



cc: me

March 12, 2003

Ms. Penny Marchell
Contract Administration Supervisor
Las Vegas Convention and Visitors Authority
3150 Paradise Road
Las Vegas, Nevada 89109-9096

Las Vegas

Dear Penny,

Pursuant to section 3.05 of our contract with the LVCVA, we are to establish a list of charges for additional services to be provided by R&R Partners for the fiscal year. This letter is an addendum to the letter submitted July 24, 2002 for new services introduced February 2003 for the remainder of fiscal year 2002-03.

R&R has recently established the ability to handle high-end digital retouching, assembly and proofing in-house with the creation of a new department called R&R PreMedia Services. The PreMedia department will focus on preparation of production-ready high resolution files and proofs for print media.

Reno

The services offered by the PreMedia department are services we currently outsource to other vendors. We will still use these other vendors to supplement our in-house department as workload requires, but bringing the process in-house allows us more control over timing and cost issues. PreMedia will be charging rates for its services that are competitive with the vendors we have previously used. Additionally, they will be billed without markup for commission. (Please see the attached rate sheet for PreMedia services.) Hourly rates for retouching and assembly will be at our LVCVA contract rate of \$70 per hour. (Our published hourly rate for retouching and assembly is between \$100 and \$150 per hour).

ake C

Because these charges replace outside charges, we request that the billing for these services be treated as an outside service, consistent with our process for billing outside charges for broadcast production and research services, per the contract.

Please advise if the proposed services are agreeable. Thank you for your consideration of the above.

Washington D. C

Sincerely,

K. James King
Chief Financial Officer and Principal

R&R Partners

Las Vegas

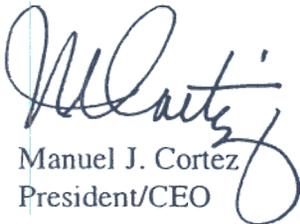
March 18, 2003

William Vassiliadis
R&R Advertising, Inc.
900 South Pavilion Center Dr.
Las Vegas, NV 89144

RE: ADVERTISING CONTRACT

Your attached request to bill charges for high-end digital retouching, assembly and proofing which will be performed in-house in R&R's new department, R&R PreMedia Services, is approved. These charges will be billed under the classification of outside charges, without commission or delivery charges, consistent with broadcast production and research. Any additional charges will need to be addressed with the yearly review of charges as stated in the Contract, Page Four, Section 3.05, Other Charges.

If you have any questions, please contact Penny Marchell, Contract Administration Supervisor, at 892-2940.



Manuel J. Cortez
President/CEO

Attachment

dan

C: Rossi T. Ralenkotter, Executive Vice President
James Gans, Sr. Vice President of Administration
Terrence M. Jicinsky, Sr. Vice President of Marketing
Sue Covey, Advertising Executive
Penny Marchell, C.P.M., Contract Administration Supervisor
Jim King, R&R Advertising, Inc.
Julie Stipe, R&R Advertising, Inc.

PROPOSED LVCVA PREMEDIA PRICING

Basic Unit Prices

Proofs	\$20.00 each
Oversize Proofs	\$10.00 per square foot
Archive	\$20.00 each
Write CD	\$20.00 each

Processing – Base Price, no retouching or assembly

4CP Full Page Magazine Ad	\$300.00
4CP Fractional Space Magazine Ad	\$200.00
4CP Outdoor Bulletin Board 48"x14"	\$150.00
4CP Duratrans	\$200.00
4CP Bus Shelter	\$150.00
4CP Taxi Tops	\$200.00
4CP POS Poster	\$200.00
Other	Pricing based on size and complexity

Hourly Rate

Retouching	\$ 70.00 hr LVCVA Contract Rate
Assembly	\$ 70.00 hr LVCVA Contract Rate