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AGREEMENT REGARDING EARLY ADVANCE
AND
COLLATERAL FUNDS

This AGREEMENT REGARDING EARLY ADVANCE AND COLLATERAL FUNDS ("Agreement") is made as of this ____ day of May, 2005 ("Effective Date") by and between MJ-ATV Publishing Trust, a Delaware trust ("Borrower") and Fortress Music Trust II, a New York trust ("Lender").

The parties acknowledge the facts recited below.

RECITALS

1. Lender, along with Fortress Music Trust I, a New York trust ("Music Trust I"), has recently acquired from Bank of America, NA ("Bank") Bank's loan facility in the amount of \$200,000,000 in favor of Borrower, which facility is secured by, among other things, Borrower's 50% economic interest in Sony/ATV Music Publishing LLC ("Sony/ATV"), certain cash collateral, and the "put" right set forth in the Sony/ATV Operating Agreement (the "MJ-ATV Facility"). The MJ-ATV Facility comprises four sub-facilities, including the "Fourth Loan" as defined in that certain Amended and Restated Term Loan Agreement, dated as of September 30, 2002, by and between Bank and Borrower (the "MJ-ATV Facility Agreement"). A portion of the cash collateral under the MJ-ATV Facility is currently held by Lender in the "Cash Collateral Account" (as such term is defined in the MJ-ATV Facility Agreement).
2. Neither Bank nor Lender has advanced any funds in respect of the Fourth Loan and, under the terms of the MJ-ATV Facility Agreement, Borrower is not currently entitled to receive any such advance. In addition, Borrower is not currently entitled to any release of any cash collateral securing the MJ-ATV Facility, including any cash collateral held in the Cash Collateral Account.
3. Borrower has nevertheless requested that Lender, subject to the terms of this Agreement, (a) immediately advance the sum of \$3,350,000 to Borrower (the "Early Advance") as an advance under the Fourth Loan; and (b) release to Borrower certain amounts from the Cash Collateral Account upon the written request of Borrower, such amounts not to exceed, in the aggregate, \$3,500,000 (the "Maximum Release Amount").
4. Fortress Music Trust III, a New York trust ("Music Trust III"), has recently acquired Bank's loan facility in the amount of \$72,500,000 in favor of MJ Publishing Trust, a Delaware trust ("MJPT"), as borrower, secured by, among other things, MJPT's interest in what is commonly known as the Mijac Catalogue (the "MJPT Facility").
5. Lender has agreed to make the Early Advance and provide for future disbursements from the Cash Collateral Account on the terms and conditions set forth below, and Borrower has accepted such terms and conditions.

NOW, THEREFORE, in consideration of the foregoing Recitals, the covenants and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

1. Promptly on execution and delivery of this Agreement by Borrower and Lender, and the execution by Borrower and delivery to Lender of a promissory note in form acceptable to Lender evidencing the Early Advance, and notwithstanding that Borrower does not, as of the date hereof, have any right to request an advance under the Fourth Loan, Lender will advance to Borrower the amount of the Early Advance, without regard to (a) certain limitations on when Borrower is permitted to request the funding of the Fourth Loan and on the amount and purposes for which the proceeds of the Fourth Loan are to be used, all as set forth in Section 2.A(4) of the MJ-ATV Facility Agreement, and (b) the conditions precedent set forth in Section 3B of the MJ-ATV Facility Agreement.
2. Subject to the terms of this Section, notwithstanding that Borrower does not have any right to a release of any funds from the Cash Collateral Account, Lender shall deliver to Borrower, in one or more disbursements, amounts from the Cash Collateral Account in an amount not to exceed, in the aggregate for all disbursements, the Maximum Release Amount. From and after the date hereof through and including the thirty-ninth (39th) day after the date hereof, Borrower may send written notices to Lender from time to time requesting that funds from the Cash Collateral Account be delivered to Borrower (which notices shall specify the applicable Borrower account information) and Lender shall deliver such funds to Borrower within three (3) business days after delivery of any such notice to Lender, provided that (a) no event of default under either the MJ-ATV Facility or the MJPT Facility has occurred and is continuing either at the time a disbursement is requested under this Section or when such disbursement would otherwise be made by Lender hereunder, and (b) in no event shall Lender be obligated to disburse amounts under this Section more than once in any five (5) business day period. Lender agrees that any amounts from the Cash Collateral Account disbursed to Borrower pursuant to this Section shall be delivered free and clear of any lien in favor of Lender created by the MJ-ATV Facility Agreement or the other "Loan Documents" (as such term is defined in the MJ-ATV Facility Agreement).
3. Lender shall not have any obligation to make any further advance in respect of the Fourth Loan, or to advance or (except as contemplated by Section 2) release any other funds whatsoever to Borrower, under the MJ-ATV Facility or otherwise.
4. Lender has not, by executing this Agreement, making the Early Advance, releasing any funds from the Cash Collateral Account, and/or any other act or omission, waived or compromised in any manner whatsoever Lender's rights and remedies under the MJ-ATV Facility, nor waived any default by Borrower under MJ-ATV Facility, made any election of remedies, admitted any fact not set forth in the Recitals above, or waived any defense to any assertion or claim by Borrower, all such rights, remedies and defenses being expressly reserved by Lender.

5. Without agreeing that Borrower possesses any such claims, Lender acknowledges that, by entering into this Agreement, Borrower has not waived any claims it may have against Bank or Lender under the MJ-ATV Facility, made any election of remedies, admitted any fact not set forth in the Recitals above, or waived any defense to any assertion or claim by Lender, all such rights, remedies and defenses being expressly reserved by Borrower.
6. Borrower acknowledges that Lender has not, orally or in writing, expressly or impliedly, agreed, undertaken, assured or committed that the MJ-ATV Facility will be expanded, extended or restructured, that any defaults will be waived (except as explicitly provided in that certain letter agreement dated as of the date hereof by and between Borrower, MJPT, Michael J. Jackson, Music Trust I, Lender, and Music Trust III), that any rights or obligations will be modified, waived, or extended, or that any further funds will be advanced or (except as contemplated by Section 2) released under the MJ-ATV Facility.
7. Without limitation of the foregoing, Borrower acknowledges that all Lender's contractual rights and obligations with regard to the MJ-ATV Facility are governed solely by the documents executed and delivered by Borrower to Bank concerning the MJ-ATV Facility, and that this Agreement shall not be deemed to modify or waive any such rights or obligations, except solely to the extent of the making of the Early Advance and releasing funds from the Cash Collateral Account on the terms set forth herein.
8. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed in that State and shall be deemed a Loan Document within the meaning of the MJ-ATV Facility Agreement for all purposes. Without limitation of the foregoing, Borrower's waivers set forth in the existing documentation of the MJ-ATV Facility, including without limitation, waivers as to venue and jurisdiction, jury trial, service and notice are incorporated by this reference.
9. Except only to the extent that Lender's agreement to make the Early Advance as an advance under the Fourth Loan is not made conditional on Borrower's satisfaction of the conditions to obtaining and certain limitations on the amount and permissible use of such advance, and Lender's agreement to release its lien against the funds from the Cash Collateral Account disbursed to Borrower as set forth herein, the MJ-ATV Facility and the documentation thereof as in effect immediately prior to the execution and delivery of this Agreement shall continue in full force and effect from and after such execution and delivery.
10. By his signature hereto, each person signing this Agreement represents and warrants that he has been duly authorized by all necessary trust actions to sign this Agreement on behalf of the party he is purporting to bind and that such signature is the act and deed of such party.

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IN WITNESS WHEREOF, the undersigned have executed and caused the delivery of this Agreement at New York City, New York, as of the Effective Date set forth above.

MJ-ATV:
MJ-ATV Publishing Trust

Dated: May __, 2005

By: [Signature]
Name: Michael Jackson
Title: Manager

Dated: May __, 2005

By: [Signature]
Name: Kermit R. Jackson
Title: Manager

Consented and Agreed:

Dated: May __, 2005

[Signature]
Michael N. Jackson, as Grantor of MJ-ATV

Lender:
Fortress Music Trust II

By: [Signature]
LaSalle Bank National Association,
its trustee

Dated: May __, 2005

By: [Signature]
Tim Houghton,
its First Vice-President

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PROMISSORY NOTE

\$3,350,000

May __, 2005

FOR VALUE RECEIVED, the undersigned, MJ-ATV PUBLISHING TRUST, a Delaware trust (the "Borrower"), HEREBY PROMISES TO PAY to the order of FORTRESS MUSIC TRUST II, a New York trust, its successors and assigns (the "Lender"), at Lender's office at c/o Drawbridge Special Opportunities Fund LP, 1251 Avenue of the Americas, 16th Floor, New York, New York 10020, or at such other place as may be designated by Lender, without setoff, the principal amount of Three Million Three Hundred Fifty Thousand Dollars (\$3,350,000), together with all accrued and unpaid interest thereon, on December 20, 2005 (the "Termination Date"). Capitalized terms used herein without definition are used herein as defined in the Amended and Restated Term Loan Agreement, dated as of September 30, 2002, between Bank of America, N.A. ("Bank"), as lender, and Borrower, as borrower, as previously assigned by Bank to Lender, as amended by that certain Agreement Regarding Early Advance and Collateral Funds, dated as of the date hereof, by and between Lender and Borrower (the "Early Advance Agreement"), and as the same may be further amended, amended and restated, modified or supplemented from time to time (the "Loan Agreement").

Borrower shall pay interest computed daily on the principal amount hereof from time to time outstanding from the date hereof until such principal amount is paid in full, payable monthly on the last day of each calendar month during the term hereof and on the final day when such principal amount becomes due, at a rate per annum equal to the sum of Adjusted LIBOR plus 2% (such sum, the "Applicable Rate"); provided, however, that any amount of principal, interest, fees or other amount payable hereunder or under the Loan Agreement that is ten (10) days or more past due shall bear interest, payable on demand, at a rate equal to the Applicable Rate plus 2% per annum.

Both principal and interest are payable in lawful money of the United States of America to Lender, in same day funds. All payments made on account of the principal amount hereof shall be recorded by Lender, or by any pledgee thereof, and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Note.

This Note may be executed in any number of counterparts, all of which when taken together shall constitute one and the same original instrument.

Borrower hereby waives diligence, presentment, demand, protest and notice of any kind whatsoever. The non-exercise by the holder of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

This Promissory Note (this "Note") is a Loan Document and is entitled to the benefits of the Loan Agreement and the Security Agreement referred to therein. All obligations of Borrower hereunder constitute part of the Loan and the Facility, and are both Obligations and Secured Obligations (as defined in the Security Agreement). Without limiting anything contained in the Early Advance Agreement, Borrower acknowledges that the amount advanced

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to Borrower under this Note is an advance under the Fourth Loan. This Note may be prepaid at any time, in whole but not in part, without premium or penalty. THIS NOTE SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PROVISIONS.

EACH OF LENDER AND BORROWER HEREBY IRREVOCABLY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE), WHETHER AT LAW OR EQUITY, BROUGHT BY ANY PARTY AGAINST ANY OTHER ON MATTERS ARISING OUT OF OR IN ANY WAY RELATED TO OR CONNECTED WITH THIS NOTE, THE OTHER LOAN DOCUMENTS OR ANY TRANSACTION CONTEMPLATED BY, OR ANY ACTION OR INACTION BY ANY PARTY UNDER THIS NOTE OR ANY OF THE OTHER LOAN DOCUMENTS.

MI-ATV PUBLISHING TRUST

By: [Signature]
Name: Michael Jackson
Title: Manager

By: [Signature]
Name: Katherine Jackson
Title: Manager

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PAYMENTS OF PRINCIPAL

Date	Amount of Principal Paid or Prepaid	Unpaid Principal Balance	Notation Made By

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