

AUSTIN & WASHINGTON, D.C.

July 2, 1999

Mr. Mark Gorski
General Manager
DF&P Furst and Partners
One Harbor Drive
Suite 200
Sausalito, CA 94965

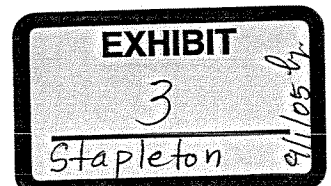
Dear Mark:

In accordance with our discussions, Lance Armstrong ("Armstrong") would like to continue his relationship as a member of the U.S. Postal Service Professional Cycling Team, which is owned and managed by Disson Furst and Partners ("DF&P"). This letter agreement (the "Letter Agreement") is intended to outline the general terms of a professional rider agreement into which Armstrong will enter with DF&P in the future.

1. The term of this Agreement is from July 2, 1999, to December 31, 2001. Armstrong's base salary and bonuses for 1999 will be based upon his existing rider agreement.

2. DF&P will pay Armstrong a base salary of \$750,000.00 in 2000 and \$975,000.00 in 2001. The base salary in each year will be increased if Armstrong earns any salary enhancements (the "Salary Enhancements"). If Armstrong earns any bonuses in 1999 in accordance with Section 3 of this Letter Agreement, his 2000 base salary will be increased by the amount of the bonuses. If Armstrong earns any bonuses in 2000 in accordance with Section 3 of this Letter Agreement, his 2001 base salary will be increased by the amount of the bonuses. Notwithstanding the previous two sentences: (i) the first \$75,000.00 in Salary Enhancements earned in 1999 will not apply to the 2000 base salary; and (ii) the first \$125,000.00 in Salary Enhancements earned in 2000 will not apply to the 2001 base salary. The Salary Enhancements in this Letter Agreement supersede the salary enhancements in Armstrong's current professional rider agreement regarding his 2000 salary. Armstrong's base salary will be paid in twelve equal installments due on the first of each month during the term. The maximum salary DF&P will be required to pay Armstrong in any calendar year is \$2,500,000.00.

3. In addition to the base salary in Section 2 of this Letter Agreement, DF&P will pay Armstrong performance bonuses based as follows:



EVENT	BONUS AMOUNT
Tour de France overall GC - 1 st place	\$1,000,000.00
Tour de France overall GC - 2 nd place	\$500,000.00
Tour de France overall GC - 3 rd place	\$300,000.00
Tour de France stage- 1 st place	\$75,000.00
Tour de France stage- 2 nd place	\$35,000.00
Tour de France stage- 3 rd place	\$10,000.00
Tour of Spain/Italy overall GC - 1 st place	\$250,000.00
Tour of Spain/Italy overall GC - 2 nd place	\$100,000.00
Tour of Spain/Italy overall GC - 3 rd place	\$50,000.00
Tour of Spain/Italy stage - 1 st place	\$20,000.00
Tour of Spain/Italy stage - 2 nd place	\$10,000.00
Tour of Spain/Italy stage - 3 rd place	\$5,000.00
World Championships road race - 1 st place	\$400,00.00
World Championships road race - 2 nd place	\$150,000.00
World Championships road race - 3 rd place	\$25,000.00
World Championships time trial - 1 st place	\$200,000.00
World Cups - 1 st place	\$100,000.00
World Cups - 2 nd place	\$35,000.00
World Cups - 3 rd place	\$10,000.00
Final UCI Points Standings - 1 st place	\$350,000.00
Final UCI Points Standings - 2 nd place	\$150,000.00
Final UCI Points Standings - 3 rd place	\$100,000.00
HC Stage Races GC - 1 st place	\$30,000.00
HC Stage Races Stage - 1 st place	\$15,000.00
USPRO Championship - 1 st place	\$35,000.00
UCI 1.1 one day races - 1 st place	\$25,000.00
Leader's Jersey at the Tour de France Winning the Jersey Stages 1-12	\$25,000.00
Leader's Jersey at the Tour de France Winning the Jersey Stages 13-22	\$50,000.00
Leader's Jersey at the Tour de France Defending the Jersey (Per Day) Stages 1-12	\$15,000.00
Leader's Jersey at the Tour de France Defending the Jersey (Per Day) Stages 13-22	\$25,000.00

Olympic Games - Road Race - 1 st Place	\$400,000.00
Olympic Games - Road Race - 2 nd Place	\$150,000.00
Olympic Games - Road Race - 3 rd Place	\$25,000.00
Olympic Games - Time Trial - 1 st Place	\$200,000.00

4. The bonuses listed in Section 3 of this Letter Agreement will also be used as Salary Enhancements. Notwithstanding anything to the contrary in Section 3 of this Letter Agreement: (i) Only one of the Tour of Spain or the Tour of Italy may count for bonuses or Salary Enhancements in any given calendar year; (ii) The Tour of Spain/Italy bonuses and Salary Enhancements apply fully only if Armstrong does not complete the Tour de France, but if Armstrong does complete the Tour de France, the Tour of Spain/Italy bonuses and Salary Enhancements are 50% of what is indicated in Section 3 of this Letter Agreement; (iii) The Tour de France and Tour of Spain/Italy Salary Enhancements for stages apply only if Armstrong does not earn a Salary Enhancement for GC in the same race; (iv) In 1999, the World Cup bonuses and Salary Enhancements will apply only to one mutually agreed upon World Cup event, but in 2000 and 2001, they apply to all World Cup events; (v) The Olympic Games bonuses will only count as Salary Enhancements for 2001 but not as a separate bonus in 2000; (vi) The maximum amount of bonuses Armstrong can earn in any one calendar year is \$1,500,000.00; and (vii) the first \$110,000 Armstrong earns in bonuses in any calendar year will not be paid.

5. Armstrong will invoice DF&P whenever Armstrong is entitled to a bonus, and DF&P will pay the invoice within 30 days of receipt of the invoice.

6. The U.S. Postal Service, Trek (road bike only), and Giro are the only team sponsors which have usage rights to Armstrong's name, likeness, or image. Before any other team sponsor - e.g. Visa - can use Armstrong's endorsement, name, likeness, or image, that sponsor must enter into a separate marketing agreement with Armstrong. DF&P will strictly monitor the use of Armstrong's endorsement, name, likeness, and image by team sponsors, and the parties will enter into a liquidated damages provision in their complete rider agreement. DF&P will clearly communicate the terms of this Section 6 to all its sponsors and prospective sponsors.

7. Armstrong will have extensive input into rider and staff composition. DF&P currently has automatic extensions for the following riders: K. Livingston, G. Hincapie, T. Hamilton, J. Vaughters, M. Jeminson, F. Andreu, C. Vandeveldel, J. Dean, and D. Casey.

8. DF&P expressly acknowledges and permits Armstrong's existing sponsorship relationships, including: Nike (shoes, socks, and gloves), Oakley (eyewear), At-A-Glance (posters), bike.com, inc., Giro, Trek, and Rodale Press.

9. Armstrong will wear U.S. Postal casual wear (e.g. polos, denims, dress shirts, etc.) at media and other photo opportunities for the team.

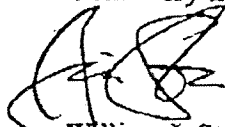
10. If Armstrong is the subject of a verified positive drug test, DF&P may terminate this Letter Agreement.

11. In the more complete rider agreement, DF&P and Armstrong will agree to a provision for fair compensation to the team if Armstrong retires or does not voluntarily participate in the Tour.

12. The venue provision from Armstrong's prior professional rider agreement with Montgomery Sports, dated December 12, 1997, will remain in effect. All other provisions from that agreement, including the duties of Armstrong with respect to team equipment and clothing, do not apply and alternative provisions will be mutually agreed upon by the parties when this Letter Agreement is further reduced to writing as set out below.

The terms set forth in this Letter Agreement are a binding agreement between DF&P and Armstrong, and will govern the relationship between the parties until they complete and execute a more detailed agreement mutually agreeable to both parties. If DF&P agrees with the terms of this Letter Agreement, please indicate by signing and returning a copy of the letter to me. Once we have this binding Letter Agreement executed, we can begin working on a more detailed team agreement that incorporates the terms of this Letter Agreement.

Yours very truly,

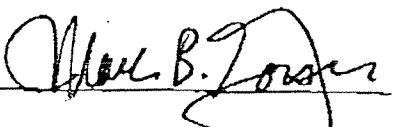


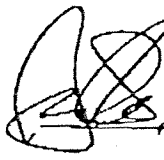
William J. Stapleton, III
President
Capital Sports Ventures, Inc.

Acknowledgment of and agreement to the Letter Agreement:

DISSON FURST AND PARTNERS

LANCE ARMSTRONG

By: 

 Attorney in fact for Lance Armstrong

Date: July 2, 1999

Date: _____