

April 4, 1984

Australia's Defence of the
America's Cup 1987 Pty. Ltd.,
17th Floor, Allendale Square,
St. George's Terrace,
PERTH, Western Australia.

re: AMERICA'S CUP DEFENCE

Gentlemen:

The purpose of this letter is to set forth the agreement between your company, Australia's Defence of the America's Cup 1987 Pty. Ltd., (hereinafter referred to as "ADAC") and our company, International Merchandising Corporation, a member company of International Management Group (hereinafter referred to as "IMG"), under which the ADAC has retained and appointed IMG to be the exclusive worldwide agent and representative for the ADAC in connection with certain commercial aspects of the America's Cup Defence to be held commencing in late 1986 and concluding in early 1987.

1. Merchandising - Worldwide

During the Representation Period (as hereinafter defined) IMG shall represent the ADAC throughout the world in connection with the solicitation, negotiation and administration of licensing and other similar merchandising arrangements relating to the Defence. IMG will, in co-operation with the ADAC, work to develop an approved logo which could be trademarked in various parts of the world and utilised on relevant and prestigious merchandise in various product categories.

All trademarks, licensing contracts, products, advertising and collateral promotional material used or distributed throughout the world shall be subject to prior approval by the ADAC.

As compensation, IMG will receive a commission of thirty percent (30%) of the gross proceeds flowing from contracts of the aforementioned type. IMG will pay all of its own expenses in conjunction with the activity, except that fees and expenses for trademark registration will be paid by IMG and the ADAC on a 30%/70% basis.

2. Domestic Television Contract

IMG will, upon request, advise and consult with the ADAC on all phases of the negotiation of domestic television arrangements for the Defence. IMG's consultation in this area will involve technical as well as legal assistance, with a view to ensuring that foreign broadcasters would have - free of charge - access to clean feed with international sound, as well as reasonable protection in terms of territorial exclusivity.

IMG will perform these services for the ADAC on an "expenses only" basis plus whatever fee (including no fee at all), you feel, in your sole

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discretion, our services are worth, after determination can be made by the ADAC on an after-the-fact basis.

Once again, IMG will incur no expenses in conjunction with this activity prior to having them approved by the ADAC or its designated representative.

3. International Television Rights

IMG will undertake the sale of overseas television rights to the aforementioned events in return for a commission of thirty percent (30%) of the gross licence and other fees paid by foreign broadcasters. IMG will pay all of its own expenses incurred throughout the world in conjunction with this activity.

4. Domestic Sponsorship Rights

IMG will, upon request, advise and consult with the ADAC in connection with the development, negotiation and administration of domestic sponsorship packages. IMG will perform these services for the ADAC on an "expenses only" basis plus whatever fee (including no fee at all) you feel, in your sole discretion, our services are worth, which determination can be made by the ADAC on an after-the-fact basis. IMG will incur no expenses in conjunction with this activity prior to having them approved by the ADAC or its designated representative.

5. International Sponsorship Rights

IMG will solicit and negotiate international sponsorship opportunities - all of course subject to prior approval by the ADAC and/or its designated representative - in return for a commission of thirty percent (30%) of the gross licence and other fees paid by foreign sponsors. IMG will pay all of its own expenses incurred throughout the world in conjunction with this activity.

6. Film Documentary

IMG will develop and sell on a worldwide basis an educational film documentary as well as a documentary film of the Defence itself, to one or more sponsors throughout the world and will endeavour to tie in the exposure of these films to the foreign and domestic television contracts. As compensation, IMG will receive a commission of thirty percent (30%) of the gross amount of all fees paid by broadcasters. IMG will pay all of its own expenses incurred throughout the world in conjunction with this activity.

7. Publishing and Programmes

IMG shall further represent you in connection with the development, publication and distribution of publications relating to the Defence, it being understood that any and all publications shall be subject to the prior approval of the ADAC. As compensation, IMG will receive a commission of thirty percent (30%) of the gross amount of all fees paid by publishers. IMG will pay all of its own expenses incurred throughout the world in conjunction with this activity.

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8. Entertainment Facilities

IMG will, as and when requested by ADAC, develop, negotiate and administer the entire entertainment facilities complex to be held at or about the location of the ADAC in connection with the Defence, in the same general manner that IMG administers such facilities at The Wimbledon Lawn Tennis Championships and at other prestigious sporting events throughout the world. As compensation, IMG will receive a commission of thirty percent (30%) of the net profits (meaning gross receipts less direct expenses incurred in connection with such facilities) which result from this activity.

9. Communication and Consultation

IMG agrees to keep the ADAC, through its designated representative(s), informed on a current basis of the nature of IMG's efforts on behalf of the ADAC either through telephone, telex, letter, fax or written reports, as appropriate. If the ADAC should desire a meeting with executives of IMG to clarify the nature of IMG's activities hereunder, IMG agrees to make such individuals available to meet with the designated representatives of the ADAC at a location designated by IMG (which will be determined taking into account the location, travel schedules and other commitments of those executives) and except for trips taken in accordance with paragraph 2 and 4 above, the overseas travel costs of those persons travelling (IMG executives or ADAC representatives) will be paid by IMG and the ADAC on a 30%/70% basis, provided there will be no more than three trips per year on this cost-shared basis.

10. Representation Period

The term of this agreement (the "Representation Period") shall commence on April 15, 1984, and shall conclude on December 31, 1987, it being understood that if the America's Cup Defence shall be postponed to any later year, then the Representation Period shall conclude on December 31 of the calendar year during which the Defence shall be held.

11. Payments

IMG shall receive all licence fees and other amounts payable hereunder, shall deduct its appropriate commission, and shall remit the balance promptly and without undue delay to the account designated by the ADAC.

12. Books and Records

IMG agrees to supply the ADAC with periodic reports on all moneys received by IMG in connection with its activities on behalf of the ADAC. IMG agrees that the ADAC or an accounting firm designated by the ADAC shall have the right, during the Representation Period and during a two-year period thereafter, during business hours and upon reasonable advance notice, to inspect the books and records of IMG in order to verify the accuracy of the information reported to the ADAC hereunder.

13. Other IMG Activities

The ADAC understands that inasmuch as IMG is engaged in the

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business of management and representation of sporting and other organisations and personalities, IMG may represent other individuals and organisations in addition to the ADAC.

14. Related Companies

It is understood that IMG is a member company of International Management Group which is a group of companies under common ownership and control and which is involved in sports representation, marketing, consulting and broadcasting in Australia, North America, Europe, Japan and elsewhere in the world. The ADAC understands that the obligations of IMG set forth in this agreement may, within Australia, be carried out by representatives of International Management Group of Australia Pty. Ltd., and IMG hereby guarantees the performance by such company of all of the obligations of IMG set forth in this agreement.

15. Successors and Assigns

This agreement shall be binding upon our respective successors and assigns, it being understood that neither party shall have the right to assign this agreement without the advance written approval of the other.

16. Governing Law

This agreement shall be governed and interpreted in accordance with the law of Western Australia.

If the foregoing sets forth the terms and conditions of our agreement to your satisfaction, could you please indicate your agreement by signing at the place provided below.

Sincerely yours,

INTERNATIONAL MERCHANDISING CORPORATION

By

Mark H. McCormack
Chief Executive Officer

Read and Agreed:

AUSTRALIA'S DEFENCE OF THE AMERICA'S CUP 1987 PTY. LTD.

By

[Signature] DIRECTOR
[Signature] SECRETARY



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