



PHILIP MORRIS

MANAGEMENT CORP.

120 PARK AVENUE, NEW YORK, N.Y. 10017 • TELEPHONE (212) 880-5000

April 26, 1990

Mr. Daniel Ramos
President
Feria Mundial Hispana, Inc.
717 West 177th Street, Suite 7
New York, New York 10033

*File 405-Special
Events*

1990 Feria Mundial Hispana Sponsorship

Dear Mr. Ramos:

This letter constitutes the agreement between Philip Morris Management Corp., on behalf of Philip Morris USA ("PM USA") and Kraft General Foods ("KGF"), and Feria Mundial Hispana, Inc. ("Promoter"), regarding PM USA and KGFs' Title Sponsorship of the Feria Mundial Hispana, Inc. (the "Event") to be held July 27, 28 and 29, 1990. The terms of the agreement follow:

1. Sponsorship Rights. As Title Sponsors of the Event, PM USA, and its MARLBORO brand, and KGF will be entitled to the following:

(a) the exclusive use of 24 booths and on-floor storage space, in locations designated on the floor plan annexed hereto, throughout the duration of the Event, with activities within the booths to be supervised and staffed exclusively by PM USA and KGF;

(b) the right to hang banners and signage on and around the Booths, at the entrance to the Event, on the Special Events Hall stage, in the Exhibit Hall at the entrance to the Special Events Hall, and at other places at the site of the Event to be mutually agreed upon by the parties. Banners and signage will be provided by PM USA and KGF in accordance with Promoter's specifications;

(c) the exclusive right to conduct cigarette sampling among smokers over the age of twenty-one years at promotional locations and the site of the Event;

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(d) PM USA and KGF will enjoy the following advertising benefits in connection with their Title Sponsorship of the Event:

1. PM USA and KGF will be identified as Title Sponsors on 3,000 subway car-cards (11" x 28") featuring the entertainers who will appear during the event;
2. PM USA and KGF will be identified as Title Sponsors in ten full-page newspaper advertisements to be published prior to the event which promote major entertainers who will be performing on the Central Theatre Stage during the Event;
3. PM USA and KGF will be identified as Title Sponsors in 200,000 flyers to be distributed 60 days prior to the Event during major Hispanic parades in New York and New Jersey and in major Hispanic populated areas;

(e) KGF will enjoy the following advertising benefits in connection with its Title Sponsorship of the Event:

1. KGF will be identified as a Title Sponsor in fifty 30-second television commercials. The commercials, to be aired on a Hispanic Television station, will promote the Event and the entertainment to be featured during the Event;
2. KGF will be identified as a Title Sponsor in one hundred 30-second radio commercials. The radio commercials will promote the Event and the entertainment to be featured during the Event;

(f) PM USA and KGF will enjoy the right of a Title sponsor to have dominant exposure on the 100 foot theatre stage throughout the Event;

(g) as Title Sponsors, PM USA and KGF will present to the public three days of International, National and Regional superstar entertainers, including the International Folkloric Dance Groups, who will perform on the Special Events Stage;

(h) PM USA and KGF will have exclusive use of the V.I.P. hospitality suite in the balcony of the Theatre Hall (the "balcony/hospitality suite") for all performances throughout the entire Event;

(i) PM USA and KGF brand names will be printed on admission tickets to the Event, and PM USA and KGF brand logos will appear

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on all PM USA and KGF V.I.P. passes for the balcony/hospitality suite. PM USA and KGF may, at their own expense, establish a separate entrance to the Event at which members of the public will receive a \$1 discount on the ticket price for the Event upon presentation of proofs of purchase of PM USA and KGF products.

(j) PM USA and KGF brand names will appear on 1000 retailer passes to be provided by Promoter without charge and distributed by PM USA and KGF;

(k) PM USA and KGF will have exclusive use of prime exhibit space (20 x 40) located in the main traffic aisle of the main exhibition hall;

(l) PM USA and KGF will have exclusive use of or absolute unloading priority on a loading dock at the Event site and Promoter will provide the services of two carpenters to PM USA and KGF and will negotiate in good faith on behalf of PM USA and KGF for discounted drayage;

(m) a representative of PM USA and KGF will participate in the inauguration of the Feria Mundial Hispana;

(n) PM USA and KGF will have the right to approve in advance all materials and announcements prepared by Promoter that mention PM USA or KGF or PM USA and KGF brands, provided that the approval is effected on a timely basis.

2. Sponsorship Payment. For the rights and permissions granted under the Agreement, Philip Morris Management Corp. will pay Promoter the sum of \$50,635 for Title Sponsorship; \$16,875 for sponsorship of the Exhibit Hall Stage; and \$3,000 for sponsorship of the balcony area. Total payments, including payments previously made, will not exceed \$70,510 throughout the term of the Agreement. The first payment to Promoter, in the amount of \$24,000, was made by KGF. A second payment, in the amount of \$35,255, will be made within ten days of execution of the Agreement. The final payment, in the amount of \$11,255 will be paid to Promoter thirty days prior to the Event.

3. Term. The term of the Agreement will commence upon execution of the agreement, and continue through the completion of the Event. PM USA and KGF have the right to renew the Agreement in 1991, if the Event is held in 1991, upon written notice delivered to Promoter on or before January 1, 1991. PM USA and KGF have the right to renew the Agreement in 1992, if the Event is held in 1992, upon written notice delivered to Promoter on or before January 1, 1992.

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4. Exclusivity. Promoter will not enter into any sponsorship agreements with any other manufacturer of cigarette or tobacco products, nor permit any signage, commercial identification or sampling activities of any other cigarette or tobacco products in connection with the Event, without the prior written consent of PM USA.

5. Independent Contractor. Promoter is and will remain an independent contractor and nothing in the Agreement will create a relation of principal and agent or employer and employee between PM USA or KGF and Promoter or any of its employees.

6. The Names. Promoter will have no right or interest in the brand names owned by PM USA or KGF, including the MARLBORO brand name, or the slogans, designs of logo-types associated with PM USA and KGF products, except a limited right to use pursuant to the Agreement. All use is subject to the advance approval of PM USA and KGF required by paragraph 1(1).

7. Insurance. Prior to the commencement of the Event, Promoter will deliver to PM USA certificates of insurance evidencing coverage for (1) comprehensive general liability, including advertiser and contractual liability, with limits of no less than \$5,000,000 combined single limit for bodily injury and property damage; (2) statutory worker's compensation coverage meeting all state and local requirements; and, (3) employer's liability with limits of no less than \$500,000. The certificate of insurance required by subparagraph (1) must name PM USA and KGF as additional insureds and provide that PM USA and KGF must have at least thirty days' prior written notice of any cancellation or modification of the insurance. The insurance must be primary coverage without right of contribution from any other PM USA or KGF insurance.

8. Notices. Any notice given under the terms of the Agreement must be in writing and delivered by United States certified mail, return receipt requested, postage prepaid, and if to Promoter, at the address set forth above, attention: Mr. Daniel Ramos, and if to PM USA, to Philip Morris Incorporated, 120 Park Avenue, New York, New York 10017, attention: Director, Events Promotions.

9. Governing Law. The Agreement shall be governed by the laws of the State of New York applicable to contracts made and entirely performed in New York.

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10. Miscellaneous.

11.1 Force Majeure, acts of God, or other causes beyond the control of either party delaying or causing the cancellation or delay of the Event will not subject Promoter or PM USA and KGF to any liability hereunder, except if, and to the extent, otherwise specifically provided herein.

11.2 The Agreement may not be modified or amended except by a writing signed by both parties. No waiver of a breach of any term of the Agreement shall be deemed a waiver of any subsequent breach of that term or any other term or a general waiver.

11.3 The Agreement may not be assigned by either party without the written consent of the other.

11.4 This Agreement sets forth the entire agreement between the parties on its subject matter and supersedes all previous oral or written agreements between them on the subject matter.

11.5 Each party hereto will comply with all applicable Federal, state and local laws, regulations and ordinances affecting its activities hereunder including, but not limited to Title 15 U.S.C. §§ 1331 et seq.

If the foregoing accurately sets forth our understanding, please signify your acceptance and agreement by executing the enclosed copies of this letter and returning one countersigned copy to me.

Very truly yours,

PHILIP MORRIS MANAGEMENT CORP.

By: _____
Title: _____

ACCEPTED AND AGREED AS OF
THE DATE OF THIS LETTER:

By: _____
Daniel Ramos

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