



**Farm
Labor
Organizing
Committee, AFL-CIO**

1221 Broadway Street, Toledo, Ohio 43609, Phone: 419-243-3456, Fax: 419-243-5655, www.floc.com

MEMORANDUM

To: Ms. Susan Ivey, Chairman, President and CEO Reynolds American Inc.

From: Baldemar Velasquez, President, Farm Labor Organizing Committee

Date: 14 November 2008

Re: FLOC's request for a meeting with you

I am requesting a meeting with you to discuss the conditions of tobacco farm workers who harvest the tobacco used by your company. This letter is my second request for a meeting with you.

On November 19, 2008, in support of my request for a meeting, you will be receiving thousands of post cards signed by Reynolds American stakeholders from around the United States calling on you to meet with FLOC. I hope you will take the time to review these post cards and understand the concern for tobacco farm workers behind each signature.

As you are aware, the Farm Labor Organizing Committee represents tobacco harvesters who harvest tobacco used by Reynolds American to manufacture its products. FLOC has years of experience with the concerns of tobacco workers and their needs in the fields. This is knowledge and experience that could be very valuable for your Company. I would ask that you not let preconceptions you might have about FLOC to cloud your perspectives. FLOC has pioneered many industry-wide win-win solutions to elusive problems in labor intensive agriculture. Some of them include, but are not limited to, the ending of "sharecropping and independent contractor" status of thousands of cucumber workers in partnership with corporate giants like Vlasic Pickle, Heinz USA, Dean's Foods and their subsidiaries Aunt Jane Pickle Co., and Green Bay Foods. We also led a public-private partnership with the State of Ohio to renovate 60% of Ohio's labor camps and ended the worse of the housing that could be best categorized as "squalor."

Your company's 2008 Corporate Responsibility Report states that as an objective RAI will ensure that key suppliers comply with applicable laws and adhere to responsible practices. When it comes to government regulations and labor practices identified as areas where suppliers will be audited, FLOC has valuable perspectives that can advance the objectives and goals of your Company. I do have the genesis of an idea of how to resolve your undocumented worker problem. As CEO and President of RAI, you have a responsibility for the well-being of the Company. This goes beyond the financial but also includes the ethical, human, the community, and the common good.

I am asking for a meeting with you to help advance your belief in your Company's commitment to Corporate Social Responsibility as a way of doing business. You state in your Chairman's Letter, Corporate Social Responsibility is a means, not an end. It is a prism through which potential actions can be viewed to better understand perspectives and reactions that are likely to be generated among our various stakeholder groups.

I can assure you that FLOC has an understanding of many of your stakeholder groups and can provide you with insights that could be very useful.

I would ask that we have an opportunity to meet so that I could better explain to you my own perspectives on the contract grower supply network and how the best conditions for those who harvest the tobacco crop can be achieved.

cc: Members, RAI Board of Directors