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PHILIP MORRIS

U.S.A.

120 PARK AVENUE, NEW YORK, N.Y. 10017-5592 TELEPHONE (212) 880-5000

July 31, 1992

Ms. Michelle Marcisak

Personal Confidential
Redacted

Dear Ms. Marcisak:

This letter, when countersigned below, will constitute the agreement between you and Philip Morris Incorporated ("Philip Morris"), pursuant to which you will render services for Philip Morris and Virginia Slims Shopping Fling Program (the "Program") as described herein. The terms and conditions of our agreement are as follows:

1. Services. Your services will be as publicity coordinator for the Program, and will consist of, but not be limited to:
 - (a) Assisting publicity manager with all aspects of public relations as requested or needed;
 - (b) Assisting publicity manager in tracking budget;
 - (c) Assisting in securing designers for media appearances, including itineraries, travel arrangements, confirmation letters and follow through;
 - (d) Assisting in securing designer clothing for various public appearances;
 - (e) Assisting in securing models for media events;
 - (f) Regularly updating commitment calendar for distribution;
 - (g) Accompanying designers to event cities to ensure all plans are executed properly;

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(h) Communicating and generating follow-up memos to public relations agencies as needed;

(i) Providing on-site support at events as requested; and

(j) Processing invoices and follow up on billing inquiries.

Contractor will be available to meet at reasonable times with Philip Morris representatives at Philip Morris headquarters in New York or other locations designated by Philip Morris. Contractor will perform in a professional manner throughout the term of the Agreement.

2. Compensation. In full and complete consideration for the services you render throughout the term of this Agreement, Philip Morris will pay you a monthly fee of [Trade Secret] Total payments to Contractor by Philip Morris for services during the term of the Agreement will not [Trade Secret Information] Payments will be made on or before the twenty-fifth day of each month in which services are rendered upon Philip Morris' receipt of an itemized invoice detailing the services performed. It is understood that for one week, selected by Contractor subject to the approval of Philip Morris, during the term of the Agreement, Contractor will not be required to perform services.

3. Expenses. Philip Morris will reimburse you for all reasonable expenses actually incurred in providing services within 30 days of Philip Morris' receipt of a detailed monthly invoice for the expenses incurred. All expenses of twenty-five dollars or more must be submitted with receipts. Expenses that exceed \$250 must be approved in advance by an authorized representative of Philip Morris. Total expenses are not to exceed [Trade Secret] throughout the term of the Agreement without the prior written approval of Philip Morris. *including insurance premiums,* *BA* *MM*

4. Term. This Agreement will commence on August 1, 1992 and continue through December 31, 1992 subject to the right of each party to terminate this Agreement on thirty (30) days written notice to the other party. If Philip Morris terminates the Agreement, Philip Morris will have no liability or payment obligation to you after the effective date of the notice of termination, with the exception of payment obligations incurred prior to termination.

5. Independent Contractor. You are and will at all times remain an independent contractor and will not be considered an employee, agent, or representative of Philip Morris. You are not authorized to negotiate or enter into any agreement on behalf of or as agent for Philip Morris without Philip Morris' prior written approval.

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6. Exclusivity. During the term of this Agreement and for six months after the term, you will not, without the prior written approval of Philip Morris, engage in consulting or similar activities for a company that competes with any tobacco product of Philip Morris, ~~its subsidiaries, or affiliates.~~ (S)(M)

7. Records. You agree to keep accurate books and records of account with respect to your activities on behalf of Philip Morris and make periodic reports to Philip Morris on your activities on behalf of Philip Morris as directed by Philip Morris. Philip Morris or its agents will have the right, at Philip Morris' expense, to audit your books from time to time at reasonable times and places during the term of the Agreement and for six months after the term.

8. Confidentiality. You shall hold strictly confidential any and all information and materials provided by Philip Morris to you. Such information or materials will remain the property of Philip Morris and you will not use or disclose such information unless authorized to do so in writing by Philip Morris. Each of the parties understands and agrees that these materials will not be used for any purpose after notice of termination or expiration of this agreement without the prior written consent of Philip Morris and shall be promptly returned to Philip Morris upon such termination or expiration. The obligation to maintain the confidentiality of all information obtained by you from Philip Morris will survive the termination of this Agreement.

9. Third Party Contacts. If at any time during or after the term of this Agreement you are contacted by any third party including the media or press concerning your activities on behalf of Philip Morris, you agree to make no comment and refer inquiries to Philip Morris, Vice President, Corporate Affairs. You further agree to notify Philip Morris of all such third party contacts.

10. Standards. You will conduct your obligations hereunder in accordance with this agreement and the highest industry standards prevailing for similar services in the United States.

11. Indemnity. You will indemnify and hold harmless Philip Morris, its affiliates and each of their respective officers, employees, directors and agents, from all claims, liabilities, costs and expenses, including reasonable attorney's fees, that arise from, or may be attributable to errors, omissions or fault on your part, and which are not caused by Philip Morris. Your obligation to indemnify and hold harmless will survive the termination of this Agreement.

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12. Insurance. Within 10 days of the execution of this Agreement, Contractor will deliver to Philip Morris original certificates of insurance issued by insurers acceptable to Philip Morris evidencing coverage for:

(i) comprehensive general liability including contractual liability with a combined single limit of no less than \$1,000,000 per occurrence for bodily injury, including personal injury, and property damage.

(ii) comprehensive automobile liability with bodily injury limits of no less than \$1,000,000 per person, \$1,000,000 per accident; and property damage limits of no less than \$1,000,000 per accident.

The insurance certificates required by subparagraphs (i) and (ii) must name Philip Morris Incorporated, its affiliates, employees and assigns as additional insured and must state that Philip Morris will be provided at least thirty days advance, written notice of a cancellation or modification of the insurance. The insurance must be primary coverage without right of contribution from any other Philip Morris insurance. Insurance maintained by Philip Morris is for the exclusive benefit of Philip Morris and will not insure to the benefit of Contractor.

Upon execution of this Agreement, Contractor will deliver to Philip Morris documentation satisfactory to Philip Morris evidencing its coverage for comprehensive medical health insurance with limits satisfactory to Philip Morris.

13. Ownership of Materials. All material prepared or developed by you in connection with the Agreement will become the property of Philip Morris, and you hereby agrees to assign to Philip Morris any and all rights to copyright the material.

14. Miscellaneous.

a) This Agreement is the complete agreement between the parties and supersedes any prior oral or written agreement.

b) This Agreement may be amended or assigned only by a writing signed by both parties.

c) This Agreement and all matters collateral hereto will be governed by the laws of the State of New York applicable to contracts made and entirely performed in New York State but without regard to the conflict of laws provisions of New York State law.

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d) A waiver by either party of any term or condition of this Agreement, in one or more instances, shall not be deemed a general waiver of that or any other term or condition.

15. Applicable Laws. You will comply with all laws and regulations applicable to your services hereunder. You acknowledge that you are cognizant of the provisions of Title 15, Section 1331 et seq. of the United States Code.

16. Notice. Any notice given under this Agreement will be sufficiently given if hand delivered or sent by prepaid registered mail to the address of the party stated at the beginning of this Agreement, and if to Philip Morris to Vice President, Marketing Services, Philip Morris Incorporated, 120 Park Avenue, New York, New York, 10017.

If the foregoing accurately sets forth our agreement, please signify your acceptance by signing the enclosed copy of this letter and returning it to the undersigned.

PHILIP MORRIS INCORPORATED

By: 

Title: _____

ACCEPTED AND AGREED AS OF
THE DATE OF THIS LETTER:

By: 
Michelle Marcisak

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