

Good Afternoon Gentlemen,

I hope you are both doing well. Per your request, attached please find the revised 2009 Projected Directory Expenditures. As you know, there are several directories on the budget which have already been placed with their respective publishing companies, therefore the adjustments included will only affect directories closing between April 1, 2008 and December 31, 2008.

This revised 2008 Projection reflects a total reduction of \$365,458.59 from the last Projection dated December 2007, for a new Projected total of \$402,533.77. Please keep in mind that this Projected total includes all directories closing in 2008, even though some of these directories will publish (and therefore be billed) in 2009.

Of the directories yet to be placed, Company ABC evaluated the discounts currently being utilized as well as the content (i.e. number of location listings, etc.) appearing in each advertisement, and reductions were made accordingly. Company ABC also evaluated the cost of placing In-Column Space Listings vs. Trademarks/Trade Listings, and the cost of placing Bold Listings only, and included the most inexpensive option on the attached budget. Furthermore, the majority of paid advertising appearing in secondary headings was eliminated unless it affected the discount program in place, and the paid advertising in all independent directories was eliminated as well.

Per your request, there are two (2) new columns and one (1) new tab on the attached budget that were not included on previous budgets. In the tab entitled "2008 Detailed by Close Date," Column K was added which shows the Previous Issue Spend Amount, and Column AJ was added which shows the Year Over Year Spend Difference. This information is further detailed on the tab entitled "YOY Difference by Close Date," where you will find a summary of the Year Over Year Variance in Expenditures from 2007-2008.

As always, we will continue to evaluate all directory placements on a case-by-case basis in terms of available discounts, directory competition, publisher rate increases, etc., and some recommendations may differ from the budget forecast as a result.

Please review the attached document at your convenience and advise us of any concerns or questions you may have. Should you need any additional information, please feel free to call us at (800) 555-1234.

Thank you,

Company ABC