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October 16, 2001

Carrie Rubright
Regional Director of Human Resources
GlaxoSmithKline plc
5 Moore Drive
Research Triangle Park
North Carolina, 27709

Re: Greg Thorpe

Dear Ms. Rubright:

Greg Thorpe has retained me for assistance in connection with his employment situation. As you know, Greg has been a dedicated sales representative for Glaxo for almost 23 years. He was one of the first 100 sales employees hired for Glaxo Inc. and has made outstanding contributions to the company throughout the years. Greg has been a top performer in sales, and, as of today, is ranked ninth out of 31 in his Cerenex Division for the Rocky Mountain Region. Greg could easily obtain testimonials from as many as 50 prominent local physicians with whom he has built a network of trust and confidence over that past two decades. In addition, Greg is the devoted father of four children, two in college, one in 6th grade and one in 1st grade. He would like to be able to stay with the company to which he has devoted the last 23 years of his working life at least until his retirement age of 62½.

Having received nothing but commendations for the work he has been doing for GlaxoSmithKline, Greg was shocked to receive a formal "VERBAL WARNING" from District Sales Manager Pat Keith on October 1, 2001. He is concerned that this disciplinary action may simply be the *pro forma* prelude to an unwarranted and possibly illegal termination. Having reviewed both the VERBAL WARNING and Greg's Field Coaching Reports over the past year, I have to admit that the disciplinary action does not appear to have any factual support and may simply be pretextual in nature.

More specifically, the VERBAL WARNING has four bullet points that purport to represent grounds for disciplinary action:

You have reacted inappropriately to constructive feedback from management. This has been done through e-mail, and voice mail. An example of this is your recent voice mails

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rebutting your ratings for teamwork that appeared on the Sept. 18 coaching report.

Taking this statement at face value, if the recent voice mails rebutting his ratings for teamwork are merely an "example" of what is being discussed in this warning, then there must necessarily be other examples that preceded the September 17th coaching report, which, overall, rated Greg Thorpe as "fully effective."

However, the September 17th coaching report also contains the following:

Note: Are there any areas of skill, knowledge, behavior, or results that have been marked on page 1 (or on previous reports) as "needs development", that are of such a serious nature due to: 1) the degree of the deficit, and/or 2) the seriousness of the action, and/or 3) the lack of suitable progress toward improvements, that without immediate corrective action will necessitate the manager to begin the formal discipline process?
YES NO

There do not appear, then, to be any areas of skill, knowledge, *behavior*, or results that could have formed the basis for discipline at that point in time. In fact the four coaching reports up to September 17, 2001, for the periods ending 02/06/01, 04/19/01, 06/20/01 and 09/17/01, are excellent, and, again, in the "Note" box contain a negative indication that Greg had done anything in the areas of skill, knowledge, behavior or results that could merit some kind of discipline. Nevertheless, Greg was disciplined based primarily on his negative reaction to "constructive feedback" and his lack of "teamwork." If anything, the accusation that Greg has exhibited a lack of teamwork is even more disconcerting, because this criticism would appear to be solidly based upon Greg's disapproval of peer behavior and activities that were inappropriate and probably illegal.

The concern about teamwork is evidenced by the second bullet in the disciplinary warning:

You have had a negative attitude that has effected (*sic*) your team members in the territory. Your team members have shared that your overall attitude regarding the company has inhibited their ability to work with you. You have made numerous negative comments pertaining to your TSR counterpart (Ron Crews), in the presence of management.

Since no additional detail is given, it is difficult to tell who among Greg's team members have communicated a problem with Greg's attitude. The only individual actually mentioned is Ron Crews. However, the fact that only Crews is named is a cause for concern.

In a meeting attended by Pat Keith, Mike Bennett and my client, Greg expressed quite valid criticisms of Ron Crews for specific violations of company guidelines and F.D.A. regulations. Crews, for example, insisted on a "wine tasting" event at a

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physicians' program, which is clearly in violation of the company guidelines. Greg also pointed out that Crews was violating F.D.A. policy relating to promotion of drug products "off-label." Greg also pointed out that Crews was violating FDA policy relating to promotion of drug products "off-label." On May 23, 2001, a nationally recognized speaker on ADHD, Dr. Paul Wender, spoke to a group of physicians about the use of WellbutrinSR and its potential use in ADHD/ADD cases. The meeting was set up by Ron Crews and approved by Pat Keith. Apparently, GSK has employed this well-known physician to speak on this subject nationwide, advocating the benefits of WellbutrinSR in the treatment of ADD and ADHD in children. Greg Thorpe's objections to these presentations were made for the purpose of protecting the company from being involved in illegal activity and, as such, his protests are protected by law. Upon being approached by Greg Thorpe concerning the potential illegality of these presentations, Greg's supervisor, Pat Keith, should immediately have called Crews in for reprimand or discipline. Instead, it was Greg Thorpe who received the disciplinary action.

In response to the allegation that Greg exhibited a negative attitude in his comments about the performance evaluation and other company policies, Greg assumed that the program instituted by then GlaxoWellcome C.E.O. Robert Ingram called "Straight Talk" encouraging discussion and differences of opinion among employees and their supervisors was still in place, at least in spirit. He has now found out, to his dismay and perhaps to his detriment, that the new corporation has no intention of honoring that policy and desires whenever possible to stifle any criticism of company policies, regardless of how constructive or helpful that criticism might be to the company or the morale of the employees. Greg feels strongly that certain current employee policies have a definable negative impact on older employees such as himself. Again, his criticisms have been intended to reflect his thoughtful analysis on the negative impact changes in policy are having on the older employees of GlaxoSmithKline, with a view to having ultimately a positive impact by voicing his concerns. However, his willingness to criticize, however constructively, these policies has instead been met with this disciplinary action.

Greg also expressed valid criticisms about his TSR counterpart Crews in connection with the failure of Crews to perform even the minimum required follow-up with assigned psychiatrists. Crews had been responsible for calling on 25 top psychiatrist for the last four months at least every two weeks. GSK records will confirm that Crews had not called upon or even sampled 12 of these psychiatrists, and 7 had been contacted no more than twice. A minimum 25 calls every two weeks would have meant 200 calls to these important clients. Instead, Greg's review of the records for a 4 month period indicated that Crews had made a total of only approximately 40 calls. It is really the failure of Crews to do his job that has resulted in the diminution of teamwork, not Greg Thorpe's legitimately pointing that failure out to his supervisors.

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Greg was totally blind-sided by Pat Keith's criticism of Greg's 'teamwork' as it relates to Jim Butler. In Mr. Keith's field contact report of April 20, 2001 there was no mention of any teamwork problems involving Greg and Jim Butler. Subsequently Pat Keith spent an entire day riding with Greg Thorpe on Greg's calls yet never made mention of some alleged problem with Jim Butler.

Pat Keith has also been critical of Greg's comments to a co-employee, Annie Cutter, concerning the "Power of Performance" commission plan. Greg had been asked by Pat Keith to explain the plan to Cutter. At the time Greg attempted to detail the commission plan to Cutter, the volume increase factor had essentially been taken out of the equation and only market share and market share change were a part of the calculus. As Greg explained it to Annie Cutter, this was why she had seen her rank and pay-out so drastically reduced in just one month. It is no wonder she reacted negatively. However, her reaction is attributable to the change in the commission plan, not to anything Greg might have said to her.

Although not specifically spelled out in the VERBAL WARNING, Pat Keith informed Greg that he was also disappointed in Greg's lack of "teamwork" with Annie Cutter. However, similar to the criticism of Greg's lack of "teamwork" with Crews, Pat Keith's negative assessment of Greg in this regard stems in part from Greg's open criticism of an incident in which Cutter engaged in illegal activity. Cutter arranged to have Pikes Peak Community Health Center Chief Psychiatrist Fred Michel address a group of 60 physicians on the benefits of WellbutrinSR in the treatment of ADD and ADHD children, which, as indicated earlier in this correspondence, is not a use that has been approved by the FDA. Greg informed Cutter that the lecture was inappropriate and illegal, yet Pat Keith approved the lecture in spite of this, and Cutter submitted the lecture as one which would be about "depression". Notwithstanding that designation, Cutter's own notes on the lecture clearly indicate that the subject of the talk was the treatment of ADD and ADHD.

As far as the current commission plan, Greg feels that the plan, as well as the changes in benefits plans and his own current salary¹ have an obviously negative impact on older workers such as he. Greg is aware of at least one fellow sales representative with only four years of experience and without any significant difference in results who is paid a salary roughly equivalent to Greg's, and many other similarly situated employees are paid more. Greg's previous confidential inquiry to HR in July of 2001 requesting information about how Greg's salary was set - and whether tenure or

¹ Greg is paid \$81,000 as a top performer with many years of experience under his belt, when compared to the published Minimum - \$60k, Midpoint - \$90k, and Maximum - \$120k of the current salary plan.

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performance were taken into account - has been completely ignored.

Last, but not least, the teamwork issue has been colored by understandable problems that Greg has encountered with District Sales Manager Pat Keith. To the extent possible, Greg would like to have you keep confidential his comments concerning Pat Keith, since Greg will continue to be in the position of having to work with him. Pat Keith has taken confidential communications - statements that Greg specifically requested be confidential - to other people within the company with the expected result of causing dissension and divisiveness. On June 18th of this year, by agreement with Pat Keith, Greg waited at a designated spot to meet with Pat Keith for a ride-along. Pat Keith failed to appear. After a period of time, Greg telephoned Keith to find out the reason for the delay. Pat Keith informed him that he had been 'partying' the evening before and was too 'hung over' to attend the ride-along.

Besides his legitimate criticism of the compensation plan, Greg has expressed a legitimate concern over the drastic diminution of his benefits under the new retirement plan as well as the negative impact the changes to the plan have for older employees. The former plan 1.1% x final average earnings plus .6% of earnings that are in excess of ½ of the Social Security wage base in effect on the first day of the first year in which full time employment comes to an end times years of service yielded approximately twice the amount Greg will now receive at age 62 under the current Cash Balance Plan. With 23 years of devoted service to the company, how could he help but be justifiably upset about the impact of the new plan - an impact which will be felt by all of GSK's older workers similarly situated to Greg. For that reason, I am requesting that GSK provide us with its own calculations under both plans as they apply to Greg Thorpe, particularly the calculation of the "transition" credit as it applies to an employee like Mr. Thorpe who plans to work until at least age 62 and a ½.

Even more troubling are the changes in medical benefits upon retirement. In years past, the company provided full medical coverage upon retirement for the employee and his dependents. It was then changed to provide full medical coverage after 25 years with reduced percentages calculated after 20 years of employment. Most recently the benefit was reduced to a maximum of 90% of medical expenses to retired employees and only 70% for their dependents. This goes into effect after 20 years of employment with no additional credit for employees with additional years. Additionally, a cap of \$10,000 has been placed on medical benefits, further limiting medical benefits upon retirement.

Similarly, the GSK 401K plan has been reduced from a 6% match to a 4% match with 2% share in company stock. This would also appear to be a reduction for older workers such as Greg Thorpe who have been with the company for an extended period.

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of time.

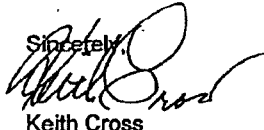
While I understand that an international company such as GSK, with some 39,000 employees world-wide, may find an exemplary employee such as Greg Thorpe expendable, my intent is to try to persuade you to continue to give Greg the opportunity he deserves after so many years as a dedicated and proficient employee. If Greg were to be forced into the general workplace at this point in his career, there is little doubt that he would be able to find replacement employment that would even approach his current financial position with GSK. I believe it is in the best interest of both GSK and my client to give Greg Thorpe the opportunity to finish his career.

However, Greg will be eligible for early retirement in May of 2002 because of the newly implemented "Rule of 75." In light of the significant discord between District Manager Pat Keith and Greg Thorpe, my client might be persuaded to accept a reasonable severance package from GSK, one that takes into account his current medical benefits (96% paid benefits with no 'caps') and Greg's 23 years of dedicated service to the company.

Because of the considerable physical and emotional strain caused by the recent developments in his employment with GSK and particularly the difficulties Greg has encountered with District Manager Pat Keith, Greg has been compelled to seek treatment from a medical professional, Dr. Elliott Cohen, who has placed Greg on medical leave from his job until at least October 29, 2001, at which time he will re-evaluate Greg's condition and make a further recommendation about his ability to return to work. Therefore, I am requesting that you contact either Greg or me before that date to discuss any suggestions you have in response to this letter.

Thank-you for your attention to this matter.

Sincerely,



Keith Cross

KC/cw
c.c. Greg Thorpe

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