

I N T E R O F F I C E M E M O R A N D U M

Doc. No: 008647
Date: 30-Jul-1993 01:37pm EDT
From: DONNA DELORME @MKO
DELORME.DONNA
Dept:
Tel No: 603-884-2888

Subject: DIGITAL'S 1993 EXECUTIVE SEMINAR

The attached vendor justifications are for the Digital's 1993 Executive Seminar. I have sent you the purchase orders that need to be approved for these vendors. The project approval form has already been approved by Mary Schoonmaker and Ed Kamin's for 750,000K. If you have any further questions please give me a call.

Thank You,
Donna DeLorme
4-2888

*A - nothing here for me to sign.
I think I already did it.*

F - CSO

PROJECT NAME: 1993 Executive Seminar
 DATE OPEN: 7-15-93
 DISCRETE #: 980-55205
 (Received from: ~~Paula Crowley~~ Pam Romanelli)
 PROJECT MANAGER: Bob Aston

TOTAL BUDGET: \$750,000
 DTN: 264-1921
 COST CENTER #: (Budgeted for project)
 LTH

PROJECT DESCRIPTION: two day seminar for key CSO Executives
 November 29 - December 2, 1993

PROJECT OBJECTIVE: Communicate Digital's strategic direction & messages.
 SUCCESS CRITERIA: Attendance, on-site customer satisfaction, PRST Event.

FORMAT/QTY: PRST Event. TARGET AUDIENCE: CSO Executives

LIFE CYCLE STATE (CIRCLE ONE): RECRUIT INCUBATION GROWTH MATURITY

ID #	CHART OF ACCOUNT	Q1	Q2	Q3	Q4	TOTAL
1	Advertising					
2	Direct Marketing					
3	Promo Literature					
4	Customer Events	116,000	544,000			
5	Public Relations					
6	Sales Promo					
7	Internal Promo					
8	Audio Visual					
	MARCOM TOTAL	116,000	544,000			660,000
9	Marketing	57,500	32,500			
10	Sales Support					
	NON-MARCOM TOTAL	57,500	32,500			90,000

Mary Schaub
 COST CENTER MANAGER

[Signature] #109928
 GROUP MANAGER

RESPONSIBLE ACCOUNT MANAGER

Ann J. Watts
 *GROUP FINANCE MANAGER

* Signature required if budget exceeds \$25K



San Francisco Marriott
55 Fourth Street
San Francisco, California 94103
(415) 896-1600
Fax (415) 896-6177

LETTER OF AGREEMENT

Revised June 28, 1993

Thank you for selecting the SAN FRANCISCO MARRIOTT. We feel that by specifying the conditions and services relative to your event in advance, we can best assure a mutually professional program.

ORGANIZATION: DIGITAL EQUIPMENT CORPORATION

FILE NUMBER: N037460

CONTACT/TITLE: Mr. Rob Aston
Marketing Communications Manager

ADDRESS: Channels Marketing Group
Digital Drive, MK02-2/F10
Merrimack, NH 03054

FUNCTION/PROGRAM: Digital's Executive Seminar

HEADQUARTERS HOTEL: San Francisco Marriott

This Agreement ("Agreement") is entered into as of June 28, 1993, b/w Marriott Corporation, d/b/a The SAN FRANCISCO MARRIOTT HOTEL ("Hotel"), located at 55 Fourth Street, San Francisco, California 94103. Accordingly, the Hotel and DIGITAL EQUIPMENT CORPORATION -agree as follows:

ROOM COMMITMENT AND DATES:

OFFICIAL DATES: November 25 - December 4, 1993

ANTICIPATED ATTENDANCE: 900 people



DIGITAL EQUIPMENT CORPORATION

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ROOM NIGHT PATTERN:

DAY:	FRI	SAT	SUN	MON	TUE	WED	THU	FRI	SAT
DATE:	11/26	11/27	11/28	11/29	11/30	12/1	12/2	12/3	12/4
BLOCK:	50	100	250	850	850	550	150	35	10

We will monitor the room pickup for the years preceding your meeting and alter the above block of rooms, if necessary, based on your actual room utilization. We will, of course, contact you prior to making any changes in your room block.

CHECK IN/CHECK OUT TIMES:

Our check in time is 4:00 p.m., check out is 12:00 noon. Guests arriving before 4:00 p.m. will be accommodated as rooms become available. Our Bell Captain can arrange to check baggage for those arriving early when rooms are not available and for guests attending functions on their day of departure.

SUITE(S):

This room commitment includes the following suite(s):

Suite Type	#Bedrooms	Arrival Date	Departure Date	Rate
(1) Presidential Suite	1	11/26/93	12/3/93	Comp
(6) Luxury Suites	1	11/26/93	12/3/93	\$500 ea.
(2) Marriott Suites	1	11/26/93	12/3/93	Comp
(1) 2 Bay Hospitality Suites	2	11/26/93	12/3/93	Comp
(24) 2 Bay Hospitality Suites	0	11/26/93	12/3/93	\$300 ea.

DIGITAL EQUIPMENT CORPORATION will coordinate assignment of and control of all suite reservations.

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ROOM SERVICE (Hospitality Suite Policy):

Please note that all food and beverage serviced in Hospitality Suites and Parlors must be purchased from the Hotel's Room Service Department. In the event that food or beverage is brought to the hotel from outside sources; the corkage charges noted in the Room Service Directory will be applied to your master bill or the master bill established for the Hospitality Suite should there be a vendor utilizing the Hospitality Suite independently from your program.

VIP UPGRADES:

We are pleased to offer DIGITAL EQUIPMENT CORPORATION 5 upgrades to Concierge level at the finalized group rate. We will also provide 5 upgrades to Junior Suites at the finalized group rate.

ROOM RATES:

We are pleased to confirm the following special (net) group rates:

Singles:	\$137.00
Doubles:	\$147.00
Suites:	\$300.00 - \$2,000.00
Additional Person:	\$ 20.00

STAFF ROOMS:

We are pleased to set aside 15 rooms to be assigned expressly to your convention staff at a special discount of 50% off of your confirmed group rate.

LIMOUSINE TRANSFERS:

The SAN FRANCISCO MARRIOTT will provide 10 round-trip limousine transfers to and from the San Francisco International Airport.

VIP WELCOME AMENITIES:

The SAN FRANCISCO MARRIOTT will provide 10 complimentary welcome amenities to VIP's designated by DIGITAL EQUIPMENT CORPORATION.

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COMPLIMENTARY COFFEE BREAK:

The SAN FRANCISCO MARRIOTT will provide 1 complimentary coffee break on Monday, November 29, 1993 by the registration desk. The coffee break will contain coffee, decaffeinated coffee, tea and fruit punch. Every refill will be charged to the Master Account at prevailing prices.

TAX:

The SAN FRANCISCO MARRIOTT rates are subject to the applicable State and City taxes at the time of check in. Currently, these taxes are 11% and are subject to change.

CUT-OFF DATE:

We request all reservations be received 14 days prior to your major arrival date. This cut-off date will be November 12, 1993. 14 days prior to your arrival we will review with you any unsatisfied portion of your room commitment. After this discussion, we will release for sale any uncommitted rooms.

COMPLIMENTARY ROOMS:

You will be entitled to one (1) complimentary room (unit) for every (45) room(s) (units) actually occupied. Should the block of rooms outlined in this agreement be 100% utilized, you would be entitled to 66 complimentary room nights. These may be allocated in any manner during the actual convention dates.

A room night is one (1) room occupied for one (1) night, i.e., two (2) rooms occupied for three (3) nights equals six (6) room nights.

Suites are rated on a daily basis as follows:

King & Junior Suites =	2 Complimentary Units
Marriott Suites =	3 Complimentary Units
Luxury Suites =	4 Complimentary Units
Presidential Suites =	10 Complimentary Units

Hospitality Suites:

Hospitality (2 Bay) =	3 Complimentary Units*
Hospitality (3 Bay) =	4 Complimentary Units*

* The above suites do not include sleeping accommodations.

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Each additional bedroom added to the above suites will be equal to one (1) complimentary room unit.

Complimentary rooms must be utilized during this program.

COMPLIMENTARY SUITE(S):

We are pleased to offer you the following complimentary suite(s) over and above our normal complimentary policy.

Suite Type	# Bedrooms	Arrival Date	Departure Date
(1) Presidential Suite	1	11/26/93	12/3/93
(2) Marriott Suites	1	11/26/93	12/3/93
(1) 2 Bay Hospitality Suite	2	11/26/93	12/3/93

RESERVATIONS:

We understand that reservations for your meeting will be made by a rooming list. Please return the final rooming list to the sales/convention service department by November 12, 1993. Additionally, the SAN FRANCISCO MARRIOTT will provide 1,100 rack brochures for use in mailings.

GUARANTEED RESERVATIONS:

Please note that all reservation requests for arrival after 6:00 p.m. must be accompanied by a first night room deposit, or be guaranteed with a major credit card, or by DIGITAL EQUIPMENT CORPORATION. Our guarantee policy states that we will not hold any reservations after 6:00 p.m. unless guaranteed by one of the above methods. If the reservation is guaranteed, we will hold the reservation until 6:00 a.m. the following day.

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CREDIT ARRANGEMENTS:

We understand that your attendees will be responsible for their own room, tax and incidental charges upon check out.

Enclosed is an application for direct billing approval. Please fill out the form completely and return it to us by October 10, 1993. If the application is not received by this date, alternate means of payment must be arranged (i.e., certified check for the entire estimated charges, company check for the entire estimated charges 14 days in advance of arrival, or major credit card).

Upon credit approval, a master account will be established for DIGITAL EQUIPMENT CORPORATION. All meetings, food and beverage and other charges you so indicate, will be posted to this account.

MASTER BILL & PAYMENT:

It is our goal to keep your master bill accurate and up-to-date on a daily basis. We request that you review it with us each day. This will help eliminate discrepancies at a later time. Our Accounting Department will contact you to establish a daily appointment.

Our terms are immediate payment upon receipt of statement. In the event such payment is not made within 30 days after receipt of the original statement, it is agreed that the hotel may immediately impose a LATE PAYMENT CHARGE at the rate of 1 1/2% per month (ANNUAL RATE 18%) or the maximum allowed by law, on the unpaid balance, and the reasonable cost of collection, including attorney's fees.

It is understood that in case of questions concerning billing, it is the responsibility of DIGITAL EQUIPMENT CORPORATION to contact the hotel accounting office to clarify any and all questions concerning the billing, and that all undisputed charges of the billing must be paid within the stated terms of thirty (30) days.

Finance charges will not be charged to items legitimately disputed and adjusted from your billing, however, any items disputed and found to be correct, and are due and payable to our hotel, are subject to finance charges as outlined.

The San Francisco Marriott will respond within 72 hours on any questions regarding disputed charges, with adequate back-up to justify the charge in dispute.

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FUNCTION SPACE (FUNCTION INFORMATION AGENDA):

As part of this confirmation agreement, below is the function information agenda outlining the space we are holding based on your requirements as we currently understand them. Please review the program and advise us at this time of any changes or additional space needs. We will make every effort to accommodate your needs, provided space is available. DIGITAL EQUIPMENT CORPORATION will provide the SAN FRANCISCO MARRIOTT with a final program, including updated attendance figures based on history, by September 10, 1993.

DAY/DATE
TIME

FUNCTION

PEOPLE

SET-UP

ROOM

Saturday, November 27, 1993

6am-24hrs	General Session Set-Up			Buena Vista & Sea Cliff
6am-24hrs	Registration	Flow	Exists	North & South Registration
6am-24hrs	Offices	TBD	TBD	Nob, Russian, Potrero & Telegraph Hill Rooms

Sunday, November 28, 1993

6am-24hrs	General Session Set-Up			Buena Vista & Sea Cliff
6am-24hrs	Registration	Flow	Exists	North & South Registration
6am-24hrs	Offices	TBD	TBD	Nob, Russian, Potrero & Telegraph Hill Rooms
6pm-10pm	Reception/Dinner	100 ppl.	Rounds	Sunsets A-C

HOLD ALL SPACE:

Begins: Monday, November 29, 1993 @ 8:00 am

HOLD ALL SPACE includes:
 Yerba Buena Ballroom; Nob,
 Russian, Potrero & Telegraph
 Hill Rooms; Laurel, Walnut,
 Willow & Redwood Rooms;
 Golden Gate Hall; and Pacific
 Rooms; Sierra A,B & C

Ends: Wednesday, December 1, 1993 @ 11:59 pm

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Thursday, December 2, 1993

7am-8:30am	Continental Bkft	400	TBD	Grand Assembly
6am-12noon	General Session	Teardown		Buena Vista & Sea Cliff
6am-24hrs	Registration	Flow	Exists	North & South Registration
6am-24hrs	Breakouts	TBD	School Rm	Sunsets A-F; Marinas A-F; Nob, Russian, Potrero & Telegraph Hill Rooms; Pacific G,H,I, & J

Friday, December 3, 1993

6am-11:59pm	Breakouts	TBD	School Rm	Nob, Russian, Potrero & Telegraph Hill Rooms; Pacific G,H,I & J
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The Hotel reserves the right to re-assign specific function space provided the revised space adequately accommodates your function requirements and your organization agrees in writing to such changes.

FACILITY SERVICE CHARGE:

In consideration of your overall food and beverage functions and projected number of guest rooms, we are pleased to waive the customary facility service charge for meeting and banquet space. The waiver is predicated on your detailed agenda of programmed activities and the indicated attendances. Any reduction greater than 25% of the attendance figures, as indicated in the final agenda, or total cancellation of food and beverage functions will nullify the above waiver, and the sliding scale for food and beverage outlined will be in effect.

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(75%) 4,350 or more	\$ 0
(70%) 4,060 - 4,349	\$ 3,516.00
(65%) 3,770 - 4,059	\$ 7,032.00
(60%) 3,480 - 3,769	\$10,548.00
(55%) 3,190 - 3,479	\$14,210.00
(50%) 2,900 - 3,189	\$17,762.00
(45%) 2,610 - 2,899	\$21,315.00
(40%) 2,320 - 2,609	\$24,867.00
(35%) 2,030 - 2,319	\$28,420.00
(30%) 2,029 or less	\$39,077.00

(Average price per cover: \$24.50)

ATTRITION CHARGE SCALE:

Any reductions in room pickup (total number of room nights) greater than 20% of the original room block of 2,845 total room nights will call for the institution of the attrition charge scale as outlined below:

Total Room Nights Used	Attrition Service Charge
(80%) 2,276 or more	\$0
(75%) 2,133 - 2,275	\$9,795.00
(70%) 1,991 - 2,132	\$19,522.00
(65%) 1,849 - 1,990	\$29,249.00
(60%) 1,707 - 1,848	\$38,976.00
(55%) 1,706 or less	\$44,045.00

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AMPLIFICATION:

We will provide a permanent P.A. system in each of our major meeting facilities. A microphone will be made available on a complimentary basis in each room utilized by any client that uses our in-house audio visual company for all additional audio visual support, or uses no other audio visual support other than the complimentary microphone.

IN-HOUSE EQUIPMENT:

The SAN FRANCISCO MARRIOTT will provide at no charge, a reasonable amount of meeting equipment, i.e., chairs, tables, blackboards, etc. The complimentary arrangement does not include special set-ups or extraordinary formats that would exhaust our present in-house equipment to the point of requiring rental of an additional supply to accommodate your needs. If such is the case, we will anticipate it in sufficient time as to present two (2) alternatives: the rental cost to your group for additional equipment, or the change of the extraordinary set-up to a more normal format, avoiding the extra cost.

FOOD AND BEVERAGE:

Our Catering Managers look forward to creating menus and special arrangements for your planned food and beverage functions and providing you with the attention and detail necessary for a successful event.

We will confirm the prices for catered events 6 months prior to your arrival date.

These quotations do not include any applicable California tax currently at 8.5%, and a taxable service charge of 19%.

All food and beverage service to Client's organization within the Hotel must be provided by the Hotel and served by Hotel personnel, in accordance with the Hotel's prevailing prices for such services.

We request a meeting and banquet guaranteed attendance figure no later than three (3) days prior to each event.

You will be assigned a Catering Manager, who will coordinate all phases of your banquet requirements, and function as a liaison with our service staff.

ALCOHOLIC BEVERAGES:

If alcoholic beverages are to be served in the Hotel's public space (or elsewhere under the Hotel's alcoholic beverage license), the Hotel will require that beverages be dispensed only by its employees and bartenders. The Hotel's alcoholic beverage license requires the Hotel to (a) request proper identification (photo ID) of any person of questionable age and refuse alcoholic beverage service if the person is either underage or proper identification cannot be produced, and (b) refuse alcoholic beverage service to any person who, in the Hotel's sole judgement, appears intoxicated.

SHIPPING AND HANDLING:

If it is necessary for Client to ship materials to the Hotel, each item must be properly packed and marked with (a) the organization name and contact; (b) date of the function; and (c) name of Hotel contact. Hotel reserves the right to refuse to accept packages that appear damaged, and in any event, assumes no liability for the condition of the contents of such packages. Hotel will not accept responsibility for meeting materials delivered prior to seven (7) days before function.

CONVENTION SERVICE OPERATION:

One year prior to your meeting, we will contact you to introduce your Convention Service Manager. The Convention Service Manager will be responsible for coordinating your overall program requirements from that point on, acting as a liaison with our service staff.

IMPOSSIBILITY:

Should events beyond the control of the SAN FRANCISCO MARRIOTT and DIGITAL EQUIPMENT CORPORATION, such as strikes, acts of God or civil disturbances materially affect either party's ability to perform, this agreement shall be terminated without prejudice.

CANCELLATION POLICY:

Due to the inability of either of the parties to determine with certainty the damages Hotel would suffer should Client cancel its scheduled events within a certain time period, Client agrees to pay to Hotel, as liquidated damages and not as a penalty, the following amounts, based on the terms of cancellation and which Client acknowledges as reasonable. Liquidated damages will equal the percentage indicated below multiplied by the highest amount of daily expected room revenue (number of rooms times guest room rates) arising out of this Agreement. The applicable percentage is determined by the date Client cancels this Agreement, as follows:

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- * Termination by Client 0-90 days prior to First Reserved Date = \$201,096.00
- * Termination by Client 91-180 days prior to First Reserved Date = \$150,822.00
- * Termination by Client 181-270 days prior to First Reserved Date = \$100,548.00

Should the SAN FRANCISCO MARRIOTT be able to replace this cancelled business, the collected cancellation fee will be reimbursed to DIGITAL EQUIPMENT CORPORATION, without interest. If only a percentage of the lost revenue is recouped, the difference between this figure and the cancellation fee will be reimbursed to DIGITAL EQUIPMENT CORPORATION.

In determining whether or not the lost revenue is recouped, all rooms over and above DIGITAL EQUIPMENT CORPORATION's room block must be filled before confirming that the revenue has been recovered.

CHANGES, ADDITIONS, STIPULATIONS OR LINING OUT:

Any changes, additions, stipulations, or corrective lining out by DIGITAL EQUIPMENT CORPORATION will not be binding to the hotel until such additions, clauses, or stipulations have been approved by means of a corrected contractual agreement by the SAN FRANCISCO MARRIOTT.

OPTION DATES:

The arrangements outlined in this letter are being held for you on a tentative basis. Please sign and return the enclosed copy of this agreement to serve as our definite mutual agreement. This agreement must be signed and returned by July 2, 1993. After this date, the above terms may no longer apply, and space may be released without notice.

MISCELLANEOUS PROVISION:

This Agreement is subject to all applicable federal, state, and local laws, including health, and safety codes, beverage control laws, and the like. Client agrees to cooperate with Hotel to ensure compliance with such laws.

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ACCEPTANCE:

This Letter of Agreement, dated June 28, 1993, supersedes all earlier letters, conversations, purchase orders, memorandums and other written and oral communications on this subject matter and contains all the terms agreed to by all parties. No persons other than the undersigned have any right to bind DIGITAL EQUIPMENT CORPORATION in connection with the agreement or program.

Thank you again for selecting the SAN FRANCISCO MARRIOTT. We look forward to working with you on a very successful program.

Sincerely,

Approved and Accepted By:

SAN FRANCISCO MARRIOTT

DIGITAL EQUIPMENT CORPORATION



Leif Lendrop
Director of National Accounts

Ms. Linda Carlson
Purchasing Specialist

Date

Date

June 19, 1993



CSI
11th Floor, 200, The Quadrant, London W1
Tel: +44 (0)493 276768 Fax: +44 (0)493 276173

Reg #
075891

Robert H Aston
Corporate Events
Digital Equipment Corporation
Digital Drive
Merrimack
New Hampshire
03054-9501 USA

1 June 1993

Dear Rob

As discussed here is a summary of what we have agreed on the telephone.

CSI will deliver four key phases of content and speaker development for the 1993 CSO Executive Seminar.

1993 CSO EXECUTIVE SEMINAR

CSI I 1 x 25 sessions (including Plenaries)

Content Development

- a) Use proven systems or models to:
Clarify speaker session team objectives (ensuring that they compliment the event goals).
Identify audience profile
Understand audience needs
Explore potential independent third party support material.
- b) Structure content in high impact format, giving emphasis to state-of-the-art communication techniques i.e: address central issue, include audience in decision making process through logical build, importance of background to foreground ratio i.e: major on message, not history! Apply imaginative approach to overcoming the reducing concentration span of the audience and introduce methodologies to stimulate constructive inter-action.
- c) Advise and demonstrate high impact visualisation treatments to support and enable greater understanding of key messages. Complete evaluation form and report results to content team manager.



CSI II 1 x 25 sessions (including Plenaries)

Dry Run

Observe presentation of draft script and visuals.
Monitor timing in relation to event schedule, assess accuracy of content measured against **CSI I** parameters including: Structure, objective, impact of visuals and integration with complimentary sessions.

Introduce the first elements of speaker performance coaching.
Complete evaluation form and report results to content team manager.

Dress Rehearsal - 1 x 25 sessions (excluding plenary sessions)

Attend internal rehearsal in the presence of a corporate audience.
Evaluate presentation content and quality.

The internal event will be held in several locations over a period of three days. Consultant role includes: assisting teams in setting up, timing presentations and making appraisals of speaker performance, script content and visuals.

At this stage the integrity of the planned presentation objectives are exposed to pressure from members of the internal audience, with vested interests in weighting the messages in a particular direction. In such cases, consultants may be required to support the speaker teams in the interests of the continuity of the overall event.

Debrief, complete evaluation forms and report results to content team manager.

The Event

Production Rehearsal

Carry out final performance checks, including familiarisation with room layout and technical operations.

Monitor and measure plenary and breakout sessions, advise on problem solving and provide back-up to the auditorium production crew.

Work closely with client 'Event Team', participating in regular reporting to enable effective management of the overall Event.



Costs

Will be based on a price per session
 (session = **CSI I, CSI II, Dress Rehearsal**
 and **Event Production Rehearsal**) **\$3,000**

x 25 sessions = **\$75,000**

This will include consultancy fees, all necessary system and check list documentation and expenses with the exception of accommodation and subsistence costs incurred at the Event.

Although this proposal is calculated on twenty-five sessions including four plenary speeches, the formula allows flexibility to increase, or decrease session numbers and immediately identify budget requirement.

Proposed Dates	August 9-17	CSI I - Content Development
	September 13-17	CSI II - Dry Run
	October 18-20	Dress Rehearsal
	November 28-30	Event Production RehearsalP

Invoicing

We will invoice the project in three stages -

The First payment to be received on August 1st, 1993

The Second payment on September 30th, 1993

Final Third payment on October, 30th, 1993

We welcome the opportunity of continuing our work with the Digital CSO Team and I look forward to receiving your acceptance of this proposal.

Best wishes

Yours sincerely

Peter Lewis
 Director

Reg #
076000

Quantic Communications, Inc.
3 Riverside Drive
Andover, MA 01810-1500

Q U O T A T I O N

QUOTE #: 0693196

DATE: July 13, 1993

TO: Rob Aston
Digital Equipment Corporation
Merrimack, NH

TEL: 603-884-1921
EMAIL: MKOTS1::ASTON
FAX: 603-884-2478

CC: Linda Carlson
EMAIL LILAC::CARLSON

Mary Schoonmaker
MKOTS1::SCHOONMAKER

ACCOUNT EXECUTIVE: Nina Boden
QUANTIC PURCHASING CONTACT: Wendy Stoltman

Quantic Communications, Inc. is pleased to provide this quotation for requested communications services. Please include the above quote number on all documentation and purchase orders.

PROJECT TITLE:

1993 Executive Seminar: Phase 2/Implementation

SCOPE OF WORK:

Quantic will provide creative, production, management, research, measurement, and other services for Digital Equipment Corporation's 1993 Executive Seminar to be held November 29 through December 2, 1993, at the Marriott Hotel in San Francisco, CA. Quantic has already proposed, and Digital has accepted, the "Vision Shift" theme for this event. Creative treatments, logistics, administration, cost estimates, and other subjects have been covered in three separate documents and presentations to Digital, dated April 7, April 20, and April 30, 1993.

On May 20, 1993, Quantic submitted quotation 0593119-B for Phase 1 services to initiate this project. Digital issued purchase order NH241999 to Quantic for \$100,000. In summary, this funding allowed the development of creative themes, communications planning, project management, sub-contractor negotiation and procurement for research, hotel and meeting planning services, database development, and a site inspection.

This quotation establishes the balance of updated estimated costs for services and products as detailed below. These balances of the original estimates reflect funding from the \$100,000 purchase order, as above.

Quantic and Digital understand that these estimates are subject to change, depending on the continued refinement of the scope of work and schedule, per Digital's direction. As such, Quantic will immediately notify Digital of any changes in cost estimates or production capabilities as a result of any changes Digital requests regarding the scope of this project.

Media Communications

1. General Session

a. Design, development, production management

Quantic will expand the design theme established in earlier proposal, refine thematic, visual, graphic, editorial, and other design elements to provide effective articulation of the VisionShift concept. Design will be implemented across the range of print and audio-visual materials described below.

b. Media/scripting

Quantic will produce up to five 35mm speaker support presentations of up to 20 slides each for presenters at the event's general sessions. This support will consist of storyboarding, design, and production of final presentations. Quantic assumes that there will be two revision cycles then a final production of the slides. Digital will provide content to Quantic in suitable electronic and/or hardcopy formats.

c. Set, lighting, AV, production crew

Quantic will produce an audio-visual opener, and a closer, for the event's general sessions. Quantic estimates that the opening, motivational production will last three to four minutes. As speakers make their presentation to the assembly, 35mm slides and a video bounce of their image will be displayed on screen behind them. Dramatic lighting, sound reinforcement, perhaps DaVinci imagery, and other visual elements will be projected to reinforce the "Vision Shift theme."

Quantic has estimated materials, audio-visual equipment, staging, and other presentation considerations in earlier proposals. We continue to refine the list, subject to the needs of Digital's program managers.

For more complete details of the creative treatment, staging, audio-visual set up, and other related information, please refer to proposals that Quantic has submitted earlier.

d. Travel

Quantic estimates that its producer may make another site visit to San Francisco in mid-October. The producer and creative director plan to be at the event from @ Saturday, November 27 through Friday, December 2. Other support personnel may attend as circumstances require and budget allows.

2. Breakout Session Media

Quantic will produce up to twenty presentations of up to twenty 35mm slides per presentation, for this year's breakout presentations. Cost estimates given below reflect average costs of slides that Quantic produced for last year's CSO Seminar. Quantic will design a template/format, work with Digital, CSI, and individual presenters to allow two revisions and a final production of slides. Digital will provide edited content to Quantic in suitable electronic and/or hardcopy formats.

As further definition is provided relative to the needs and goals of this project, Quantic will determine such things as glass mount vs. plastic mount of slides, format of script notes, etc.

3. Printed Materials and Signage

a. Print and design production

Quantic expects to provide design, and production services to produce print-ready materials for the following, typical items:

- * Preview guide and invitation. Estimated as a four-color, eight-page document.
- * Registration card
- * Envelopes: #10 and 10 x 13"
- * Program guide. Estimated as a 16 page document, four-color cover, two or four-color inside.
- * Badges
- * Daily agenda/scheduler

Digital and Quantic continue to work to define these deliverables. At the time this quotation was written, final specifications had yet to be determined. As such, Quantic has provided an estimate/allowance for these services, as below, based on our experiences with earlier CSO print projects, and similar projects for other clients. Upon final specification, Quantic will provide deliverable parameters, and confirming quotations to Digital.

b. Signage and banners

Quantic will design and produce directional, room identification, special notices, and other signs for use in the hotel and conference areas. In addition, Quantic may produce banners to be hung in appropriate hallways and other public areas.

Until exact needs are determined, it is impossible to predict the actual number, size, and materials needed for the signs and banners. As such, an allowance has been budgeted into this quotation. Upon specification, Quantic will provide a confirming quote.

d. Handout estimate

Quantic will provide black and white reproduction and bindery services to produce hardcopy handouts of breakout materials. Until final slide counts and quantities are determined, it is impossible to provide an exact quotation of costs for this item. As such, Quantic suggests an allowance, as below, to serve as a budget holder. Upon final specification of this item, Quantic will provide a confirming quotation or notification.

4. Writing Services

Quantic will provide writing and editorial services for print items as suggested above. An estimated allowance for six weeks of writing services.

Meeting Planning Services

1. Conference management

Quantic will provide conference planning services to include hotel and contract negotiation; on-site supervision; vendor, union, and subcontractor management logistics; housing; financial reports and accounting; travel arrangements; and on-site staffing.

2. Registration

Quantic will provide registration services to include phone line set-up; receipt of incoming phone calls and faxes; process registrations, late registrations, cancellations and substitutions; print customized confirmation letters; produce personal seminar itinerary for each attendee; track seminar sessions; provide weekly seminar reports; provide lead tracking database for marketing; produce name badges for all attendees, (two lines of text).

The total quotation for registration services, (Including Phase One prepayments) assumes that up to 1,000 participants will require service, (600 business partners, 400 Digital and other). Registration changes and additions beyond 1,000 will require additional funding at \$18.25 per registration.

On-site registration services will be provided at Digital's request. The quotation presented below reflects three days service of a registration manager, one computer, and a badge system.

Complete details of these conference management and registration services have been provided to Digital under separate cover.

3. Travel expenses estimate

Quantic will provide supervisory and administrative staff to support all conference management and registration services on-site. Although local service help will be secured in San Francisco, a program coordinator and a support staff member currently anticipate travel to the event. This will be confirmed or modified as plans progress. An estimated travel allowance has been inserted as a budgetary placeholder. Quantic anticipates that the program coordinator may make one more site visit prior to the actual event.

4. Miscellaneous expenses estimate

Quantic anticipates the following miscellaneous expenses, and has provided an estimated budget placeholder, subject to review and modification:

- * Telecommunications
- * Postage
- * Local travel
- * Courier and express shipping services
- * Photocopying

ESTIMATED COSTS UPDATE:

Media Communications

1. General Session		
a. Design, development, production management		\$ 7,536
b. Media/scripting		3,431
c. Set, lighting, AV, production crew		81,419
d. Travel		4,500
	Sub-total	----- \$96,886
2. Breakout session media		\$45,724
3. Printed materials and signage		
a. Print design and production		\$28,000
b. Signage and banners allowance		15,000
c. Print production		1,600
d. Handout estimate		5,000
	Sub-total	----- \$ 49,600
4. Writing Services		\$ 13,680
5. Project Management		\$ 3,536
	Total	===== \$209,426

Meeting Planning Services

1. Conference management		\$ 55,430
2. Registration (base costs)		\$ 9,782
a. On-site registration services, three days		1,412
3. Travel expenses estimate		\$ 8,000
4. Miscellaneous expenses estimate		\$ 5,000
	Total	===== \$ 79,624
	Grand Total	===== \$289,050
Print estimate/allowance		\$ 15,000

BILLING SCHEDULE:

Milestone billings:

* August 6, 1993	\$58,000.00
* September 10, 1993	\$58,000.00
* October 8, 1993	\$58,000.00
* November 12, 1993	\$58,000.00
* December 10, 1993	Balance

\$1,050.

In the event of the cancellation of this project by Digital Equipment Corporation, all sub-contracted fees for services managed by Quantic Communications will be payable in full. All Quantic services and expenses to date of cancellation will be invoiced to Digital.

PROJECT SCHEDULE:

Quantic and Digital continue to define and resolve separate and relevant timelines, including, but not limited to logistics, and communications. These comprehensive schedules will be adhered to by Quantic and Digital.

Event scheduled for November 30, 1993 through December 2, 1993.

Unless otherwise specified above, all quotations do not include travel, out-of-pocket expenses, and freight, which will be billed at cost. Any applicable sales taxes are additional. Quote is valid for thirty days.

Any changes requested beyond the scope outlined in this quotation will require an additional quotation and purchase order change. Any project placed on hold for more than ten business days at client request will be invoiced for work completed to date.

Thank you for the opportunity to provide this quotation. We look forward to working with you on this project.

JML/ /EVN