

DANIEL J. EDELMAN, INC.

1500 Broadway  
New York, New York 10036-4015  
Phone (212) 768-0550  
Fax (212) 704-0128



February 3, 1993

Mr. Sandy Gardiner  
Senior Vice President  
British Airways  
75-20 Astoria Blvd.  
Jackson Heights, NY 11370

Dear Sandy:

This letter, when signed by you will constitute our agreement to serve as public relations counsel for BA effective February 1, 1993 and covering the period through the end of the month of February.

You agree to pay our firm a fee of \$40,000 for professional services. This fee encompasses the services of all members of our team in the New York office.

British Airways is responsible for reimbursing Edelman for all expenses incurred on your behalf, including standard administrative/operating costs and production costs such as phone, fax, messenger, travel and printing, subject to a standard agency service charge of 17.65%. There will be an upper limit of \$500 on any expense item which must receive your prior authorization.

As outlined in Edelman's original presentation materials and our subsequent memoranda and discussions, we will plan, design and implement a comprehensive public relations program for BA, including but not limited to compilation and analysis of constituent audiences, organizing team briefings and work assignments, developing briefing materials and background documents, media monitoring and production of information kits, all designed in furtherance of BA's goals with respect to the US Air transaction.

RECEIVED  
GENERAL COUNSEL  
OFFICE  
FEB 11 1993  
3:36  
SECURITY  
INFORMATION

We will submit our initial invoice for professional fees immediately, and invoices for administrative expenses and vendors' expenses monthly as they occur. All invoices for fees and disbursements are due and to be paid within thirty days after the date of the invoice.

You agree to indemnify and save us harmless from and against all liability, including all actions, claims, damages, costs and attorneys' fees, which we may incur (or to which we may be a part), arising out of actions taken or statements made by us at your direction or based upon information provided by you and any and all losses, claims, damages, expenses, or liabilities related to the use of your products or services.

Chicago Dallas Houston Los Angeles New York St. Louis San Francisco Silicon Valley Washington  
Buenos Aires Dublin Frankfurt London Madrid Melbourne Mexico City Milan Montreal Paris Sydney Toronto  
Hong Kong Kuala Lumpur Singapore Tokyo

Daniel J. Edelman, Inc.

We agree to indemnify and save you harmless from and against all liability, including all actions, claims, damages, costs and attorneys' fees, which you may incur (or to which you may be a party) resulting from gross negligence on our part.

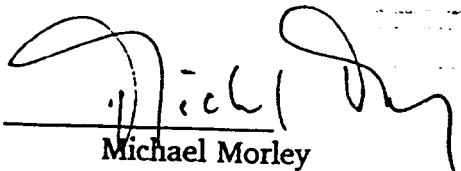
We agree to keep confidential all information and material so designated by you and to limit access to such information and materials to those with a need to know.

It is agreed that any dispute arising out of this agreement or by actions of either party hereto in implementing this agreement will be settled by arbitration according to the rules of the American Arbitration Association.

During the period of this agreement and for one year after its termination neither you nor we will, without the consent of the other, engage as an employee (either directly or indirectly) any person who is employed or has been employed within the last six months by the other.

Please sign both copies of this letter, retaining one copy for your files and returning the other to us.

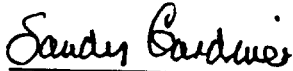
Sincerely,

  
Michael Morley  
Deputy Chairman

February 3, 1993  
Date

For: DANIEL J. EDELMAN, INC.

AGREED AND ACCEPTED



Feb. 11, 1993

For: British Airways

Date