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September 30, 2004

Via Facsimile (214) 860-3413

Mr. Chris Compton SCA Promotions, Inc. 8300 Douglas Avenue, 6<sup>th</sup> Floor Dallas, Texas 75225

RE: Cause No. 04-9557; Lance Armstrong and Tailwind Sports, Inc. v. SCA Promotions, Inc.

Dear Mr. Compton:

This will confirm the cancellation of the meeting between representatives of Tailwind and Armstrong, on the one hand, and representatives of SCA, on the other, which was originally scheduled for today at 1:00 p.m. Mr. Michael Hood of Haynes & Boone called me yesterday and indicated that he did not believe this meeting, originally requested by Mr. Hamman at SCA, would be productive. We, thus, agreed not to meet.

My letter of September 24, 2004, reminded SCA that it had, in fact, been provided on August 16, 2004, the drug and doping test protocols which were conducted in connection with the Tour de France and that Mr. Armstrong's several tests showed no evidence of banned substances nor indication of any other procedure which would have artificially enhanced Mr. Armstrong's performance. That notification, as noted in my letter, provided the name, title, and contact information for Mr. Christian Varin whose email, also provided to SCA, not only verified testing results, but confirmed that Mr. Armstrong was subjected several times to both urine and blood antidoping tests, and successfully passed them all. Mr. Varin confirmed further that the tests results were managed by yet another French independent body, the CPLD, which is the (loosely translated) Counsel for the Prevention of Doping and is a body created by French legislation.

Although neither required nor authorized under the provisions of SCA Contingent Prize Contract Number 31122, the above referenced test results were provided as an accommodation and without the necessity of an SCA request. Mr. Armstrong's victory at the 2004 Tour de France was subject to intense scrutiny on numerous occasions, none of which revealed any performance enhancing drugs or procedures and all involved testing authorities and the UCI have unconditionally endorsed Mr. Armstrong's historic sixth consecutive victory.

Any suggestion by SCA that any of Mr. Armstrong's victories in the Tour de France (which are, incidentally, the only competitions relevant or material to the insurance contract at issue) are

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without basis, factually or contractually.

You have publicly stated that all SCA wanted were "test results"; that disingenuous (actually, outright false) statement ignored the detailed information and references which had been in SCA's possession for some five weeks when you made it. SCA has now had in its possession for some six weeks the unqualified confirmation of the international authorities as to those test results. SCA's refusal to pay the monies owed Tailwind and Armstrong, together with SCA's unlawful and unwarranted statements to the press and others concerning the subject of its "investigation" serves only to increase SCA's exposure and to exacerbate the harm to Mr. Armstrong, individually. In that connection, you are put on notice that Mr. Armstrong, individually and through his representatives, is in the process of negotiating numerous sponsor renewals and offers, and the subject of SCA's intrusion has been raised in those negotiations more than once. Mr. Armstrong will exercise all means available to recover from SCA the negative consequences flowing from SCA's conduct. I encourage you to remit the monies due Mr. Armstrong immediately to avoid further liability

Very truly yours,

Timothy J. Herman

TJH/jkm Enclosures

cc:

David Tanbenfeld Haynes and Boone, LLP 3100 Bank of America Plaza 901 Main Street Dallas, TX 75202 Via Facsimile