

**SECOND AMENDMENT TO
CLARK COUNTY MONORAIL FRANCHISE AGREEMENT
GRANTED TO
LAS VEGAS MONORAIL COMPANY**

THIS SECOND AMENDMENT TO FRANCHISE AGREEMENT ("Amendment") dated this 7th day of October, 2003 ("Effective Date"), is entered into between Clark County, Nevada, a political subdivision of the State of Nevada, acting by and through its Board of County Commissioners which is its governing body ("County"), and the Las Vegas Monorail Company, a non-profit corporation organized under the laws of the State of Nevada ("Franchisee").

WITNESSETH:

WHEREAS, the Franchisee is engaged in the business of designing, constructing, financing and operating a Monorail for public transportation in Clark County; and

WHEREAS, the County is authorized, pursuant to Nevada Revised Statutes (NRS), to grant a franchise to install and operate a Monorail in County Rights-of-Way; and

WHEREAS, Chapter 5.04 of the Clark County Code provides for the issuance of Monorail franchises, and establishes terms and conditions of Monorail franchise agreements, including amendments and assignments thereof; and

WHEREAS, the County and the MGM Grand-Bally's Monorail Limited Liability Company, as Franchisee, entered into a "Clark County Monorail Franchise Agreement" effective December 2, 1998 (the "Franchise Agreement"), and as amended on October 20, 1999, allowing for transfer of the Franchise Agreement to the Las Vegas Monorail Company, said transfer occurring through the Monorail Franchise Agreement Findings Resolution No. 8-8-00-1 approved by the Clark County Board of Commissioners on August 8, 2000; and

WHEREAS, the defined terms used in the Franchise Agreement have the same meaning when used in this Amendment.

NOW, THEREFORE, in consideration of the premises and of the mutual promises contained in the Franchise Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Franchisee agree that the Franchise Agreement is amended in the following respects:

1. Amendments.

Section 2, Subsection 2.1, of the Franchise Agreement is amended to read as follows:

- 2.1 The Franchisee is hereby granted, during the term of this Agreement, a Franchise to install and operate the Monorail in, on, along, under or over the County Rights-of-Way within the route on the legal description attached as Exhibit B and made a part hereof, a general description of which is also attached with Exhibit B, and pursuant to Chapter 5.04, Chapter 6.14 and applicable provisions of Titles 22, 27, 29 and 30 of Clark County Code. Except as otherwise provided in this Franchise Agreement or applicable provisions of Titles 5, 6, 22, 27, 29 and 30, and subject to subsection 2.5 below, the Franchisee shall have the right:

- (i) to establish and to revise from time to time the frequency of service and schedules of operation of the Monorail;
- (ii) to charge and collect fares from passengers;
- (iii) to establish, modify and adjust from time to time the fares to be charged;
- (iv) to establish promotional and fare programs and to enter into arrangements with hotel and resort owners for discounted and/or free use of the Monorail by patrons;
- (v) to display advertising and to establish concessions in connection with the Monorail, providing any such advertising or signs are installed pursuant to applicable provisions of Clark County Code Chapter 30.72; and
- (vi) to lease space on the Monorail to vendors, merchants, advertisers, public utilities or cable companies pursuant to this Franchise Agreement.

IN WITNESS WHEREOF the parties hereto have set their hands on the day and date written above.

CLARK COUNTY BOARD OF COMMISSIONERS

BY: Mary Kincaid-Chauncey
MARK KINCAID-CHAUNCEY, Chair

ATTEST:

Shirley B. Parraguirre
SHIRLEY B. PARRAGUIRRE
County Clerk

APPROVED AS TO FORM
DISTRICT ATTORNEY

E. Lee Thomson
By: E. Lee Thomson
Deputy District Attorney

LAS VEGAS MONORAIL COMPANY

By: John J. Haycock
JOHN J. HAYCOCK, Chairman