

AMENDMENT NO. 3 TO SONY MUSIC INTERCREDITOR AGREEMENT

AMENDMENT NO. 3, dated as of August 1st, 2003 (this "Amendment"), to the INTERCREDITOR AGREEMENT, dated as of September 29, 1999, as amended (the "Intercreditor Agreement"), among BANK OF AMERICA, N.A. (the "Bank"), SONY MUSIC, A GROUP OF SONY MUSIC ENTERTAINMENT, INC. ("Sony") and MJ PUBLISHING TRUST (the "Debtor").

WHEREAS, the Bank and the Debtor, a trust of which Michael Jackson is the sole beneficiary, entered into a Loan Agreement dated as of September 29, 1999 (the "Bank Loan Agreement"), pursuant to which the Bank has agreed to extend certain loans to the Debtor from time to time;

WHEREAS, the Bank and Sony and the Debtor entered into the Intercreditor Agreement to specify their relative priorities in the Collateral (as defined in the Intercreditor Agreement);

WHEREAS, the Bank has agreed to increase the amount of the facility extended under the Bank Loan Agreement from \$35,000,000 to \$70,000,000 subject to the conditions set forth in the Bank Loan Agreement, including that Sony agree to increase the Maximum Loan Amount (as defined in the Intercreditor Agreement) from \$35,000,000 to \$70,000,000, and Sony has agreed to such increase;

NOW THEREFORE, in consideration of the premises and the agreements herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Definitions. All terms used herein which are defined in the Intercreditor Agreement and not otherwise defined herein are used herein as defined therein.
2. Amendment. Paragraph 3 of the Intercreditor Agreement is hereby amended by replacing the dollar amount "\$35,000,000" in the sixth line thereof with the dollar amount "\$70,000,000".
3. Conditions to Effectiveness. This Amendment shall be effective on and as of the date of this Amendment set forth above.
4. Outstanding Balance of Sony Loan. The Debtor hereby represents to the Bank that the aggregate principal amount of the Sony Loan outstanding on the date hereof is approximately \$12,800,000. The Debtor covenants that it will confirm such amount in writing to the Bank as soon as is practicable, but in any event not later than October 5, 2003.

5. Continued Effectiveness of the Intercreditor Agreement. Except as otherwise expressly provided herein, the Intercreditor Agreement is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the date hereof all references in the Intercreditor Agreement to "this Agreement", "hereto", "hereof", "hereunder" or words of like import referring to the Intercreditor Agreement shall mean the Intercreditor Agreement as amended by this Amendment.

6. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

7. Headings. Section headings herein are included for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

8. Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the State of New York.

9. Amendment as Loan Document. The Debtor hereby acknowledges and agrees that this Amendment constitutes a "Loan Document" under the Bank Agreements.

[This space left intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered as of the date first above written.

BANK OF AMERICA, N.A.

By: _____

Name: Jane R. Heller

Title: Senior Vice President

SONY MUSIC, a Group of Sony Music
Entertainment Inc.

By:  _____ 

Name:

Title:

MJ PUBLISHING TRUST

By: _____

John McClain, as Co-Trustee

By: _____

Alvin Malnik, as Co-Trustee

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BANK OF AMERICA, N.A.

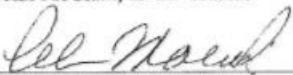
By: _____
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Title: Senior Vice President

SONY MUSIC, a Group of Sony Music
Entertainment Inc.

By: _____
Name:
Title:

MJ PUBLISHING TRUST

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Title:

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By: _____

John McClain, as Co-Trustee

By: _____

Alvin Malnik, as Co-Trustee