BATUS(®)

August 27, 1981

MEMORANDUM: PROPOSED BATUS-BWT LAW COMMUNICATIONS SYSTEM

This memo outlines a proposed system of law communications between BATUS and BWT.

Role of BATUS and BWT General Counsels. The communications system should only operate to support an agreed upon role of the general counsels. Attached as an appendix are the roles of the BATUS and Division (Group) General Counsels as set forth in the 1979 BATUS Organization Notebook. In my opinion, the roles as defined represent a balanced, reasonable means of achieving effective legal administration within our corporate/division system. The definition emphasizes communications, an essential element for coordination in any decentralized system. In addition, such communications are important in order to position the BATUS General Counsel to report on legal developments at Board meetings and to respond to questions on legal matters which might arise at such meetings.

Scope of communications. Only major items and activities should be the subject of communications. Accordingly, a substantial portion of law activities would not be