

Kelly Price

From: Todd Overton [todd.overton@scapromo.com]
Sent: Monday, August 26, 2002 4:11 PM
To: Kelly Price
Subject: RE: Lance Armstrong

Kelly,

See below.

Todd,

I think Kelly miss-understands, the payment is not insurance and he is not an insured. He is an individual who has earned an incentive bonus. This is a paycheck, fully taxable and fully reportable. We are responsible for reporting the payment and based on the reading of the French law it appears the payment is reportable in France. This is his problem.

All we need is his SSN and address plus his agreement to be responsible for any taxes arising from the payment and we will report the income and forward the check.

Keep in mind we are not concerned with the assessing of taxes, all we care about is the reporting.

Tom

-----Original Message-----

From: Price, Kelly [mailto:kelly.price@esixcorp.com]
Sent: Monday, August 26, 2002 11:44 AM
To: 'Todd.Overton@scapromo.com'
Subject: Lance Armstrong

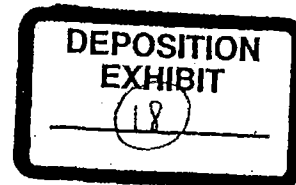
Could you please explain to me again why you can't pay Lance the bonus he has earned.

Since when was it the obligation of the insurance company to assess taxes on bonuses earned by players?...., on a foreign event. What is the relationship between SCR and Lance Armstrong? He is not an independent contractor nor an employee but an insured person.

He will be assessed taxes when he files his US & his French taxes. As I am sure you are aware he does have a home in France as well as TX.

If it would help the cheque can be made payable to 'Lance Armstrong c/o Tailwind Sports, LLC for bonuses earned during the 2002 Tour de France'. That is how the payments for his prior bonuses were processed and it was not a problem for anyone.

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RESPONDENTS 10