TEMPLE & TEMPLE
ATTORNEYS-AT-LAW
SUITE 1510
400 WEST 15TM STREET
AUSTIN, TEXAS 78701

LARRY TOOPLE

1. LAWRINGS TIMES

PHONE: 512/477-4467 PAZ: 512/477-4478

September 3, 2004

<u>Via Facsimile – (214) 860-3723</u> <u>And Certified Mail – 7004 1160 0007 3145 2522</u> <u>Return Receipt Requested</u>

Mr. Robert D. Hamman President/CEO SCA Promotions, Inc. 8300 Douglas Avenue 6th Floor Dallas, Texas 75225

Re: Lance Armstrong; SCA Contract #31122

Dear Mr. Hamman:

I am general counsel for Capital Sports & Entertainment, Inc. ("CSE"), the company that represents Lance Armstrong. This letter is in response to your September 2, 2004 letter to Bill Stapleton.

CSE expects SCA Promotions, Inc. to pay the \$5,000,000.00 which it is legally obligated to pay Lance Armstrong. SCA has no justification for withholding the payment. The insurance policy in question requires SCA to pay \$5,000,000.00 if Lance Armstrong wins the Tour de France in 2001-04, and Mr. Armstrong accomplished that feat. There are not other requirements that Mr. Armstrong must satisfy for the bonus to be earned.

CSE and Tailwind Sports Corp. have cooperated with your company in providing the information you previously requested. However, the items you requested in your letter are completely irrelevant to the issue of whether Mr. Armstrong has earned his bonus. SCA is not entitled to Mr. Armstrong's medical records nor is it entitled to the contracts between the various parties you requested. The only pertinent fact is that Mr. Armstrong satisfied the conditions in SCA Contract #31122. There is absolutely no indication that the governing body of the Tour de France is even considering questioning the validity of Mr. Armstrong's victories.

CSE, Tailwind Sports Corp., and Mr. Armstrong expect that SCA will pay the \$5,000,000.00 it owes by the end of the business day on Wednesday, September 8, 2004.

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If that has not occurred, not only will we consider all our legal alternatives, but we are fully prepared to consider public relations alternatives, including releasing a press release on SCA's refusal to pay the amount it owes. We have no desire to take any legal or public relation actions, but after cooperating with SCA since Mr. Armstrong's Tour de France victory in July, we believe it is imperative that Mr. Armstrong receives the bonus to which he is entitled.

Although we are about to begin a holiday weekend, I will remain available to discuss this matter with you. I can be reached on my mobile number, which is (512) 423-6345.

I look forward to SCA's cooperation in this matter.

Yours very truly,

J. Lawrence Temple

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PHOPE: 512/477-4467 PAI: 512/477-4476

FAX COVER SHEET

DATE:

September 3, 2004

To:

Mr. Robert D. Hamman

President/CEO

SCA Promotions, Inc.

Fax Number:

(214) 860-3723

FROM:

J. Lawrence Temple

COMMENTS:

Number of Pages Including this Page:

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