

AGREEMENT

THIS AGREEMENT is entered into this 15th day of May, 1998, between WORLD TRIATHLON CORPORATION, a Florida corporation (referred to herein alternatively as "World Triathlon Corporation," "WTC," and "Plaintiff"), INTERNATIONAL TRIATHLON UNION, a Canadian corporation (referred to herein alternately as "ITU" or "Defendant"), LESLIE McDONALD (referred to herein as "Defendant") and USA TRIATHLON, a not-for-profit California corporation (referred to herein alternatively as "USAT" and "Defendant").

WITNESSETH:

WHEREAS, certain disputes have arisen between and among the parties to this Agreement;

WHEREAS, World Triathlon Corporation has instituted a federal civil lawsuit styled World Triathlon Corporation v. International Triathlon Union, Leslie McDonald, and USA Triathlon, Case No. 97-2382-CIV-T-25A which is pending before the United States District Court for the Middle District of Florida ("the Litigation") concerning certain of these disputes;

WHEREAS, the parties desire to resolve certain of these disputes in this Agreement;

WHEREAS, the parties believe that the dismissal of the Litigation without prejudice is appropriate;

IT IS THEREFORE AGREED as follows:

I. DISMISSAL OF LITIGATION

All parties to the Litigation consent to the voluntary dismissal, without prejudice, of the action with each party bearing its own costs and attorneys' fees. Within five (5) days of the execution of this Agreement, counsel for the parties shall sign and file with the Court the

Stipulation attached as Exhibit "A." It is expressly recognized that the voluntary dismissal of the action is without prejudice to WTC and does not constitute compromise, release, accord or satisfaction of any claims raised by WTC in the action. Specifically, WTC specifically reserves the right in the future to seek redress for any actions or inactions of the Defendants predating this Agreement. By entering into this Agreement, no party admits any liability or wrongdoing.

II. JURISDICTION

The parties hereby consent to the jurisdiction of the Court of Arbitration for Sport (the "CAS") for all disputes involving an alleged breach of this Agreement or seeking to enforce any of the terms of the Agreement, except disputes involving IV (A), (C) or (D) below.

III. RECOGNITION OF WTC'S CORPORATE NAME

A. In all future communications emanating from or disseminated by Defendants, which refer or relate to Plaintiff, Defendants shall properly identify Plaintiff as "World Triathlon Corporation" (or the designation "WTC" where appropriate) unless and until such time as Plaintiff's corporate name is formally changed or modified. Furthermore, Defendants shall not, either directly or indirectly, prohibit, interfere with or disparage Plaintiff's use of the term "World" in its corporate name.

B. When referring to Plaintiff in any written or verbal communication, Defendants shall not use the identification "Ironman Corporation," "Ironman Company" or any variance thereof (unless Plaintiff formerly changes or modifies its corporate name to such identification).

C. To the extent that the International Olympic Committee ("IOC") or any national federation member of ITU employs improper terminology when identifying or referring to Plaintiff, the Defendant ITU involved shall make a formal, written request that such offending

party properly identify Plaintiff as “World Triathlon Corporation” (or where appropriate the designation “WTC”) and to cease usage of any improper designation.

IV. RECOGNITION OF WTC’S TRADEMARKS AND TRADE NAMES

A. Defendants hereby acknowledge and recognize World Triathlon Corporation’s superior and exclusive ownership of the trademarks and trade names: “IRONMAN,” “IRONMAN TRIATHLON,” “IRONMAN TRIATHLON WORLD CHAMPIONSHIP,” “IRONMAN WORLD TRIATHLON CHAMPIONSHIP,” “IRONMAN WORLD CHAMPIONSHIP” and “IRONMAN TRIATHLON CHAMPIONSHIP” (the “trademarks and trade names”).

B. Defendants acknowledge and recognize WTC’s superior right to use the trademarks and trade names to identify its triathlon events. Defendants shall not adopt any rule which, either directly or indirectly, prohibits or impairs WTC’s right to use the trademarks and trade names in connection with its triathlon events.

C. Unless duly authorized in writing by WTC, no Defendant shall use or authorize the use of any of the trademarks or trade names. Further, Defendants acknowledge and recognize the right of WTC to employ all lawful measures to enforce and protect its rights in the trademarks and trade names.

D. Defendants acknowledge and recognize the exclusive right of World Triathlon Corporation and/or its exclusive licensees to license the trademarks and trade names for use by others on those services and goods.

V. SELF-DECLARED WORLD CHAMPIONSHIPS

ITU hereby acknowledges and recognizes that the Ironman Triathlon World Championship does not constitute a “self-proclaimed” or a “self-declared” world triathlon

championship within the meaning of any applicable ITU rule or policy. ITU shall not either directly or indirectly, impose or threaten to impose sanctions on any athlete, organization or entity participating in or involved with WTC's Ironman Triathlon World Championship on the basis of this event title. ITU will discourage and use its best efforts (including but not limited to the withdrawal of good standing in ITU) to prevent member national federations from imposing or threatening to impose such sanctions.

VI. TRIATHLON RACE SANCTIONS

A. ITU shall not in any way influence nor adopt any rule or policy, whether written or unwritten, prohibiting the issuance of a sanction by any member national federation to World Triathlon Corporation for any of its Ironman races, including but not limited to the Ironman Triathlon World Championship *provided however* that WTC shall comply with all non-discriminatory rules and requirements applicable to the issuance of such a race sanction, including but not limited to the Amateur Sports Act of the United States.

B. USAT shall consider and process any sanction application filed by WTC in a non-discriminatory manner, applying the same rules and procedures as sanction applications for other applicants. Should USAT grant WTC a race sanction, WTC shall be entitled to secure insurance coverage and any other related benefits accorded to a USAT sanctioned race.

C. ITU shall not take any action nor promulgate any rule or policy, whether written or unwritten, whether formal or informal, which either directly or indirectly prohibits, penalizes or sanctions any athlete solely for competing in any of the Ironman races, *provided however*, that ITU shall be permitted to penalize or sanction athletes in the case of non-discriminatory, widely-accepted areas of sports governance such as banned, performance enhancing substances.

D. USAT shall not withdraw, revoke or cancel any sanction granted to WTC unless or until such action has been ratified by the CAS following a proceeding in which WTC shall be a party respondent; provided, however, that this provision does not apply to USAT's withdrawal, revocation or cancellation of a sanction granted to WTC for non-discriminatory grounds involving widely accepted areas of sports governance such as dangerous race course conditions.

VII. WTC - ITU COOPERATION

A. WTC and ITU will, in good faith, cooperate for the purpose of creating a united and strong sport of triathlon. WTC expressly recognizes, acknowledges and supports the Olympic aspirations of the sport of triathlon and will exercise its best efforts to insure the success of the sport of triathlon at the Sydney Olympics in the year 2000.

B. ITU shall expressly and fully recognize the contributions of WTC and the Ironman races in any history of the sport of triathlon emanating from or endorsed by ITU. ITU shall expressly recognize the "Ironman" triathlon distance in any triathlon rule books emanating from or endorsed by ITU. In these regards, WTC hereby grants ITU permission to use the trademark and trade names in ITU manuals and materials describing the history of the sport of triathlon and/or setting forth the rules for the sport of triathlon.

C. No person who is an employee, agent, officer, director or shareholder of WTC shall, by virtue of this status alone, (1) be deemed ineligible to serve as an employee, agent, officer, director or shareholder of any Defendant or any other national federation nor (2) be deemed to have a conflict of interest barring such person from serving in such a capacity. Attached as an exhibit to this Agreement is a copy of all applicable statutory conflict of interest rules pertaining to ITU. Any employee, agent, officer, director or shareholder of WTC deemed

to have a conflict of interest with ITU shall have the right to seek review of such declaration of conflict of interest by CAS.

D. On at least an annual basis, WTC and ITU shall meet for the purpose of coordinating the non-conflicting scheduling of WTC's Ironman races and ITU's World Cup Series and World Championship. The sites of such meeting shall alternate between locations designated by WTC and ITU.

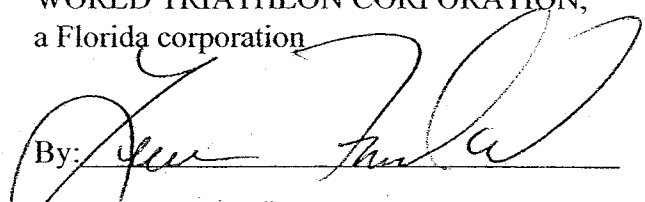
VIII. DRAFTING

ITU's executive board expressly endorses and supports the proposition that drafting should only be permitted in junior and elite divisions at triathlon events. The executive board of ITU expressly opposes drafting in all other age group levels in triathlon events. In furtherance of this position, the executive board of ITU shall present and recommend to the next ITU Congress the adoption of a formal rule and policy opposing drafting except in junior and elite divisions.


IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the date set forth above.

WITNESSES:

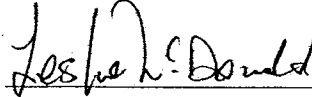
WORLD TRIATHLON CORPORATION,
a Florida corporation

By: 
As Its: PRESIDENT

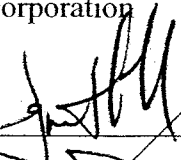
INTERNATIONAL TRIATHLON UNION,
a Canadian not-for-profit corporation

By:  (MARK SISSON)

As Its: TREASURER

 - president
Leslie McDonald

USA TRIATHLON, a California ~~Canadian~~ not-for-profit corporation

By:  (Jonathan Grinder)

As Its: President

