

DANIEL J. EDELMAN, INC.

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Public Relations Worldwide
EDELMAN

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AS 400
4/28/93
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April 14, 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 British Airways (BA). The term of this agreement shall be from March 1, 1993 until March 1, 1994. Each party can terminate this agreement for any reason upon 30 days written notice.

You agree to pay our fees for professional services which will be charged according to our standard hourly rate for executive and staff time (a schedule of our rates is enclosed). These time charges will be submitted for the members of our New York and Washington offices.

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%, with the exception of any vendors' invoices which may be submitted directly to British Airways. Any expense item over \$500 must receive your prior authorization.

As outlined in various memoranda and discussions, you 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 backgrounder documents, media strategy and monitoring and production of information kits, all designed in furtherance of BA's goals with respect to the US Air transaction.

We will submit our invoice for professional fees and expenses at the end of each month. 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 attorney's 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 specific express direction.

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 negligence on our part.

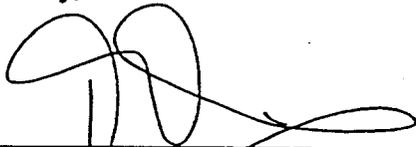
We agree to keep strictly confidential all information and material so designated by you and to limit access to such information and materials to those with a need to know. We agree that all information supplied by BA to us is proprietary information belonging to BA and we agree to return any such information to BA immediately upon request.

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 you files and returning the other to us.

Sincerely,



Michael Morley
Deputy Chairman

4. 14. 93

Date

For: DANIEL J. EDELMAN, INC.

AGREED AND ACCEPTED

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4-15-93

For: BRITISH AIRWAYS

Date