

FORTRESS CREDIT CORP.

1251 Avenue of the Americas
16th Floor
New York, New York 10020

April 18, 2005

Mr. Michael J. Jackson
c/o Mr. Donald Stabler, Advisor

Re: \$92,000,000 Senior Secured Loan Commitment and \$3,000,000 Secured Purchase Option

Dear Mr. Jackson:

You and MJ Publishing Trust ("MJPT," and collectively, jointly and severally, with yourself as an individual, the "Sponsor") have requested that Fortress Credit Corp. ("Fortress") or its affiliates provide a \$92,000,000 senior secured credit facility (the "Facility"), to fund the repayment of MJPT's existing Bank of America line of credit (the "Line of Credit"), to pay the costs of obtaining the Facility, and to provide you with additional working capital for business purposes. Sponsor has also requested that Fortress make the Option Payment (as defined below) to Sponsor.

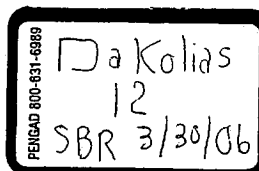
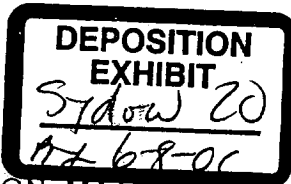
Fortress is pleased to advise you that it is willing to provide the Facility, substantially on the terms and conditions set forth in the Outline of Proposed Terms and Conditions attached hereto as Exhibit A (the "Term Sheet") and the Option Payment, as described below in this commitment letter.

The Term Sheet attached to this commitment letter is intended as an outline only of the conditions and the principal covenants, representations, warranties and other provisions that would be contained in definitive legal documentation for the Option (as defined below) and the Facility.

The documentation for the Facility shall include, in addition to the provisions that are summarized in this commitment letter and the Term Sheet, provisions (other than conditions precedent) that, in the reasonable opinion of Fortress are customary or typical for this type of financing transaction and other provisions (other than conditions precedent) that Fortress determines to be appropriate in the context of the proposed transaction. Subject to the foregoing, such definitive legal documentation shall be in a form and substance reasonably satisfactory to Fortress.

By its execution hereof and its acceptance of the commitment contained herein, the Sponsor agrees to indemnify and hold harmless Fortress and each of its assignees, its affiliates and

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CONFIDENTIAL LITIGATION MATERIALS

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its directors, officers, employees and agents (each an "Indemnified Party") from and against any and all claims, demands, damages, losses, liabilities, actions or other proceedings, or other expenses (including without limitation, attorneys', accountants', consultants' and expert witness fees) to which such Indemnified Party may become subject (collectively, "Claims"), insofar as such Claims (or any civil action or other proceedings commenced or threatened in respect thereof) or other expenses arise out of or in any way relate to or result from, the Option, the Facility and the transactions contemplated thereby including, without limitation, this letter or the extension of the Facility, or in any way arise from any use or intended use of this letter or the proceeds of the Facility or the Option Payment, and the Sponsor agrees to reimburse each Indemnified Party for any legal or other expenses incurred in connection with investigating, defending or participating in any such Claim (whether or not such Indemnified Party is a party to any action or proceeding out of which indemnified expenses arise), but excluding therefrom all expenses, losses, claims, damages and liabilities which are finally determined in a non-appealable decision of a court of competent jurisdiction to have resulted solely from the gross negligence or willful misconduct of the Indemnified Party. In the event of any litigation or dispute involving this commitment letter, the Option, or the Facility (and without limiting Fortress' potential liability for direct economic damages) Fortress shall not be responsible or liable to the Sponsor or any other person or entity for any special, indirect, consequential, incidental, exemplary or punitive damages. In addition, the Sponsor agrees to reimburse Fortress for all reasonable fees and expenses (the "Expenses") incurred by or on behalf of Fortress in connection with the negotiation, preparation, execution and delivery of this commitment letter, the Term Sheet and any and all definitive documentation relating thereto, or to the Option, or to the Facility, including, but not limited to, the reasonable fees and expenses of counsel to Fortress and the fees and expenses incurred by Fortress in connection with any due diligence, collateral reviews, appraisals, valuations and audits. The obligations of the Sponsor under this paragraph shall remain effective whether or not definitive loan documentation is executed and notwithstanding any termination of this commitment letter.

In consideration of Fortress' expenditure of time and money in negotiating and delivering this commitment letter and the attached Term Sheet, and the due diligence and legal expenses Fortress will incur upon the Sponsor's execution and delivery of a copy of this commitment letter, the Sponsor agrees that, for a period of ninety (90) days following the Sponsor's execution and delivery to Fortress of this commitment letter (such ninety (90) day period, the "Exclusivity Period"), none of Michael J. Jackson, MJPT, MJ/ATV, nor any of their respective trustees, beneficiaries, officers, directors, stockholders, agents, employees, attorneys, consultants, representatives or affiliates, nor anyone else to whom Michael J. Jackson, MJPT or MJ/ATV has given authority or otherwise encouraged to act on his, its or their behalf shall, directly or indirectly, take any of the following actions with any person or entity other than Fortress or its designees:

- (a) solicit, initiate, entertain or encourage any proposals or offers from, or conduct discussions or engage in negotiations with, any person or entity relating to any "Competing Transaction." The term "Competing Transaction" shall include the possible acquisition of any interest, whether direct or indirect, regardless of the number of tiers of ownership, in any portion of MJPT, MJ/ATV, the MIJAC music library, the Neverland Valley Ranch, or any Sony/ATV assets (whether by way of merger, purchase of capital stock, purchase of assets, assignment or licensing

arrangement or otherwise, other than minimal transactions in the ordinary course of business) or any equity interest in Sony/ATV (other than upon exercise of options or warrants currently outstanding); or

- (b) provide any information with respect to MJPT, MJ/ATV, the MJAC music library, the Neverland Valley Ranch, or any Sony/ATV assets to any person or entity other than Fortress or its designees, or otherwise cooperate with, facilitate or encourage any effort or attempt by any such person or entity with regard to any possible Competing Transaction; or
- (c) make or authorize any statement, recommendation or solicitation in support of any possible Competing Transaction; or
- (d) engage in any of the activities described in (a), (b) or (c) above with respect to possible alternative financing in whole or in part designed to replace the Sponsor's expressed need for the Facility.

Fortress' commitment to provide the Facility and the Option Payment is subject to the following conditions precedent:

(i) the satisfaction of the conditions set forth in the Term Sheet and this commitment letter, as determined by Fortress in its reasonable judgment;

(ii) the negotiation, execution and delivery of definitive legal documentation related to the Facility and the Option, in form and substance reasonably satisfactory to Fortress and its counsel;

(iii) at all times from and after the date hereof and to and including the date on which the transaction referred to hereunder closes, there has not occurred or become known to the Sponsor or Fortress any material adverse change with respect to the condition, financial or otherwise, business, operations, assets, liabilities or prospects of the Sponsor taken as a whole (a "Material Adverse Change"); and

(iv) the accuracy in all material respects of all information that Sponsor furnishes or causes to be furnished to Fortress, and the absence of any information or other matter being disclosed after the date hereof that is inconsistent in a material and adverse manner with any information or other matter disclosed to Fortress. If at any time Fortress shall determine in its reasonable judgment either that (A) the Sponsor will be unable to fulfill any material condition set forth in this commitment letter or in the Term Sheet or (B) any Material Adverse Change has occurred, Fortress may terminate this letter by giving notice thereof to the Sponsor (subject to the obligation of the Sponsor to pay all fees, costs, expenses and other payment obligations expressly assumed by the Sponsor, which shall survive termination of this letter). Notwithstanding the foregoing, the conviction and/or sentencing of Michael J. Jackson on the matters which are currently the subject of a criminal proceeding in Santa Maria, California (the "Current Criminal Proceeding"), shall not be considered a Material Adverse Change.

THE SPONSOR AGREES THAT ON THE FIRST DATE ON WHICH THE FACILITY IS DRAWN, (I) FORTRESS SHALL HAVE EARNED AND THE SPONSOR

SHALL PAY TO FORTRESS A COMMITMENT FEE IN THE AMOUNT OF 1.5% OF THE FACILITY (\$1,380,000); AND (II) PRESCIENT AG, ADVISOR TO SPONSOR, SHALL HAVE EARNED AND THE SPONSOR SHALL PAY TO PRESCIENT AG AN ORIGINATION FEE IN THE AMOUNT OF 1.5% OF THE FACILITY (\$1,380,000).

ACKNOWLEDGED AND AGREED:

Michael J. Jackson, individually and as
Beneficiary of the MJ Publishing Trust

Michael Sydow, witness

Don Stabler, witness

In addition, if Fortress is working to make the Facility available to the Sponsor on the material terms and conditions set forth in the Term Sheet, but for any reason the Sponsor elects not to use the Facility, then on the earlier to occur of any extension of the existing Line of Credit and the refinancing thereof with other financing, provided that such extension shall occur, or such alternative financing shall be the subject of a letter of intent, commitment letter or definitive documentation (the earliest of the three) on or before 270 days after the expiration of the Exclusivity Period, Fortress shall have earned and the Sponsor shall pay to Fortress a break-up fee in an amount of \$1,000,000.

The Sponsor represents and warrants that (i) all written material information and other materials concerning the Collateral (collectively, the "Information") which has been, or is hereafter, made available by, or on behalf of the Sponsor is, or when delivered will be, when considered as a whole, complete and correct in all material respects and does not, or will not when delivered, contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements contained therein not misleading in light of the circumstances under which such statement has been made and (ii) to the extent that any such Information contains projections, such projections were prepared in good faith on the basis of (A) assumptions, methods and tests stated therein which are believed by the Sponsor to be reasonable and (B) information believed by the Sponsor to have been accurate based upon the information available to the Sponsors at the time such projections were furnished to Fortress.

This commitment letter is delivered to the Sponsor upon the condition that, prior to its acceptance of this offer, neither the existence of this commitment letter or the Term Sheet, nor any of their contents, shall be disclosed by the Sponsor, except as may be compelled to be disclosed in a judicial or administrative proceeding or as otherwise required by law or, on a confidential and "need to know" basis, solely to the trustees of MJPT and the lenders and legal, business and financial advisors and agents of the Sponsor. In addition, the Sponsor agrees that it will (i) consult with Fortress prior to the making of any filing in which reference is made to Fortress or the commitment of Fortress contained herein, and (ii) obtain the prior approval of Fortress (which approval shall not be unreasonably withheld) before releasing any public announcement in which reference is made to Fortress or to the commitment of Fortress contained herein. The Sponsor acknowledges that Fortress and its affiliates may now or hereafter provide financing or obtain other interests in other companies in respect of which the Sponsor or its

affiliates may be business competitors, and that Fortress and its respective affiliates will have no obligation to provide to the Sponsor or any of its affiliates any confidential information obtained from such other companies.

The offer made by Fortress in this commitment letter shall expire, unless otherwise agreed by Fortress in writing, at 5:00 p.m. (New York City time) on April 19, 2005, unless prior thereto, Fortress has received a copy of this commitment letter, signed by the Sponsor accepting the terms and conditions of this commitment letter and the Term Sheet. If accepted as provided in the preceding sentence, the commitment by Fortress to provide the Facility shall expire at 5:00 p.m. (New York City time) on May 27, 2005 unless prior to such time and date, definitive loan documentation shall have been agreed to in writing by all parties and the conditions set forth therein shall have been satisfied for the Facility (it being understood that the Sponsor's obligations to pay all amounts in respect of indemnification and Expenses shall survive termination of this commitment letter).

This commitment letter and the attached Term Sheet (i) supersedes all prior discussions, agreements, commitments, arrangements, negotiations or understandings, whether oral or written, of the parties with respect thereto, including without limitation letters to you dated December 30, 2004, from Stuart Shelly of Transitional Investors LLC ("Mr. Shelly") and countersigned by Michael J. Jackson on January 20, 2005, but not including (a) the obligation to pay the 9% break-up fee as liquidated damages as set forth in and subject to Section 6 of the letter to you dated December 30, 2004 from Mr. Shelly (which 9% break-up fee is comprised of a 2% break-up fee to be paid to Fortress and a 7% BREAK-UP FEE TO BE PAID TO PRESCIENT AG, YOUR ADVISORS) or (b) the contemplated terms and structure of future financings as outlined in the term sheets from Mr. Shelly and Dean Dakolias of Fortress, dated February, 2005, and countersigned by Don Stabler on your behalf on February 28, 2005; (ii) shall be governed by the law of the State of New York applicable to contracts made and to be performed in that State; (iii) shall be binding upon the parties and their respective successors and assigns; (iv) may not be relied upon or enforced by any other person or entity; and (v) may be signed in multiple counterparts and may be delivered by facsimile, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. If this commitment letter or the Term Sheet becomes the subject of a dispute, each of the parties hereto hereby waives trial by jury. This commitment letter and the Term Sheet may be amended, modified or waived only in a writing signed by each of the parties hereto.

In addition to the foregoing, and subject to Fortress receiving all third party consents, approvals, waivers and information deemed necessary or advisable by Fortress in its sole discretion, Fortress hereby agrees to fund \$3,000,000 (the "Option Payment") to Sponsor on or before April 30, 2005 and, in consideration for the Option Payment, Michael J. Jackson hereby agrees to grant Fortress an option (the "Option") to purchase 51% of Michael J. Jackson's beneficial interest in the MJ/ATV Publishing Trust (a "51% Interest") for a purchase price of \$175,000,000, which Option shall be secured by a first lien on Michael J. Jackson's beneficial interest in the MJ/ATV Publishing Trust. Fortress may exercise the Option at any time from and after the earlier of (a) May 30, 2005, or (b) the expiration of the existing Forbearance Agreement with Bank of America regarding the Line of Credit. The Option shall expire upon the funding of the full Facility pursuant to the terms set forth in the Term Sheet (at which time Sponsor shall refund the Option Payment to Fortress). Sponsor also may obtain Fortress' release of the Option

by (x) effecting the bona fide arms-length sale in one transaction of not less than a 51% Interest, and (y) paying to Fortress an amount equal to (i) the Option Payment, plus (ii) 50% of the difference of (A) the total proceeds from the bona fide arms-length sale of the 51% Interest, less (B) \$175,000,000. Any obligation of Fortress pursuant to this paragraph shall be subject to final documentation of the Option and all security instruments in form and substance reasonably satisfactory to Fortress, including without limitation a representation and warranty that MJ/ATV Publishing Trust will not incur any debt (other than the existing Line of Credit) and shall not refinance the existing Line of Credit, during the term of the Option. In addition, Sponsor will grant to Fortress adequate mechanisms and authorities to preserve the value of the Option, including without limitation in the event of a foreclosure by Bank of America under the Line of Credit.

Sponsor will indemnify and hold Fortress harmless from and against any and all claims for intermediaries, advisors, brokers, finders, business opportunity, consultants or similar fees claimed by any person or entity as a fee for arranging the Facility or the Option, or introducing Sponsor or his representatives to Transitional Investors LLC, or Fortress; provided, however, that if the Facility shall close, Fortress shall be solely responsible for payment of any fee due Transitional Investors LLC.

Finally, we have advised you of our intention to utilize the legal services of Sidley Austin Brown & Wood LLP ("SABW"), principally under the supervision of Marc I. Hayutin of SABW's Los Angeles office. It is our understanding that SABW has in the past represented the Sponsor, principally under the supervision of Robert Aicher in SABW's Chicago office. Mr. Aicher will not be involved in the negotiation or documentation of the Facility or the Option. By your acceptance of this Commitment Letter, you waive any conflict of interest, and consent to SABW's representation of Fortress in connection with the Facility or the Option.

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Should the terms and conditions of the offer contained herein meet with your approval, please indicate your acceptance by signing and returning a copy of this commitment letter to Fortress.

Very truly yours,

FORTRESS CREDIT CORP,
a Delaware corporation

By: _____
Name: Peter Briger
Title: _____

By: _____
Name: Constantine Michael Dakolias
Title: _____

Agreed and accepted on this
___ day of April, 2005:

→ MJ Publishing Trust

By: _____
Name: _____
Title: Co-Trustee

Michael Sydow, witness

Don Stabler, witness

→ By: _____
Name: _____
Title: Co-Trustee

Michael Sydow, witness

Don Stabler, witness

Witness:

Agreed and accepted on this
___ day of April, 2005:

→ _____
Michael J. Jackson

Michael Sydow, witness

Don Stabler, witness

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EXHIBIT A

OUTLINE OF PROPOSED TERMS AND CONDITIONS

FACILITY TRANSACTION

This Proposal of Terms and Conditions outlines certain terms of the Facility referred to in the Commitment Letter. Certain capitalized terms used herein and not defined are defined in the Commitment Letter.

Borrower: MJ Publishing Trust, to be a bankruptcy remote special purpose entity

Guarantor: Michael J. Jackson

Lender: Fortress Credit Corp or an affiliate thereof

Closing Date: The closing of the transaction (the "Closing") shall occur on or prior to May 27, 2005, so long as the Conditions Precedent set forth below have been satisfied. The Closing Date may be extended by mutual agreement of Borrower and Lender.

Collateral:

- (a) a First Lien on the MJAC music library
- (b) a First Deed of Trust on Neverland Valley Ranch, Santa Barbara County, California, and all improvements, equipment and other personal property (exclusive of personal furnishings and other personal items) located thereon (collectively, the "Ranch");
- (c) the personal continuing guaranty of Michael J. Jackson; and
- (d) a First Lien on Michael J. Jackson's beneficial interest in the MJ/ATV Publishing Trust (subject to release as set forth below)

The collateral requests compared to the facility amount to be disbursed it is just as crazy as all this situation

Partial Release of Collateral: Michael J. Jackson's beneficial interest in the MJ/ATV Publishing Trust shall be released from Lender's liens at such time as Lender is satisfied in Lender's sole good faith discretion that the MJAC music library and the Ranch have a combined value of not less than \$150,000,000.

Facility Amount: \$92,000,000.00

Availability: The Facility shall be drawn, if at all, in a single drawing on the Closing Date.

Facility Fee:

(a) Lender shall have earned upon the Closing, and Sponsor shall pay to Lender at Closing, a commitment fee (the "Commitment Fee") equal to 1.5% of the Facility Amount; and (b) Prescient AG, advisor to Sponsor, shall have earned upon the Closing, and Sponsor shall pay to Prescient AG at Closing, an origination fee ("Origination Fee") equal to 1.5% of the Facility Amount.

Use of Proceeds:

Repay Bank of America Line of Credit	\$72,500,000
Repay Bank of America Overdraft	600,000
Pay Accounts Payable and Accrued Liabilities	5,940,000
Commitment Fee	1,380,000
Origination Fee	1,380,000
Diligence, Appraisals and Audits	75,000
Legal Fees and Expenses	125,000
Cash From BofA Reserve	(3,000,000)
Option Redemption	3,000,000
Working Capital Needs	10,000,000

All amounts approximate and subject to verification; Lender may withhold proceeds at Closing to cover Lender's estimated further due diligence expenses.

Loan Documents:

Customary for transactions of this type and magnitude, including, without limitation, Loan and Facility Agreement, Pledge Agreement, Deed of Trust and Assignment of Rents, UCC Financing Statements, Cash Collateral Agreements and/or Deposit Control Agreements and Continuing Guarantees from Guarantor and parties benefiting from the Facility, and Opinions of Counsel re good standing, authorization, enforceability, usury, perfection, bankruptcy, remoteness and such other matters as Lender may reasonably request.

Representations and Warranties:

The Loan Documents will contain representations and warranties customarily found in agreements for similar financings and others appropriate to the specific transaction.

Due Diligence:

Lender shall conduct due diligence with respect to the Collateral, including appraisals and a forensic accounting review of the publishing assets, and physical condition, environmental compliance and title and survey matters for the Ranch. Sponsor shall cooperate fully with Lender in such respects as Lender reasonably requests in connection with such due diligence. Lender shall be entitled to continue any due diligence after the Closing that it has not been able to complete prior to the Closing.

Expenses:

The Borrower shall be responsible for all reasonable closing costs

EXHIBIT B

GENERAL CONDITIONS

- a) The corporate, capital and legal structure and management and control of the Borrower and its affiliates shall be reasonably acceptable to Lender.
- b) All documentation relating to the Facility shall be in form and substance reasonably satisfactory to Lender.
- c) Lender shall have received the results of such lien searches as it may request in each relevant jurisdiction with respect to the Borrower and the Collateral, and such searches shall reveal no liens on any of the assets of Borrower the Collateral (after giving effect to the Closing of the Facility) except for customary permitted liens under the documentation for the Facility or liens to be discharged on or prior to the Closing Date.
- d) Lender shall have received (i) reasonably satisfactory opinions of Borrower's and Guarantor's independent counsel as to the transactions contemplated hereby and (ii) such corporate resolutions, certificates and other documents as Lender shall reasonably request.
- e) No order, stay, injunction or restraining order, or any pending or threatened litigation shall exist which, if decided against Borrower or Guarantor, (a) would be likely to have a material adverse effect on the business, condition (financial or otherwise), operations, performance, properties or prospects of Borrower or Guarantor, or (b) would be likely to have a material adverse effect on (i) the ability of the Borrower or Guarantor to consummate the transactions contemplated by loan documents, (ii) the ability of Borrower or Guarantor to perform their obligations under the loan documentation; provided, however, that Guarantor's conviction in the criminal matter against him now pending in Santa Maria, California, shall not in and of itself be deemed to constitute a violation of this condition precedent.
- f) All governmental and material third party consents, waivers, and approvals necessary in connection with the Facility (which may include, without limitation, consents, waivers or approvals from Bank of America, Sony Music Entertainment, Inc., and Signatures Network, Inc.) and, if applicable, the grant of the security interests shall have been obtained (without the imposition of any conditions that are not reasonably acceptable to Lender) and shall remain in effect; and no law or regulation shall be applicable in the reasonable judgment of Lender that restrains, prevents or imposes materially adverse conditions upon the transactions contemplated under the loan documentation.
- g) Lender shall have received all fees required to be paid, and all expenses for which invoices have been presented, on or before the Closing Date.