

NOTE TO: Finance Department Partners

FROM: David Trott

23 August 2000

TERRITORIAL EFFECT

During a recent due diligence process underway at a Swiss client, the attached clause 10.4 was found embedded in one of their agreements. Nobody at the client has any recollection of involvement in the contract that was drafted but have asked me for my views on its effect. If anybody has any thoughts

(f) sixth, any excess to the Company.

10.4 End of the World. Upon the occurrence of the end of the world before full payment and performance of the Notes and Drafts, the Notes and Drafts, at the option of the Required Banks, will become immediately due and payable in full and may be enforced against the Company by any available terrestrial, extra terrestrial or spiritual procedure. For remedial purposes and for purposes of determining the relative equities of the parties, the Company, by virtue of its attorneys, will be deemed to be aligned with the forces of light, and the Banks and their attorneys will be deemed to be aligned with the forces of darkness, regardless of actual ultimate terrestrial, extra terrestrial or spiritual destinations of the Company or the banks or any of their particular officers (including the Treasurer and the Vice President-Finance).

11. WAIVERS, AMENDMENTS AND REMEDIES.

11.1 Waivers and Remedies. No delay or omission of the Required Banks to exercise any right under the Loan Documents shall impair such right or be construed to be a waiver of any Event of Default or an acquiescence therein, and any single or partial exercise of any such right shall not preclude other or further exercise thereof or the exercise of any other right, and no waiver, amendment or other variation of the terms, conditions

