

June 7, 2002

Tailwind Sports (Attention: Mark Gorsky) 88 Kearny Street, 4th FL San Francisco, CA 94108-5530

Dear Mark:

Reference is made to Postal Service sponsorship 102592-01-F-0858 for the Pro Cycling Team.

It has been brought to my attention that there is a dispute between the parties as to what the Postal Service is entitled to receive as hospitality under the sponsorship. I also understand that the hospitality being provided at the Philadelphia cycling event is significantly less than what the Postal Service has received in the past. Please be advised that the Postal Service considers it is due the hospitality it has experienced in its course of dealing with your firm in the past. Acceptance of the lesser hospitality in Philadelphia for this one event is not to be considered a waiver of Postal Service rights. In fact, the Postal Service reserves its right to seek consideration for this lesser service.

Due to our respective scheduling conflicts, we were not able to discuss this issue in a timely fashion. Therefore, I look forward to speaking with you early next week to resolve these issues.

Sincerely,

EXO

Lynua Zeiniek Contracting Officer Services Purchasing