

1900 Pearl Street
Alistin, Texas 78705-5408
(512) 474-7300
(512) 474-8557 Fax

Direct Dial: (\$12) 474-9483 E-MAIL: therman@hermanhowry.com

Timothy J. Herman

September 21, 2004

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

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

Dear Mr. Compton:

I am in receipt of your letter dated September 10, 2004 and, I assume, you are in receipt of the courtesy copy of the Petition referenced above.

Since the filing of our petition, I have been provided information and first-hand evidence that SCA, acting through a private investigator and you, has contacted at least several parties involved in the international professional cycling community regarding Mr. Armstrong. Both you and your private investigator have defauned Mr. Armstrong and have engaged in other conduct that has caused injury to Mr. Armstrong's reputation. As a fundamental matter, your oral comments and conduct have had the effect of adversely affecting Mr. Armstrong's reputation and estimation in the community and has tended to expose him public contempt and/or ridicule. What makes the conduct and comments of SCA even more reprehensible is your offer to compensate persons for testimony which SCA would find helpful in its attempt to avoid its clear, unequivocal and past due obligations under its Contract of Insurance with Tailwind Sports, Inc.

Demand is hereby made upon SCA, its agents, employees, consultants, and representatives to immediately cease and desist from any further communication with anyone relating to Mr. Armstrong and alleged impermissible performance-enhancing chemicals, drugs, procedures, or other conduct.

SCA's attempts to associate Mr. Armstrong with illegal substances and procedures have been knowing and malicious, thus giving rise to a number of claims which are not subject to a contractual arbitration provision and are independently actionable. You may be assured that such independent claims and causes of action will be promptly and vigorously pursued, and will only enhance the substantial damages already sustained by Tailwind and Mr. Armstrong as the result of SCA's breaches of contract and violation of the DTPA and Insurance Code as more definitively addressed in the above referenced petition.

EXHIBIT

Stapleton

Stapleton

Stapleton

SCA 000107

Page 2 September 21, 2004

You are further put on notice that SCA's conduct in defaming Mr. Armstrong simply enhances the damages recoverable by Mr. Armstrong in the above-referenced matter and the arbitration referenced therein.

Very truly yours,

Timothy J. Herman

TJH/jkm