13 weekends between May 26, 1995 and September 4, 1995

E. Quogue
Hampton Bays
West Hampton
South Hampton

Fire Island, NY

8 weekends between May 26, 1995 and September 4, 1995

Ocean Beach
Ocean Bay Park
Cherry Grove
Davis Park

Rhode Island

12 weekends between June 16, 1995 and September 4, 1995

Newport
Providence
Warwick

North Jersey, NJ

13 weekends between May 26, 1995 and September 4, 1995

Seabright
Ortley Beach
Belmar
Seaside Heights
Long Beach Island
Point Pleasant

South Jersey, NJ

13 weekends between May 26, 1995 and September 4, 1995

Wildwood
N. Wildwood
Somers Point
Avalon
Margate

Cape Cod, MA

7 weekends between June 16, 1995 and September 4, 1995

Falmouth Heights
S. Yarmouth
Dennisport
W. Yarmouth
West Dennis
Wellfleet
Hyannis

Exhibit B

PARLIAMENT PARTY ZONE SUMMER PROGRAM
1995 Budget

PRELIMINARY BUDGET ESTIMATE

Materials and Vehicles	\$130,600
Vehicles - \$79,800 (based on 10 support vehicles rented for four months each)	
Polaroid Film - \$10,000 (based on 6 cameras, 30 photos x 300 events)	
Inflatables, hobie cat sails, parasails - \$8,500 Cleaning and refurbishing	
Wristbands - \$5,300 (150/event x 300 events)	
Beer Koozies - \$27,000	
Sampling Services/Party Patrol	\$249,300
(includes fifteen weeks of sampling, team training, labor/work crew, regional manager and market supervisors (Sampling agency fee/expenses)	
Team Expenses	\$ 63,300
(includes lodging, travel and per diem for teams, managers and supervisors, hiring costs and miscellaneous expenses)	
Sponsorship Fund	\$ 52,500
(includes DJ/band sponsorships, club sponsorships and discount offers --to be used on an "as needed" basis)	
Interactive Video	\$105,000
(includes all production, equipment, technicians, tape stock and transportation necessary to produce 40 nights, 4 hours per night)	

**PARLIAMENT PARTY ZONE SUMMER PROGRAM
1995 Budget Estimate**

(continued)

Video Recap (includes pre-production -- three, three-day shoots, crew travel and expenses and pre-production -- scripting, editing, etc.)	\$ 25,000
Photography (includes 7 shoots and all expenses)	\$ 7,000
Warehousing and Fulfillment (includes handling and storage charges for all program merchandise and central and in-market warehouse facilities)	\$ 32,000
Miscellaneous Related Expenses (includes anticipated agency out-of-pocket expenses -- telephone, fax, insurance certificate costs (from third parties), miscellaneous shipping, printing, artwork supplies, postage, overnight delivery, market manager's car allowances and travel and agency travel to New York for meetings and periodic market checks)	\$124,500
Management fee (includes: Site Visits Venue Selection and Negotiation Pre- and On-Site Management and Execution Retail Execution in Eight Markets Video Production Management Sweepstakes Management Artwork and Keylines Materials Development and Procurement Post-Event Administration Follow-up Reporting/Evaluation)	\$200,000
TOTAL	\$989,200

Exhibit D

PARLIAMENT PARTY ZONE SUMMER '95 SWEEPSTAKES
PRIZES

GRAND PRIZE	1996 Mustang Convertible or Jeep Wrangler
1st PRIZE	Parliament Getaway for two
2nd PRIZE	1995 Yamaha Wave Runner

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Exhibit C

PHILIP MORRIS SAMPLING MANUAL

PARLIAMENT

SAMPLING PROGRAM

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PARLIAMENT
SAMPLING PROGRAM

Instructions for Field Managers

All points in this manual must be reviewed with samplers and a copy given to each.

Samplers must sign the certificate on the last page of this manual, indicating that they have been told of sampling restrictions and understand that they are subject to immediate dismissal if they knowingly violate these restrictions.

Be sure to monitor samplers to ensure their compliance with sampling guidelines and restrictions. It is your responsibility to dismiss any sampler who, in your judgment, knowingly violates these restrictions.

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PARLIAMENT
SAMPLING PROGRAM

Instructions for Samplers

You are about to participate in an important sampling program for **PARLIAMENT** cigarettes. Your first assignment as a sampler is to read these procedures and instructions thoroughly.

I. PURPOSE: WHY WE SAMPLE

Consumer contact is crucial to a sales organization. Philip Morris believes that one of the best ways to acquaint smokers with the quality and taste of our cigarette products is to offer the opportunity to try them. Our sampling programs provide that opportunity.

Sampling also gives excellent exposure to our brands, as well as direct feedback to us on our products' acceptance. Our concern for consumer satisfaction has helped make Philip Morris the leader in the cigarette industry and has contributed to the success of our brands in the national market.

Your sampling efforts will introduce many smokers to the smooth, satisfying flavor of **PARLIAMENT** cigarettes.

II. THE SAMPLER'S ROLE AND IMAGE

You have been selected for this sampling program because of your intelligence, enthusiasm, and appearance. We are confident that you will do an effective sampling job on behalf of **PARLIAMENT**.

You are representing **PARLIAMENT** to the public, therefore, your personal appearance is important. Your Supervisor will inform you of the type of clothing to wear while sampling. You must always be well groomed.

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PARLIAMENT
SAMPLING PROGRAM

III. ABOUT THE PRODUCT

You will be distributing samples of **PARLIAMENT LIGHTS**.

PARLIAMENT **PARLIAMENT LIGHTS**, with the famous recessed filter, gives you a truly relaxing and satisfying smoking experience — the perfect recess.

PARLIAMENT LIGHTS — no other cigarette today can give you the unique smoking advantage of the famous recessed filter.

With **PARLIAMENT LIGHTS** you get a tastefully light smoke in a low tar cigarette.

IV. SAMPLING TECHNIQUES

Sampling the Consumer

The way you sample people will have a direct bearing on their attitude toward our products. A smoker is more likely to think favorably of **PARLIAMENT** if you create a favorable impression.

Since you want to reach the largest possible number of smokers 21 years of age and older, you cannot spend more than a few moments with each consumer. In that brief time you must deliver a clear, concise message:

- * **Greet the consumer.** Determine whether he is a smoker and 21 years of age or older. If so, offer the sample, being sure to state:

"Compliments of **PARLIAMENT**"

- * **Add a brief product message as appropriate:**

PARLIAMENT **PARLIAMENT LIGHTS**, with the famous recessed filter, gives you a truly relaxing and satisfying smoking experience — the perfect recess.

PARLIAMENT LIGHTS — no other cigarette today can give you the unique smoking advantage of the famous recessed filter.

With **PARLIAMENT LIGHTS** you get a tastefully light smoke in a low tar cigarette.

- * **Thank the person, and close.**

Sampling Training

During your training session, you will be asked to demonstrate the sampling technique by offering a sample to your Supervisor. This practice is designed to increase your confidence and give your Supervisor an opportunity to help you refine your sampling technique.

Points to Remember

- * Speak clearly.
- * Give the complete and correct name of the cigarette.
- * Never refer to the samples as "free cigarettes."
- * Give only one sample to each smoker. If you give more than one, you may miss opportunities to sample other smokers. If an individual keeps coming back for more samples:
 - Thank him for trying our product and explain that you are not allowed to give more than one sample to each person.
 - Do not argue. Continue sampling other people.
- * **PARLIAMENT** sampling is intended to generate interest, trial and conversion among smokers of competitive brands who are 21 years of age or older. Do not sample smokers of Philip Morris products if you can avoid it. If a Philip Morris smoker requests a sample, however, do not hesitate to give it.

The following list of Philip Morris brands will help you identify Philip Morris smokers:

- | | |
|------------------|------------|
| -Marlboro | -Cambridge |
| -Benson & Hedges | -Alpine |
| -Merit | -Bucks |
| -Virginia Slims | -Bristol |
| -Parliament | -Players |
| -Saratoga | |

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PARLIAMENT

SAMPLING PROGRAM

- * You will be working on a tight schedule. You will not have time to:
 - Stop and talk about the brand.
 - Debate or argue the issue of cigarette smoking and health.
 - Strike up a conversation with a passerby.
- * If a negative statement attacking you or the cigarette industry is made, the following response is suggested:

"I regret that you feel that way. Thank you."

OR

"I'm not sufficiently qualified to comment on that issue. Thank you."

- * Before leaving your location, make sure that no litter from your sampling activity remains.

Special Situations

Your Supervisor will help you with any problems you encounter while sampling.

If someone objects to your sampling at an assigned location, please do not argue. Ask the person to wait until your Supervisor is available to speak with him.

Remember, handling complaints is your Supervisor's job. If your Supervisor is not immediately available, relocate. Do not argue.

You should not consent to interviews. Representatives of other companies may try to question you. If this occurs:

- * Tell them you are not qualified to answer questions.
- * Refer them to your Supervisor.
- * Ask for their business card and submit it to your Supervisor.

IF A REPORTER ASKS FOR AN INTERVIEW, PLEASE SAY "NO" AND REFER THE INDIVIDUAL TO YOUR SUPERVISOR.

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PARLIAMENT

SAMPLING PROGRAM

V. RESTRICTIONS ON SAMPLING

You are required to observe certain sampling restrictions developed by Philip Morris to maintain the good community relations our brands and people enjoy. Please review this important information carefully.

You must sign the Certificate on the last page of this manual, indicating that you understand and agree to the following restrictions:

- * **Do not sample in or on public streets, sidewalks or parks except in areas where access is limited to persons to whom cigarettes may be lawfully sold. Samples can be distributed in such places only to persons 21 or older.**
- * Give samples only to smokers who are 21 years of age or older. If a young looking person requests a sample, refuse with the explanation that samples cannot be given to persons under 21 years of age. If the person states that he is 21 or older, you must verify that by asking to see identification with proof of age.
- * Do not urge anyone who refuses a sample to accept it.
- * Do not give samples to non-smokers. Samples are intended only for smokers.
- * Do not distribute samples to people in vehicles.
- * Avoid blocking or impeding pedestrian traffic.
- * Distribution of samples should be conducted only by authorized persons. Take care of your samples. Store them in secure places both on and off the job to **avoid inadvertent distribution.**
- * Do not leave litter in sampling locations. Promptly dispose of empty sample boxes and all litter that results from your sampling activity.
- * Do not sample **within two blocks** of a place of religious worship or of any center of youth activities such as playgrounds, schools, college campuses, or fraternity or sorority houses.

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PARLIAMENT

SAMPLING PROGRAM

- * Circumstances preventing sampling from being conducted consistent with the provisions of this manual should be stopped until such circumstances abate.

If you have questions regarding sampling guidelines and restrictions, ask your Supervisor before you start your sampling activities.

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PARLIAMENT

SAMPLING PROGRAM

GOOD LUCK!

We are pleased that you have joined the **PARLIAMENT** Sampling Program as a product sampler, and we know you will help to make it effective.

Please comply with the important guidelines in this manual to ensure the success of the program.

We hope this experience will be challenging and rewarding for every member of our sampling team.

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PARLIAMENT

SAMPLING PROGRAM

CERTIFICATION

This certifies that I have been instructed by representatives of Philip Morris U.S.A., or their designated distributing agency, of sampling guidelines and restrictions.

I will offer samples only to smokers who are 21 years of age or older, and I will follow all other sampling guidelines and restrictions.

I recognize that I am subject to immediate dismissal if I offer samples to any person who is not 21 years of age or older, or if I violate any sampling restrictions.

SIGNATURE

DATE

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