

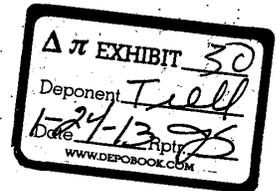
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January 26, 2009

MICHAEL JACKSON

The Michael Jackson Company, LLC
1875 Century Park East, Suite 600
Los Angeles, CA 90067
Tel: (310) 284-3144
Fax: (310) 284-3145
Attn: Dr. Tohme Tohme



Dear Dr. Tohme:

This agreement (this "Agreement") is entered between AEG Live, LLC dba Concerts West, a Delaware limited liability company ("Promoter"), on the one hand, and The Michael Jackson Company, LLC, a Delaware limited liability company, (Federal Employer Identification Number 20-5536902) ("Artistco") furnishing the services of Michael Jackson ("Artist") and the Artist, on the other hand, as follows:

- Definitions.** The capitalized terms contained herein shall have the meaning ascribed to such terms herein and/or in the attached Exhibit A, as applicable.
- Promoter's Rights.** Artistco and Artist hereby grant Concerts West the following rights during the Term and throughout the Territory: (a) the exclusive right to promote the Shows in the Territory, (b) the exclusive right to manufacture and sell, and/or arrange for others to manufacture and sell mutually-approved Artist Merchandise at each of the Shows and on the official website of the Artist (www.michaeljackson.com) or such other website identified by Artistco in the event it selects another URL for the Artist's official website, (c) the right to solicit mutually-approved Sponsors to any and all Shows and to execute Sponsorship Agreements; and (d) the non-exclusive right to use the Artist's name and approved likeness in connection with Promoter's exercise of any of the foregoing rights. Promoter will be allowed to sell off Shows; provided that Promoter shall remain primarily responsible for its obligations hereunder in connection with such Shows, unless otherwise agreed by Artistco. Artist shall not engage in any live performances in the Territory during the Term except that Artist may engage in the following live performances during the Term and in the Territory so long as they do not interfere with the Artist's services in connection with the Tour or negatively impact ticket sales in connection with the Shows: (i) promotional and private shows where tickets are not sold or advertised to the general public; (ii) television and award shows; (iii) charity and radio shows; and (iv) other mutually agreed upon shows.
- Itinerary of Shows.** Artistco and Promoter shall reasonably cooperate with each other in an effort to arrive at mutually approved itineraries for each leg of Shows during the Term; provided however, it shall be unreasonable for Artistco to withhold or qualify its approval of any itinerary or amended itinerary proposed by Promoter if the date range of such itinerary does not exceed ten (10) weeks, the frequency of Shows within such itinerary does not exceed one Show per day and 3.5 Shows

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per seven-day period, on average, and the locations of the proposed venues are in metropolitan areas. Artistco hereby pre-approves up to thirty one (31) Shows, or such other greater number as agreed by Artistco and Promoter, at the O2 Arena in London, England between July 26 and September 30, 2009. Subject to the foregoing, Promoter and Artistco shall mutually agree on the number of legs of Shows and the number of Shows in each leg during the Term, and Artistco shall supply a first class performance of Artist in accordance with this Agreement at all the Shows. Without limiting the generality of Promoter's right to schedule Shows throughout the Term or Artistco's obligation to supply a first class performance of Artist at all such Shows, in no event shall the number of Shows performed by Artist in the first leg of the Tour be less than eighteen (18) Shows unless otherwise directed by Promoter. It shall be unreasonable for Artistco to withhold its approval of adding Shows to any given leg of the Tour or adding legs of Shows to the Tour during the Term (so long as the number of Shows in any given leg do not exceed one per day, and 3.5 per seven-day period, on average) if Promoter demonstrates to Artistco that such additional Shows and/or legs are necessary for Promoter to recoup the Advances in accordance with the terms of this Agreement. Prior to the commencement of any leg of the Tour, Promoter shall provide Artistco with financial models based on estimated Pool Expenses, Production Costs and Pool Revenue based on projections that assume Promoter shall sell tickets to 80% of the sellable capacity of the applicable venues. The parties shall attempt in good faith to agree upon the number of Shows that need to be scheduled for Promoter to recoup all Advances in connection with such leg. As used herein, "leg" refers to a segment of Shows which are contiguous with each other in terms of time and geographic region (e.g., North America, the United Kingdom, Europe) and are not separated by more than three (3) weeks.

4. Artist's Compensation.

4.1 Contingent Compensation. Artist shall be entitled to receive ninety percent (90%) of the Net Pool Revenue, on a fully cross-collateralized basis ("Contingent Compensation"). The Shows and all Pool Revenue and Pool Expenses shall be fully cross-collateralized. A portion of the Contingent Compensation shall be paid to Artistco at the conclusion of each leg of the Tour. Specifically, by no later than ten (10) business days after the final Show in a leg, Promoter shall prepare and deliver to Artist a preliminary settlement of the Shows in such leg within ten (10) business days after the final Show in such leg. Within five (5) business days thereafter, and subject to Promoter's right to recoup Advances, Promoter shall pay Artistco an amount equivalent to ninety percent (90%) of the Contingent Compensation, if any, based on the applicable preliminary settlement. By no later than sixty (60) days after the final Show in the Term, Promoter shall prepare and deliver to Artistco a final settlement of all Pool Revenue and Pool Expenses, on a fully cross-collateralized basis. Within five (5) business days thereafter, Promoter shall pay Artistco any remaining Contingent Compensation owing. Promoter shall retain all other Net Pool Revenue. Notwithstanding any other provision herein, appropriate adjustments shall be made at each of the preliminary settlements and the final settlement to account for any early distribution or overpayment of any portion of the Contingent Compensation, and Artistco shall promptly return any overpayment of Contingent Compensation in the event Promoter determines Artistco was overpaid any portion of the Contingent Compensation. Promoter shall be entitled to offset from amounts owing to Artistco hereunder, any amounts owed by Artistco to Promoter under this Agreement or by reason of any Advances made by Promoter to Artistco throughout the Term. Promoter shall provide Artistco with a bi-weekly accounting of Pool Revenue and Pool Expenses during any leg of the Tour.

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4.2 Advances of Contingent Compensation.

4.2.1 Initial Artist Advance. Conditioned upon the execution and delivery of the inducement letter attached hereto as Exhibit B, the promissory note attached hereto as Exhibit C (which promissory note shall not be secured by any property belonging to Artist, but shall be secured by property owned by Artistco), by Artistco and Artist, Promoter shall loan Artist and Artistco the sum of Five Million United States Dollars (US \$5,000,000) (the "Initial Artist Advance") as an advance against Artistco's future entitlement to Contingent Compensation. Such payment shall be made within four (4) business days of the satisfaction of the foregoing conditions by wire transferring (a) Three Million United States Dollars (US \$3,000,000) pursuant to written wiring instructions provided by 2 Seas Records LLC as a payment made on behalf of Artist and/or his affiliate(s) in connection with Artist's settlement with 2 Seas Records LLC; and (b) Two Million United States Dollars (US \$2,000,000) to Artistco pursuant to written wiring instructions provided by Artistco.

4.2.2 Advances to Cover Home Rental. Conditioned upon the execution and delivery of the Inducement letter attached hereto as Exhibit B and the promissory note attached hereto as Exhibit C, Promoter shall pay the monthly rent on Artist's home located in Bel Air, California for a period of twelve (12) months at the rate of \$100,000 per month (totaling not more than US \$1,200,000) as an additional advance ("Home Rental Advances") against Artistco's future entitlement to Contingent Compensation. Upon receipt of evidence that Artistco or any member of Artistco's management has paid any such amounts, Promoter shall reimburse such amounts to the applicable person or entity, and such reimbursement (hereinafter, the "Rental Reimbursement") shall be considered part of the Home Rental Advances. At Artistco's request and with the consent of the applicable landlord, Promoter shall secure its obligation to pay such amounts by delivering a letter of credit in favor of the landlord or its designee, which letter of credit shall be in an amount equivalent to One Million Two Hundred Thousand United States Dollars (US \$1,200,000) minus the amount of the Rental Reimbursement. Notwithstanding any other provision herein, upon delivering such letter of credit and paying the Rental Reimbursement, Promoter shall be deemed to have fully satisfied its obligations under this provision and the amount of the Home Rental Advances shall be deemed to be the sum of One Million Two Hundred Thousand Dollars (US \$1,200,000) plus Promoter's reasonable costs associated with posting such letter of credit. (Artist and/or Artist may repay a portion of the Home Rental Advances by obtaining from the landlord or its designee, as applicable, the cancellation of the letter of credit delivered by Promoter, in which case the amount of such repayment shall be equivalent to the principal amount remaining on the letter of credit (i.e., the amount that has not yet been drawn down on).)

4.2.3 Letter of Credit/Residence Purchase.

(a) Letter of Credit. Conditioned upon the issuance of cancellation insurance in accordance with Paragraph 13.1 below, Promoter shall deliver to Artistco an irrevocable standby letter of credit in favor of Artistco in the amount of Fifteen Million United States Dollars (US \$15,000,000) in the form substantially similar to the form attached hereto as Exhibit D (the "Letter of Credit"), which Letter of Credit shall require the issuing bank to pay Artistco additional advances against Artistco's future entitlement to Contingent Compensation after every five (5) Shows performed by Artist in an amount equivalent to (a) ninety percent (90%) of the Projected Contingent Compensation for such five (5) Shows minus (b) the sum of the Projected Production Costs allocable to such five (5) Shows and the Artist Advances allocable to such five (5) Shows on a pro rata basis (each, an "Interim Artist

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Advance" and collectively, the "Interim Artist Advances"). The amount of the Projected Production Costs and the Artist Advances that shall be allocated to each Show shall be determined by dividing the total amount of the Projected Production Costs by the number of scheduled Shows in the applicable leg and the total amount of the Artist Advances by the number of scheduled Shows in the applicable leg. By no later than three (3) business days after every fifth performances of Shows by Artist, Promoter and Artistco shall execute a written statement ("Joint Statement") verifying that Artist performed at such five (5) Shows and specifying the amount of the Interim Artist Advance, which amount shall be mutually approved at the time the parties agree upon the number of Shows in the applicable leg of the Tour and shall be subject to further modification on an ongoing basis by Promoter based on actual Pool Expenses, Pool Revenue and Production Costs. Thereafter, Artistco shall be entitled to immediately draw down the amount of the Interim Artist Advance from the Letter of Credit. Alternatively, at Promoter's election, in lieu of submitting the Joint Statement to Artistco, Promoter shall be entitled to pay the amount of the Interim Artist Advance directly to Artistco by wire transferring such amount to Artistco by the third business day after the applicable fifth performance by Artist. In the event Promoter pays the Interim Artist Advance to Artistco directly, Artistco and Promoter shall execute an amendment to the Letter of Credit reducing the principal amount of the Letter of Credit by the amount of the Interim Artist Advance paid by Promoter to Artistco.

(b) Advance to Purchase LV Residence. In lieu of one or more of the Interim Artist Advances or portions thereof as provided for in Paragraph 4.2.3 (a) above and subject to the below conditions, Artistco may elect to receive a cash advance to assist Artistco or its designee to purchase that certain residence located at 99 Spanish Gate Drive, Las Vegas, Nevada 89113 (adjacent to the Spanish Trails Golf Course) ("LV Residence") on the following terms:

(i) The amount of the cash advance (the "LV Residence Advance") shall be the lesser of (a) Fifteen Million United States Dollars (US \$15,000,000) minus any Interim Artist Advances previously paid pursuant to Paragraph 4.2.3(a) above, or (b) ninety percent (90%) of the Home Value (defined to be the lesser of (x) the appraised value of the residence based on a written appraisal prepared by a mutually-approved MAI certified appraiser within three (3) months of the purchase of the residence, and (y) the purchase price of such residence).

(ii) Promoter's obligation to pay such LV Residence Advance shall be conditioned upon (x) the execution and delivery of a mutually-approved promissory note (in a form substantially similar to the promissory note attached hereto as Exhibit C with the principal amount being equivalent to the LV Residence Advance), security agreement and first priority deed of trust by Artistco, Artist and any designee that takes title to the LV Residence, (y) the satisfaction of the conditions set forth in Paragraph 16.4.1 below, and (z) the delivery to Promoter of a lender's title insurance policy in connection with such home purchase in a form approved by Promoter, which demonstrates that Promoter will be the first lienholder on the LV Residence.

(iii) Artist and Artistco shall purchase and deliver to Promoter a lender's title insurance policy no later than ten (10) business days prior to the closing of the purchase of the LV Residence (the "Closing").

(iv) Promoter shall pay the LV Residence Advance into the applicable LV Residence escrow by the later of (a) seven (7) business days after all of the conditions set

forth in Paragraph 4.2.3(b)(ii) have been satisfied and (b) seven (7) business days before the scheduled Closing;

(v) Notwithstanding any other provision herein, in the event the escrow on the LV Residence purchase does not close within ten (10) business days of Promoter's payment of the LV Residence Advance into escrow or any later date approved by Promoter, Artistco shall arrange for escrow to return the LV Residence Advance to Promoter, the LV Residence Advance loan shall be cancelled, and Promoter shall have no further obligation to pay the LV Residence Advance. For the avoidance of doubt, 100% of the LV Residence Advance shall be used by Artist and/or Artistco (or a mutually approved designee) to purchase the LV Residence, and Promoter shall be entitled to receive a recorded first priority lien against the LV Residence for the entire amount of the LV Residence Advance.

(vi) In the event Promoter pays the LV Residence Advance (and it is not returned to Promoter in accordance with Paragraph 4.2.3(iv) above, Artistco and Promoter shall execute an amendment to the Letter of Credit reducing the principal amount of the Letter of Credit by the amount of the LV Residence Advance paid by Promoter.

(vii) For the avoidance of doubt, Artistco shall be entitled to continue to receive the Interim Artist Advances under Paragraph 4.2.3(a) above until such time as the sum of the Interim Artist Advances paid by Promoter and the LV Residence Advance paid by Promoter, if any, equals Fifteen Million United States Dollars (US \$15,000,000) or the Term expires, whichever is earlier.

4.2.4 Additional Artist Advances. From time to time, upon the execution of a mutually approved promissory note by Artist and Artistco in a form substantially similar to Exhibit C (with appropriate modifications to reflect the actual amount of loan), Promoter may, in its sole discretion, pay Artistco additional advances against Artistco's future entitlement to Contingent Compensation (each, an "Additional Artist Advance," and collectively, "Additional Artist Advances"). (The Initial Artist Advance, the Interim Artist Advances, the LV Residence Advance, the Home Rental Advances and each Additional Artist Advance shall be individually referred to as an "Artist Advance" and collectively referred to as, "Artist Advances").

4.2.5 Right to Recoup Artist Advances. Promoter shall be entitled to recoup all Artist Advances from Contingent Compensation earned by Artistco or as otherwise agreed by the parties; provided however, Artist and Artistco, on a joint and several basis, shall repay any portion of any such Artist Advances to the extent Promoter does not recoup such Artist Advance within six (6) months after the last scheduled Show in the Tour or such time as Promoter provides written notice to Artist that Promoter does not desire to schedule additional Shows during the Term, whichever is later. Notwithstanding any other provision herein, if by March 1, 2009 (a) Artistco does not obtain cancellation insurance in a form and at a cost approved by Promoter in accordance with Paragraph 13 below, or (b) Promoter is not named as a loss payee on cancellation insurance obtained by Artistco and approved by Promoter in accordance with Paragraph 13 below, or (c) Promoter is unable to obtain cancellation insurance at a reasonable cost to cover its risk of loss of Pool Expenses notwithstanding its good faith efforts to do so, then upon Promoter's written request, which it may make in its sole discretion, Artistco and Artist shall, on a joint and several basis, repay to Promoter any and all Advances by no later than six (6) months after such written request.

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5. **Promoter's Responsibilities:** In addition to its other obligations in this Agreement, Promoter shall be responsible for the following during the Term:

5.1 **Submission of Proposed Itineraries.** From time to time, Promoter shall submit to Artistco proposed itineraries for each leg of a worldwide tour consisting of dates, venues and locations for Shows in particular regions of the Territory. (Any mutually-approved itinerary of Shows shall be referred to as "Approved Itineraries.");

5.2 **Book and Promote Shows.** Promoter shall use reasonable efforts to book Shows in accordance with Approved Itineraries, and thereafter, Promoter shall place on sale and otherwise actively promote such Shows in a first class manner (and fulfill such other standard promoter obligations for artists of similar caliber to Artist including the arrangement, administration and funding of each item described as an approved "Show Costs"). Promoter shall initiate, negotiate and execute all venue deals;

5.3 **Merchandise.** Promoter shall use commercially reasonable efforts to enter into an agreement with a mutually-approved merchandising company to manufacture and sell Artist-Merchandise during the Term at Shows and through Artist's official websites;

5.4 **Broadcast Opportunities.** Promoter shall cooperate with Artist in any broadcast and/or recordation opportunities in connection with one or more Shows on mutually agreeable terms;

5.5 **Website Development.** Promoter will use reasonable efforts to develop and oversee the administration of an Artist website in accordance with mutually-approved parameters;

5.6 **Maximize Net Pool Revenue.** Promoter shall use commercially reasonable efforts to maximize Net Pool Revenue and to minimize Production Costs throughout the Term; and

5.7 **Sponsorship Agreements.** Promoter shall reasonably cooperate with Artistco and Artist to avoid potential conflicts in their respective solicitation of potential mutually approved sponsors, and to conclude Sponsorship Agreements on mutually-approved terms.

6. **Artist Responsibilities.** In addition to their other obligations in this Agreement, Artistco and Artist shall be responsible for the following during the Term:

6.1 **Approval of Proposed Itineraries.** Artistco shall respond to any itineraries or amended itineraries proposed by Promoter within five (5) business days of receiving the same;

6.2 **Performance.** A first class performance by Artist at each Show on each of the Approved Itineraries. Artist shall perform no less than 80 minutes at each Show, and the maximum show length (including intermissions and support) for each Show shall be 3.5 hours, pending local curfew restrictions. Artistco and Artist shall approve a sufficient number of Shows on Itineraries proposed by Promoter to maximize Promoter's ability to recoup the full amount of the Advances;

6.3 **Publicity.** Artist to participate in press events at mutually agreed dates and times to launch each leg of the worldwide tour, as well as other mutually-approved publicity, and to participate in the creation of an electronic press kit;

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6.4 Broadcast/Recording Opportunities. Artist shall reasonably participate in all mutually-approved broadcast and recordation opportunities related to any Shows;

6.5 Sponsorship Agreements. Artistco shall reasonably cooperate with Promoter to avoid potential conflicts with Promoter's solicitation of potential mutually-approved sponsors and to conclude Sponsorship Agreements on mutually-approved terms. Artist shall reasonably participate in fulfillment requirements of Sponsorship Agreements (e.g., attend meet and greets, permit reasonable sponsorship signage);

6.6 Maximize Net Pool Revenue. Artist and Artistco shall use commercially reasonable efforts to maximize Net Pool Revenue and to minimize Production Costs throughout the Term;

6.7 Inducement Letter. Artist shall execute and deliver the inducement letter attached as Exhibit B;

6.8 Management, Agency and Legal Costs. With the exception of the monthly fee owing under the terms of a separate agreement with TT International, LLC for the services of Dr. Tohme Tohme (not to exceed \$100,000 per month), which shall be included in Production Costs, Artistco shall be solely responsible for and shall pay all costs associated with management and agency commissions or fees and legal fees of Artist and/or Artistco, if any;

6.9 Delivery of Pool Revenue to Promoter. Artistco and Artist shall deliver any Pool Revenue received by them to Promoter for disbursement in accordance with this Agreement; and

6.10 Positive Public Image. Throughout the Term, Artist shall use his best efforts to maintain a positive public perception of Artist, and Artist shall not conduct himself in a manner that will negatively impact the reputation of the Artist or Promoter.

7. Ticketing Activities:

7.1 Complimentary Tickets. Except as otherwise mutually approved, there shall be no complimentary tickets issued except for ten (10) complimentary tickets for Artistco's use per Show, and complimentary tickets used for promotional purposes and to satisfy venue license agreements and Sponsorship Agreements.

7.2 Ticket and Secondary Ticket Sales. Promoter shall control ticket sales and secondary ticket activities, with inventory for ticket auctions and other secondary ticket programs in a first hold position.

8. Production of the Shows.

8.1 Production Services. Promoter shall provide producer services in connection with the design and production of the Show including, without limitation, working closely with the Artist regarding creative aspects of the design of the Show, managing the production in accordance with mutually-approved parameters and a mutually-approved production budget, and engaging the services of third

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party vendors to assist in the production of the Show. The parties will work together to prepare a mutually-approved tour rider for the Shows.

8.2 **Production Advances.** Subject to Paragraph 16.4 below, Promoter shall make advances to cover mutually-approved Production Costs ("Production Advances") up to but not exceeding Seven Million Five Hundred Thousand United States Dollars (US \$7,500,000) ("Production Advance Cap") plus the mutually-approved cost of mutually-approved cancellation insurance acquired to cover the risk of loss of Artistco's profits and Production Costs in a collective amount that equals any unrecovered portion of the Advances; provided, however, Promoter shall pay such Production Advances directly to third party vendors upon presentation of proper invoice(s). Promoter shall keep Artistco informed of such Production Advances. Promoter shall be entitled to recoup such Production Advances from Contingent Compensation otherwise payable to Artistco. By no later than ten (10) business days after the end of the Term, Artistco shall repay Promoter any portion of such Production Advance to the extent Promoter does not recoup such Production Advances from Artistco's Contingent Compensation. Artistco shall be responsible for all Production Costs requested by Artistco in excess of the Production Advance Cap ("Excess Production Costs"), and Artistco shall reimburse to Promoter or otherwise advance all funds necessary to pay such Excess Production Costs. Artistco shall be responsible for all of Artist's management and/or agency commissions or fees, all legal fees incurred by or at the request of Artistco and/or Artist in connection with this Agreement or the Shows and all production related costs incurred by or at the request of Artistco and/or Artist which are not included in the definition of Production Costs.

8.3 **Producer's Fee.** Artistco shall pay Promoter a producer's fee ("Producer's Fee") in an amount equal to five percent (5%) of the Artist's Net Tour Income. Promoter shall be entitled to deduct the Producer's Fee from amounts payable to Artistco hereunder.

9. **Broadcasting and Recordation Opportunities.** Subject to the rights of Artist's label and publishers, if any, the parties shall reasonably cooperate with each other in broadcast and recordation opportunities in connection with Artist's performance(s) at one or more Shows, Artist shall own the same, and the parties shall jointly exploit the same and all derivations therefrom in perpetuity in all modes of distribution or transmission, now known or hereinafter discovered (e.g., DVD, television, cable, satellite, cellular, IPTV, webcasting, Internet). Net Show-Related Broadcast/Recording Revenue received during the Term shall be included in Pool Revenue. Net Show-Related Broadcast/Recording Revenue received after the Term shall be paid first to Promoter to the extent it has not recouped Advances, mutually-approved costs associated with Net Show-Related Broadcast/Recording Revenue and the production of the underlying intellectual property right, and Pool Expenses, and thereafter, such amounts shall be disbursed ninety percent (90%) to Artistco and ten percent (10%) to Promoter. Notwithstanding any other provision in this Agreement, the parties' rights and obligations associated with Net Show-Related Broadcast/Recording Revenue shall survive the expiration or termination of the Term.

10. **Accountings / Show Settlement / Audit:**

10.1 **Show Settlements:** Artistco shall have the right to have a representative participate in all show settlements. Promoter shall provide Artistco with a written settlement for each Show, which shall contain the itemized calculation of Pool Revenue and Pool Expenses for each Show.

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10.2. **Audit Rights.** Promoter shall keep complete, detailed and accurate books and records of all Pool Revenue, Pool Expenses, Production Costs and Advances during the Term, as well as any Net Show-Related Broadcast/Recording Revenue received after the Term. Artistco shall keep complete, detailed and accurate books and records of all Pool Revenue received by Artistco in respect of the Shows; as well as any Net Show-Related Broadcast/Recording Revenue received after the Term. During the Term and for twenty-four (24) months thereafter, each of the parties shall provide the other party, upon reasonable notice, with full and complete access during regular business hours at such party's normal place of business to such party's Show-related books and records to inspect and copy, and to perform, at the discretion and expense of the other party, audits or reviews of such books and records.

11. **Approvals.** In addition to any other approval rights set forth herein, Artistco and Promoter shall each have the right to pre-approve before any Show, the following significant business matters relating to such Show: (a) any itinerary changes including any and all decisions to add multiple dates; (b) any travel and/or VIP packages to the extent the same involves any participation by Artist; (c) marketing and promotional activities to the extent the same involved any participation by Artist or the use of Artist's name and/or likeness; (d) the date and location of each performance of Artist under this Agreement, subject to Promoter's rights under Paragraph 3 above; (e) complimentary tickets for each Show; (f) the identity of any sponsors and the terms and conditions of Sponsorship Agreements; and (g) the dates and times of any publicity events at which Artist is required to participate. With the exception of those matters over which a party is expressly given sole discretion under the terms of this Agreement, no party may withhold, delay or condition approval unreasonably with respect to any matter for which such party's approval or consent is required by this Agreement. Notwithstanding Artistco's approval rights, in the event Artistco unreasonably withholds, delays or qualifies Artistco's approval over any such matter, Artistco shall be deemed to have given its approval over such matter.

12. **Force Majeure.** If a Force Majeure Event prevents the presentation of one or more Shows in the manner required by or reasonably expected under the terms of this Agreement, then absent a mutual agreement to the contrary, (i) such Show shall be canceled, (ii) neither party hereto shall be in default of its obligations by reason of such cancellation, (iii) both parties hereto shall use all reasonable efforts to reschedule such Show at a mutually agreeable time and place, and in a manner that avoids disproportionate costs or harm to either party; and (iv) except to the extent a cancelled Show has been rescheduled by the parties to a mutually approved date and location, Artistco shall return any portion of the Artist Advances allocable to such cancelled Show (which shall be determined by dividing the total amount of the Artist Advances by the number of scheduled Shows in the applicable leg), and each party shall be responsible for its own expenses (except for Pool Expenses associated with a cancelled Show, which shall be recoupable from Pool Revenue and Production Expenses incurred by Promoter, which shall be recoupable in accordance with the other terms of this Agreement). No party shall be in default of any obligation under this Agreement if its performance of such obligation is rendered impossible by reason of a Force Majeure Event.

13. **Insurance.**

13.1 **Cancellation Insurance.** Artist shall approve and reasonably cooperate in Promoter's acquisition of life insurance, non-performance, cancellation and other insurance, subject to reasonable confidentiality restrictions. Upon Promoter's request, Artist shall be required to undertake physical examination(s) by an independent physician and shall provide related health and medical information as

reasonably requested by Promoter's insurers and/or such independent physician, with a right to have his own doctor present and to receive copies of any and all medical reports prepared by such independent physician. The applicable insurance companies and physicians must agree to hold such medical reports in the strictest confidence. Artistco hereby represents and warrants that Artist does not possess any known health conditions, injuries or ailments that would reasonably be expected to interfere with Artist's first class performance at each of the Shows during the Term. In addition, Artistco shall acquire cancellation insurance, if available and mutually-approved, to cover the risk of loss of Artistco's profits and Production Costs in an amount that, at a minimum, will equal or exceed any unrecovered portion of the Advances, and Artistco shall name Promoter as a loss payee thereon. As a loss payee, Promoter shall be entitled to receive insurance proceeds directly as a means of recouping any unrecovered portion of the Advances; provided that such right shall not in any way relieve Artistco of any of its obligations to repay Advances to Promoter. To the extent Promoter has already recouped such Advances, Promoter shall deliver any insurance proceeds Promoter receives as a loss payee under Artistco's cancellation insurance policy directly to Artistco. The cost of such cancellation insurance shall be included in Production Costs to the extent it is mutually-approved. Promoter may, in its sole discretion, obtain cancellation insurance to cover the risk of loss of Pool Expenses and/or Promoter's profits hereunder. In the event Promoter purchases cancellation insurance to cover the risk of loss of Pool Expenses, the cost of such insurance shall be a Pool Expense.

13.2 **Liability Insurance.** Each party shall obtain CGL (with limits of no less than US \$10,000,000 per occurrence and in the aggregate), automobile and worker's compensation insurance on terms required by Promoter, and shall name the other party and any person or entity reasonably designated by the other party on the foregoing CGL and automobile policies, with such endorsements reasonably requested by Promoter.

14. **Termination.** Either party shall be entitled to terminate this Agreement if the other party fails to substantially perform its material obligations hereunder, and such failure to perform is not covered by a Force Majeure Event (the "Defaulting Party"), in a manner that results in material harm, loss or other damage to the other party ("Event of Default"), and if curable, such Event of Default is not cured within ten (10) business days after receipt by the Defaulting Party of written notice thereof, or in the event such Event of Default is curable but is not reasonably capable of being cured within such period, and the Defaulting Party either fails to begin the cure within such period or fails to diligently pursue such cure to completion as promptly as possible. Artist and Artistco's obligations to return the Advances shall survive any termination of this Agreement.

15. **Indemnification.**

15.1 Promoter shall defend, indemnify and hold Artistco and Artist, and their respective affiliates, employees, agents and representatives (the "Artist-Related Indemnitees") harmless from any Third Party Claims arising out of or related to (a) Promoter's breach of any of Promoter's obligations, representations and/or warranties under this Agreement; and (b) the negligence, and/or wrongful acts or omissions (including in the infringement of the intellectual property rights of third parties) of Promoter, if any, in connection with the presentation of a Show(s); provided however, in no event shall Promoter be responsible for any Claims arising out of or related to either (x) the negligence or willful misconduct of any such Artist-Related Indemnitees, or (b) Artistco's breach of any of Artistco's obligations under this Agreement.

15.2 Artistco and Artist shall defend, indemnify and hold Promoter and its respective affiliates, employees, agents and representatives (the "Promoter-Related Indemnitees") harmless from any Third Party Claims arising out of or related to (a) Artistco's breach of any of Artistco's obligations, representations and/or warranties under this Agreement; (b) the Artist's use of Pyrotechnics, if any; (c) the staging, props, stunts, Artist movements and other production elements associated with the Show; and (d) the negligence or wrongful acts or omissions (including in the infringement of the intellectual property rights of third parties) of Artistco, Artist and/or the Tour Party, if any, in connection with a Show(s); provided however, in no event shall Artistco be responsible for any Claims arising out of or related to (x) the negligence or willful misconduct of any such Promoter-Related Indemnitees, or (y) Promoter's breach of any of Promoter's obligations under this Agreement.

16. Miscellaneous.

16.1 Integrated Agreement. This Agreement, with its Exhibits, is intended by the parties to be the complete and final expression of their agreement, and is specifically intended to be an Integrated contract with respect to the matters affected herein. Each party agrees that any prior negotiations, statements, representations or agreements with respect to the subject matter herein are merged in and superseded by this Agreement, and that such party has not relied on any representation or promise, oral or otherwise, which is not set forth in this Agreement. This Agreement may not be modified or amended except by a writing signed by the party to be bound.

16.2 Confidentiality. All of the material supplied to each of the parties by the other which is of a confidential nature shall be the sole and exclusive property of the party producing such material, and each of the parties shall keep the material confidential and refrain from disclosing such material to any third party (except for the parties' respective representatives who agree to honor such confidentiality) without the express written consent of the other party. The material terms of this Agreement shall be kept confidential except to the extent necessary to enforce the terms hereof or as required to comply with the law (such as for example, pursuant to a court order, or where a party must disclose such information to a tax advisor or accountant for purposes of preparing tax returns or financial statements).

16.3 Security. To secure the faithful performance of Artistco of Artistco's and Artist's obligations under this Agreement (including to repay the Advances), Artistco hereby grants Promoter a lien in all of Artistco's right, title and interest in, to, and under the following properties, assets and rights, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter referred to collectively as, the "Collateral"): contract rights or rights to the payment of money in which Artistco and/or Artist has an interest, insurance claims and proceeds, commercial-tort claims, securities and all other investment property, and all general intangibles (including all accounts receivable and payment intangibles). Artistco shall reasonably cooperate with Promoter in its efforts to perfect such security interest.

16.4 Conditions to Advances.

16.4.1 Notwithstanding any other provision of this Agreement, except to the extent waived by Promoter, with the exception of the Initial Artist Advance, Promoter shall have no obligation to pay any Advances until such time as (a) cancellation insurance in a mutually-approved form is issued in favor of Artistco to cover its risk of loss of profits and Production Costs sufficient to cover all

unrecouped Advances, and (b) Artistco delivers to Promoter evidence satisfactory to Promoter that Promoter has been named as a loss payee under such cancellation insurance obtained by Artistco in a form approved by Promoter, and (c) Artistco delivers to Promoter evidence satisfactory to Promoter that the dispute with 2 Seas Records LLC has been settled and Artistco abides by all terms and conditions of such settlement, and (d) Artistco and Promoter have approved in writing particulars of the applicable leg of the Tour that pertain to such Advances (e.g., tour itinerary, public on-sale dates, ticket prices and scaling, secondary ticket activities, approval over budgets for Production Costs and Pool Expenses, Projected Contingent Compensation, and Projected Production Costs); and (e) cancellation insurance in a form approved by Promoter is issued in favor of Promoter to cover its risk of loss of Pool Expenses.

16.4.2 Notwithstanding any other provision of this Agreement, except to the extent waived by Promoter, Promoter shall have no obligation to pay the Initial Advance until such time as Artistco delivers to Promoter evidence satisfactory to Promoter that the dispute with 2 Seas Records LLC has been settled and that Artistco has either paid the amounts owing to 2 Seas Records LLC under such settlement agreement or will pay such amounts (including by permitting some or all of the Initial Advance to be paid to 2 Seas Records LLC). For the avoidance of doubt, Promoter shall be entitled, in its sole discretion, to waive or refuse to waive any of the conditions precedent to its obligation to pay any of the Advances.

16.5 Agreement Not Assignable. Except as otherwise provided in this Agreement, no party hereto may assign its rights or obligations under this Agreement to any other person or entity without the prior written consent of the other party; provided, however, Promoter shall be entitled to assign its rights and obligations under this Agreement to an affiliate for purposes of promoting Shows outside the United States, if any, provided that Promoter shall remain principally responsible for all of its obligations.

16.6 Severable. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of this Agreement; provided that the material terms of this Agreement can be given their intended effect without the invalid provisions, and to this extent the provisions of this Agreement are declared to be severable.

16.7 Governing Law/Forum. This Agreement, and the parties' conduct arising out of or related to it, shall be governed by California law, without regard to its choice of law rules. Any dispute arising out of or related to this Agreement must be brought in federal or state court in Los Angeles County, and the parties hereby consent to the exclusive jurisdiction and venue of such forum.

16.8 Notices. All notices, approvals, and consents required or permitted to be given hereunder, or which are given with respect to this Agreement, shall be in writing, and shall be deemed duly given or made (i) upon delivery or refusal of such delivery of such notice by a recognized courier service (which shall be deemed to be given upon delivery if delivered on a business day, or the next business day if delivered on a holiday or weekend); (ii) upon personal delivery (which shall be deemed to have been given upon delivery) (which shall be deemed to be given upon delivery if delivered on a business day, or the next business day if delivered on a holiday or weekend); or (iii) upon delivery by fax machine capable of confirming receipt (which shall be deemed to be given upon delivery if delivered on a business day, or the next business day if delivered on a holiday or weekend), and in each case addressed as follows (or at such other address for a party as shall be specified in a notice so given):

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To Artistico
and Artist: The Michael Jackson Company, LLC
1875 Century Park East, Suite 600
Los Angeles, CA 90067
Attn: Dr. Tohme Tohme
Tel: (310) 284-3144
Fax: (310) 284-3145

With a simultaneous copy to:

Dr. Tohme Tohme
1875 Century Park East, Suite 600
Los Angeles, CA 90067
Tel: (310) 284-3144
Fax: (310) 284-3145

Dennis J. Hawk, Esq.
3100 Donald Douglas Loop N.
Santa Monica, CA 90405
Tel: (310) 664-8000
Fax: (310) 510-6769

To Promoter: AEG Live, LLC
5750 Wilshire Blvd. Suite 501
Los Angeles, CA 90036
Attn: General Counsel
Tel: (323) 930-5700
Fax: (323) 930-5785

With a simultaneous copy to:

Luce Forward Hamilton & Scripps LLP
601 S. Figueroa Street, Suite 3900
Los Angeles, CA 90017
Attn: Kathy A. Jorrie
Phone: (213) 892-4947
Fax: (213) 452-8024

16.9 Counterpart/Fax Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and facsimile copies or photocopies of signatures shall be as valid as originals.

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By signing below each party acknowledges its agreement to the foregoing and agrees to negotiate the definitive agreement expeditiously and in good faith.

Very truly yours,

AEG LIVE, LLC

Brandon K. Phillips
President & CEO
AEG Live LLC

We have read the above, and agree to the terms.

THE MICHAEL JACKSON COMPANY, LLC

MICHAEL JACKSON

Name: Michael Jackson

Michael Jackson

Exhibit A

Definitions

1. "**Advances**" refers to Artist Advances and Production Advances.
2. "**Artist Merchandise**" means any merchandise bearing the name, likeness or logos of Artist.
3. "**Artist's Net Tour Income**" means the Contingent Compensation minus the sum of Production Costs plus the portion of the Contingent Compensation that consists of Merchandise Revenue (defined below), Net Show-Related Broadcast/Recording Revenue (defined below) and Net Fan Club Membership Revenue (defined below).
4. "**Force Majeure Event**" means the occurrence of an event outside the reasonable control of the party claiming the benefit of the force majeure event, such as an illness or accident to the Artist (which, in those situations where Artistco is the party seeking the protection of such occurrence only, could not be avoided by Artist through reasonable diligence), other accident, an act or regulation of public authority, fire, riot or civil commotion, lockout or strike or other labor dispute, terrorist acts, acts or declarations of war, disease, death, epidemic, substantial interruption in, or substantial delay or failure of, technical facilities, failure or substantial and extraordinary delay of necessary transportation services, war conditions, emergencies, acts of God, or any other similar or dissimilar occurrence beyond the reasonable control of the party claiming the benefit of the Force Majeure provision. In the event of a strike or labor dispute of the musician union, any reasonable fee or penalty imposed on Artistco or Artist as the result of the Artist crossing a picket line will be a Pool Expense. Notwithstanding the foregoing, poor weather conditions shall not constitute a "Force Majeure Event" unless such conditions prevent the attendance by or adversely affect the safety of the Artist, the public attending or desiring to attend the applicable Shows or persons reasonably necessary to carry out the performance of the Artist at a Show.
5. "**Net Pool Revenue**" means Pool Revenue generated during the Term less Pool Expenses incurred during the Term, on a fully cross-collateralized basis.
6. "**Pool Revenue**" means the aggregate of the following:
 - a. "**Adjusted Gross Ticket Revenue**" (defined to be gross ticket proceeds received by Promoter, Artistco and/or Artist from Shows less taxes, facility fees, restoration charges and credit card commissions);
 - b. Show specific ticket rebates, expense savings, refunds or rebates, if any, received by Promoter, Artistco or Artist from whatever source (e.g., Ticketmaster, VIP and fan club tickets) in connection with any and all Shows;
 - c. Sponsorship revenue related to sponsorship of any Show from whatever source and in whatever nature received by Promoter, Artistco or Artist (or any respective affiliate) including, without limitation, in connection with any Sponsorship Agreement. In-kind sponsorship consideration (e.g., marketing or media exposure, etc.) shall be treated as a cash equivalent and deemed Pool Revenue;

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- d. Interest income, if any, received by tour;
- e. Sell-off proceeds from third party promoters in connection with any Show, in which event, no Pool Expenses associated with such sold-off Show shall be included in Pool Expenses hereunder unless such Pool Expenses have been paid directly by Promoter and Promoter is not reimbursed by the applicable sell-off promoter;
- f. Revenue received by Promoter, Artist or Artistco from ticket auctions, Ticket Exchange and other secondary ticket activities and ancillary ticketing activities (including, without limitation, VIP packages, travel packages, fan club tickets, corporate packages, dinner packages, Ticketmaster auctions, promotional party packages, American Express ticket programs (e.g., "Early on Sale" program), should Promoter make arrangements for the same), in connection with any and all Shows;
- g. "Merchandise Revenue" (defined to be any and all revenue received by Promoter, Artist and/or Artistco under any such parties' agreement a mutually-approved merchandise company from the sale of Artist Merchandise at the venue of each Show and through Artist's Official website during the Term);
- h. "Net Show-Related Broadcast/Recording Revenue" (defined to be Show-related broadcast and/or recording revenue generated from the live and/or delayed broadcast (in any and all modes of transmission (e.g., television, webcasts, cellular, IPTV, cable, satellite) or recordation of any portion of Artist's performance at any Show, and all derivative products associated therewith to the extent the same exceeds actual costs incurred by Artistco/Artist to generate such revenue);
- i. "Net Fan Club Membership Revenue" (defined to be any and all revenue received by Artist and/or Artistco (with an understanding that such parties will receive such revenue) during the Term from membership fees or other fees payable by Fan Club Members or any other form of memberships ("Fan Club Memberships") or fees payable to echo or such other mutually-approved website design vendor to the extent the same exceeds actual costs incurred by Artistco/Artist associated with such matters; and
- j. Any other revenue received by Promoter, Artistco or Artist in connection with the Shows.

7. "Pool Expenses" means the following:

- a. Customary and mutually-approved show costs incurred by Promoter in connection with any and all Shows (e.g., venue rentals, net advertising, marketing material, public liability insurance, security, ticketing costs, local staff, venue staff, power, venue expenses related to pre-rigs, roof rental relating to outdoor shows); provided however, for the avoidance of doubt, shows costs from Shows sold off by Promoter to third parties shall not be included in Pool Expenses and shall not be cross-collateralized with Shows promoted by Promoter;
- b. The cost of mutually-approved support talent, if any, at any Shows;

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- c. Mutually agreeable expenses associated with secondary ticketing activities and ancillary ticketing activities in connection with Shows;
- d. Cancellation insurance covering the risk of loss of Pool Expenses (inclusive of mutually-approved advertising, venue rent and other direct show costs) on Shows throughout the Territory, if any, provided that the cancellation insurance shall be placed through customary channels;
- e. Mutually agreeable expenses required by mutually-approved tour rider in connection with any and all Shows;
- f. Mutually-approved costs incurred by Promoter in connection with the manufacture and sale of Artist Merchandise;
- g. Ad mat and advertising materials (e.g., radio spot, print ads, television, etc.) associated with the Shows;
- h. Sponsorship commissions (including commissions owing to either party's affiliates) and related fulfillment expenses;
- i. 3rd party ticket sales commissions and related expenses; and
- j. Other customary documented mutually-approved tour pool expenses.

8. **"Production Costs"** means the following costs to the extent they relate to Shows and are mutually-approved: (a) all Artist-related production and related costs including, but not limited to, sound and lights, rigging motors, staging elements, video (if any), pyro (if any), photos and bios of Artist, televised broadcasts, if any; (b) the cost of all musical instruments of the tour party and the cost of transporting, storing and insuring all such musical instruments; (c) personnel costs for the tour party (including transportation, food and accommodations); (d) salaries, wages, per diems, payroll taxes and expenses, union dues and other labor costs and benefits of musicians and dancers and other non-management members of the Tour Party; (e) at such time as Artistco obtains the cancellation insurance required by Paragraph 13 of the Agreement and Promoter receives written evidence that it has been named as a loss payee of such cancellation insurance, the mutually approved direct, actual costs of Artist-related management and staffing pursuant to the terms of a separate agreement with TT International, LLC for the services of Dr. Tohme Tohme (not to exceed \$100,000 per month); (f) travel and transportation costs (including trucking, bussing and freight, and local ground and show transportation for the tour party; (g) tour design fees and tour creative art; (h) visa & immigration costs, if any, for the tour party; (i) all such other costs for which an artist (or its furnishing company) is customarily responsible, including, without limitation, adequate worker's compensation and liability and other insurance with respect to the foregoing; provided however, in no event shall Production Costs include any other costs associated with management and agency commissions or fees and legal fees of Artist and/or Artistco, all of which shall remain the sole responsibility of Artistco and Artist; and (j) cancellation insurance, if available and mutually-approved, to cover the risk of loss of Artistco's profits and Production Costs in an amount which, at a minimum, is equivalent to or exceeds any unrecouped portion of the Advances and costs related to naming Promoter as a loss payee on such insurance.

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9. **"Projected Contingent Compensation"** shall mean the amount of the Contingent Compensation per Show projected by Promoter based on the projected Pool Revenues and Pool Expenses for the mutually agreed number of Shows in the applicable leg of the Tour based on an assumption that Promoter will sell tickets to 80% of the sellable capacity of the applicable Shows. Promoter may adjust the amount of the Projected Contingent Compensation on an ongoing basis based on the addition of Shows to the applicable leg of the Tour, actual Pool Revenues and actual Pool Expenses.
10. **"Projected Production Costs"** shall mean the Production Costs projected by Promoter on a per Show basis based on the mutually agreed number of Shows at the venues set forth on the mutually approved itinerary in the applicable leg of the Tour. Promoter may adjust the Projected Production Costs on an ongoing basis based on the addition of Shows to the applicable leg of the Tour and actual Production Costs.
11. **"Shows"** means any and all mutually-approved shows to be performed by Artist (each, a "Show" and collectively, the "Shows") during the Term throughout the Territory.
12. **"Sponsorship Agreements"** refers to any mutually-approved agreement wherein a third party receives sponsorship or comparable credit or publicity customary for sponsors in Show-related advertisements, signage or other things.
13. **"Territory"** means the world.
14. **"Term"** means the execution date through December 31, 2011, or the conclusion of a Worldwide touring cycle which includes Shows throughout the major touring territories of the World as mutually selected by Artistco and Promoter, whichever occurs later ("Expiration Date"); provided however, Promoter shall have the right in its sole discretion, but not the obligation, to (a) extend the Term beyond the Expiration Date by written notice(s) until such time as Promoter recoups one hundred percent (100%) of the Advances; or (b) end the Term prior to the Expiration Date, in which event the Term shall be defined to end on the date(s) selected by Promoter, notwithstanding the Expiration Date. To exercise its right to extend the term under the foregoing provision, Promoter must give written notice of its desire to extend the term prior to December 31, 2011. For the avoidance of doubt, Artistco and Promoter shall have all of their respective rights and obligations under this Agreement with respect to any mutually approved Shows that have been scheduled prior to the Expiration Date and are to be performed after the Expiration Date as the result of Promoter's decision to extend the Term regardless of whether or not Promoter recoups one hundred percent of the Advances prior to the completion of such Shows. Notwithstanding any of the foregoing, in the event the Term is extended by the provisions of this paragraph beyond December 31, 2011, Artistco shall have the right to end the Term on the New Expiration Date (defined below) by giving Promoter written notice by facsimile transmission (the "Buy-Out Notice") of Artistco's desire to end the Term on the New Expiration Date, which Buy-Out Notice may be given on December 31, 2011, or any date thereafter, and upon receipt of such Buy-Out Notice, the Term shall then end on the later of (a) the date of Promoter's receipt of the Buy-Out Notice, or (b) the completion of any mutually-approved Shows previously scheduled (such later date being referred to as the "New Expiration Date"), but only so long as Artistco pays to Promoter an amount equivalent to any unrecouped portion of the Advances as of such New Expiration Date by no later than ten (10) business days after Promoter delivers the final settlement of the Tour.

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15. **"Third Party Claims"** refers to claim(s), losses, liabilities, judgments, suits, actions, damages and expenses (including reasonable attorney's fees and expenses of counsel of the indemnified party).

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Exhibit B

Inducement Letter – Michael Jackson

As a further inducement to AEG Live LLC ("Promoter") to enter into the foregoing Artist Agreement with The Michael Jackson Company, LLC ("Artistco") dated January 26, 2009 (such agreement including the exhibits thereto being referred to collectively as the "Agreement"); it being to the undersigned's benefit that Promoter do so, and in consideration of the execution thereof by Promoter, the undersigned hereby:

1. Guarantees the full performance by Artistco of all of Artistco's obligations under the Agreement, and agrees to be jointly and severally liable for all such obligations;
2. Represents and warrants that Artistco has the right to enter into the Agreement and to assume all of the obligations, warranties and undertakings to Promoter on the part of Artistco contained therein, and that Artistco shall continue to have those rights until all of those obligations, warranties and undertakings shall have been fully performed and discharged;
3. Represents and warrants that all of the representations, warranties and agreements on the part of Artistco contained in the Agreement that concern Artistco and/or the undersigned are and shall remain true and correct, and the undersigned agrees to be bound thereby;
4. Agrees that the undersigned's liability hereunder is direct and immediate, is not conditioned upon the pursuit by Promoter of any remedy Promoter may have against Artistco, and is secured by the collateral identified Paragraph 16.3 of the Agreement, which section is incorporated herein by this reference, and that the terms hereof are irrevocable, and any proceeding against the undersigned may be brought pursuant to the forum selection and choice of law provisions contained in the Agreement;
5. Waives any rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to the undersigned by reason of California Civil Code Sections 2787 to 2855, inclusive, and further agrees that such waivers are intended by the undersigned to be effective to the maximum extent permitted by Section 2856 of the California Civil Code; and
6. Facsimile copies or photocopies of signature of this inducement letter shall be as valid as original

Michael Jackson

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telephone: 323.930.5700 • fax 323.930.5799

Exhibit C

PROMISSORY NOTE

January 26, 2009

U.S. \$6,200,000
Los Angeles, California

FOR VALUE RECEIVED, the undersigned, The Michael Jackson Company, LLC, a Delaware limited liability company ("Artistco") and Michael Jackson ("Artist"), an individual residing in California (together, "Maker"), promises to pay, on a joint and several basis, to AEG Live LLC ("Holder" or "Promoter"), or order, at 5750 Wilshire Blvd., Suite 501 Los Angeles, CA 90036, or at such place as Holder may from time to time designate, the principal amount of Six Million Two Hundred Thousand United States Dollars (U.S. \$6,200,000), with interest on such amount until paid, at the rate set forth below and payable as follows:

INTEREST RATE

The amount of outstanding principal shall bear **no interest** unless the full principal amount owing is not timely paid within five (5) business days after the Maturity Date (defined below) or within five (5) business days after written notice of Maker's failure to pay the full principal amount owing on or before the Maturity Date, whichever is later, in which event simple, non-compounding interest shall accrue on the principal balance owing from and after the execution of this Promissory Note ("Note") by Maker at the rate of ten percent (10%) per annum, and shall be calculated on the basis of a 365-day year.

TERM

The term of this Note shall be from the date of this Note through and including the earlier of (a) six months after the last Show of the first leg of the Tour under the Tour Agreement (defined below) in no event later than December 31, 2009 or (b) six months after Promoter makes a written request for such payment, if ever, in accordance with Paragraph 4.2.5 of the Tour Agreement (defined below), (such earlier date shall be referred to as the "Maturity Date"), at which time all unpaid principal shall be due. The parties may renew the term and extend the Maturity Date by signing a written modification of this Note extending such dates, and shall do so if required by the terms of the Tour Agreement.

PAYMENT

Principal shall be due and payable in full on the Maturity Date; provided that the principal amount owing shall be reduced by an amount equal to the sum of (i) the portions of the Initial Advance and Home Rental Advances which are Earned by the Artist under the terms of the Tour Agreement dated January 26, 2009 and executed by and between Promoter, Artistco and Artist regarding the worldwide concert tour of Artist (the "Tour Agreement"); (ii) any repayment by Artistco and/or Artist of the Home Rental Advances accomplished by replacing the letter of credit delivered by Promoter to the landlord of the Bel Air home and causing such letter of credit to be cancelled as permitted under Paragraph 4.2.2 of the Tour Agreement, and (iii) with respect to any Show that is cancelled (a "Cancelled Show"), any amount paid to Promoter in its capacity as a loss payee under cancellation insurance obtained by Artistco

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to cover the Initial Advance and/or the Home Rental Advances in connection with such Cancelled Show. Unless otherwise defined herein, the capitalized terms shall have the meanings ascribed to them in the Tour Agreement.

Any payment hereunder shall be applied first to the payment of costs and charges of collection, if any, then to accrued interest, if any, and the balance, if any, shall be then applied to reduction of principal. Principal and interest are payable in lawful money of the United States of America.

SECURITY AGREEMENT -- COLLATERAL OWNED BY ARTISTCO ONLY -- ARTIST IS NOT PLEDGING ANY COLLATERAL

To secure the faithful and timely performance of each Maker's obligations hereunder and each Maker's obligations under the Artist Agreement, and all extensions, modifications, substitutions, replacements, and renewals of all such obligations (collectively, the "Secured Obligations"), Artistco hereby assigns and grants to Holder, a security interest in Artistco's right, title and interest in, to, and under the following properties, assets and rights, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof (all of the same being hereinafter referred to collectively as, the "Collateral"): contract rights, the right to the payment of money in which Artistco has an interest, insurance claims and proceeds, commercial tort claims, securities and all other investment property, and all general intangibles (including all accounts receivable and payment intangibles). Artistco shall cooperate in Holder's efforts to perfect the security interest granted to Holder hereunder. To the extent allowed by law, Artistco hereby irrevocably appoints Holder, acting singly, as Artistco's attorney-in-fact, with full authority in the place and stead of Artistco and in the name of Artistco, or otherwise, from time to time in Holder's discretion, if a Default shall have occurred and be continuing, to take any action and to execute any instrument that Holder may deem necessary or advisable to accomplish the purposes of this agreement, including, without limitation:

- (a) to ask, demand, collect, sue for, recover, compound, receive, and give acquittance and receipts for, money due and to become due under or in respect of any of the Collateral;
- (b) to receive, endorse, and collect any drafts or other instruments and documents in connection with the foregoing;
- (c) to file claims or take any action or institute any proceedings that Holder may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of Holder with respect to any of the Collateral; and
- (d) to file one or more financing or continuation statements, and amendments thereof, relative to all or any part of the Collateral without the signature of the Holder where permitted by law.

DEFAULT/ACCELERATION

If any one or more of the following events shall occur (hereinafter called an "Event of Default"), namely:

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- (i) default shall be made in the payment of any installment hereunder when due; and such default is not cured within five (5) business days after written notice thereof by Holder to Maker;
- (ii) default in any other obligation contained herein, which default is not cured within five (5) business days after written notice of such default has been given by Holder to Maker; or
- (iii) if Maker shall make a general assignment for the benefit of creditors, or shall file or have filed against it a petition for relief under any chapter or provision of the Bankruptcy laws of the United States, as amended from time to time (and in the case of any involuntary proceeding the same is not dismissed within sixty (60) days thereof).

THEN, upon the occurrence of any such Event of Default, or upon the expiration of the term of this Note, Holder at its election, and without presentment, demand, notice of any kind, all of which are expressly waived by Maker, may declare the entire outstanding balance of principal and interest thereon immediately due and payable, together with all costs of collection, including attorneys' fees, and/or may exercise upon or enforce its rights to its Collateral, as are set forth in this Agreement.

NO WAIVER BY HOLDER

The acceptance by Holder of any payment under this Note after the date such payment is due, or the failure to declare an Event of Default as herein provided, shall not constitute a waiver of any of the terms of this Note or the right to require the prompt payment when due of future or succeeding payments or to declare an Event of Default for any failure to so pay or for any other default. The acceptance by Holder of a payment of a portion of any installment at any time that such installment is due in full shall not cure or excuse the default caused by the failure to pay such installment in full and shall not constitute a waiver of the right to require full payment when due of all future or succeeding installments.

ATTORNEYS' FEES AND COSTS

The prevailing party in any legal dispute concerning this Note shall be entitled to seek immediate reimbursement for reasonable attorneys' fees and all other costs and expenses so incurred.

WAIVERS

Maker, endorsers, guarantors and sureties of this Note hereby waive diligence, demand, presentment, notice of non-payment, protest and notice of protest; expressly agree that this Note, or any payment hereunder, may be renewed, modified or extended from time to time and at any time; and consent to the acceptance or release of security for this Note or the release of any party or guarantor, all without in any way affecting their liability and waive the right to plead any and all statutes of limitations as a defense to any demand on this Note, or on any guaranty thereof, or to any agreement to pay the same to the full extent permissible by law.

MAXIMUM INTEREST

In no event whatsoever shall the amount paid, or agreed to be paid, to Holder for the use, forbearance or detention of money to be loaned hereunder or otherwise, for the performance or payment of any covenant or obligation contained herein, exceed the maximum amount permissible under applicable law. If from any circumstance whatsoever fulfillment of any provision hereof exceeds the limit of validity prescribed by law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity, and if from any such circumstance Holder shall ever receive as interest under this Note or otherwise an amount that would exceed the highest lawful rate, such amount that would be excessive interest shall be applied to the reduction of the principal amount owing hereunder and not to the payment of interest, or if such excessive interest exceeds the unpaid balance of principal, such excess shall be refunded to Maker.

PREPAYMENT

Subject to the remaining provisions of this paragraph, Maker may prepay this Note in full or in part at any time without prepayment charge. No partial prepayment shall release Maker from thereafter tendering all regular scheduled monthly payments required herein until the Note is paid in full. Any and all prepayments shall be applied directly towards principal. Maker shall receive a dollar for dollar reduction of the Note for any prepayments made by Maker or Maker's designee, representative and/or agent.

MISCELLANEOUS

The terms of this Note shall inure to the benefit of and bind the parties hereto and their successors and assigns. As used herein, the term "Maker" shall include the undersigned Maker and any other person or entity who may subsequently become liable for payment hereof. The term "Holder" shall include the named Holder as well as any other person or entity to whom this Note or any interest in this Note is conveyed, transferred or assigned. Each person signing this Note on behalf of Maker represents and warrants that he has full authority to do so and that this Note and Security Agreement binds Maker (i.e., both Artistco and Artist). This Note may not be modified or amended except by a writing signed by each Maker and Holder.

NOTICE

All notices, approvals, and consents required or permitted to be given hereunder, or which are given with respect to this Agreement, shall be in writing, and shall be deemed duly given or made (i) upon delivery or refusal of such delivery of such notice by a recognized courier service (which shall be deemed to be given upon delivery if delivered on a business day, or the next business day if delivered on a holiday or weekend); (ii) upon personal delivery (which shall be deemed to have been given upon delivery) (which shall be deemed to be given upon delivery if delivered on a business day, or the next business day if delivered on a holiday or weekend); or (iii) upon delivery by fax machine capable of confirming receipt (which shall be deemed to be given upon delivery if delivered on a business day, or the next business day if delivered on a holiday or weekend), and in each case addressed as follows (or at such other address for a party as shall be specified in a notice so given):

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AEG Live, 5750 Wilshire Blvd. Suite 501, Los Angeles, California 90036
telephone: 323.930.5700 • fax 323.930.5799

concerts west



To Maker: The Michael Jackson Company, LLC
Michael Jackson
1875 Century Park East, Suite 600
Los Angeles, CA 90067
Attn: Dr. Tohme Tohme and Michael Jackson
Tel: (310) 284-3144
Fax: (310) 284-3145

With a copy to:

Business Law Group
3100 Donald Douglas Loop N.
Santa Monica, CA
Attn: Dennis Hawk
Tel: (310) 664-8000
Fax: (310) 510-6769

To Holder: AEG Live, LLC
5750 Wilshire Blvd. Suite 501
Los Angeles, CA 90036
Attn: General Counsel
Tel: (323) 930-5700
Fax: (323) 930-5785

GOVERNING LAW

This Note shall be governed by and construed under the laws of the State of California. This Note shall be deemed made, entered into and delivered in Los Angeles County, California, and the Maker hereof hereby submits and consents to the exclusive jurisdiction and venue in the Superior Court of California for the County of Los Angeles.

THE MICHAEL JACKSON COMPANY, LLC

By: _____
Michael Jackson
An authorized representative

MICHAEL JACKSON

By: _____
Michael Jackson
An Individual

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AEG Live, 5750 Wilshire Blvd. Suite 501, Los Angeles, California 90036
telephone: 323.930.5700 • fax 323.930.5799

Exhibit D

Standby Letter of Credit

[BANK LETTERHEAD]

LETTER OF CREDIT NUMBER : _____

DATE OF ISSUE : _____, 2009

EXPIRY DATE : December 31, 2009

PLACE OF PRESENTATION OF : _____

CURRENCY/AMOUNT : USD \$15,000,000 (FIFTEEN MILLION U.S. DOLLARS AND 00/100)

APPLICANT : AEG LIVE, LLC
5750 Wilshire Blvd., Suite 501
Los Angeles, CA 90036

BENEFICIARY : The Michael Jackson Company, LLC
1875 Century Park East, Suite 600
Los Angeles, CA 90067

Attention: Dr. Tohme Tohme

We hereby establish an irrevocable standby letter of credit in favor of The Michael Jackson Company, LLC (herein called "Beneficiary") for the account of AEG Live LLC (herein called "Applicant") which is available by payment of Beneficiary's draft at sight drawn on us pursuant to the wire transfer instructions set forth in paragraph 4 of the below-referenced Drawing Certification) bearing the clause "drawn under [bank's] letter of credit no. _____ dated _____ and accompanied by this original letter of credit, any amendment(s) hereto (if any), a written verification signed by Brandon K. Phillips, John Meglen, Rick Webking or Shawn Trell on behalf of Applicant or such other person designated by any such individual in writing, and by Dr. Tohme Tohme on behalf of Beneficiary or such other person designated by Dr. Tohme Tohme or Michael Jackson of Beneficiary in writing attesting to the performance of Michael Jackson ("Artist") at five separate shows in the form attached hereto as Exhibit 1 and specifying the amount of the Interim Artist Advance that is owing by Beneficiary, and a written drawing certification in the form as follows:

"Drawing Certification
to [NAME & FULL ADDRESS OF BANK]

Re: Irrevocable Letter of Credit No. [number]

AEG Live, 5750 Wilshire Blvd., Suite 501, Los Angeles, California 90036
telephone: 323.930.5700 • fax 323.930.5799

concerts west



Please be aware that we are hereby drawing under the above referenced Letter of Credit and that:

- 1) Applicant owes us as of the date hereof the Interim Artist Advance in the amount specified on the attached Exhibit 1 (Joint Letter signed by authorized representatives of Applicant and Beneficiary) in connection with Applicant's obligations to make certain advances (known as "Interim Artist Advances") to Beneficiary under the terms of the Tour Agreement dated January 26, 2009 made between Applicant, Beneficiary and Michael Jackson in relation to the worldwide concert tour of Michael Jackson (herein referred to as "the Agreement").
- 2) We have requested payment from Applicant in the amount of [Amount of Interim Artist Advance] and as of the date hereof Applicant has declined to pay us for such amount, instead opting for us to draw down on this Letter of Credit in such amount.
- 3) This drawing is in the amount of [Amount of Interim Artist Advance], which is not in excess of the amount owing and for which payment has been requested as set forth in paragraphs (1) and (2) hereof.
- 4) We hereby instruct you to wire [Amount of Interim Artist Advance] to Beneficiary pursuant to the following wiring instructions:

[BANK NAME]
[BANK ADDRESS]
ABA Routing No.
Account No.
Reference: AEG Live LLC/Michael Jackson

.....
(authorized signatory 1)
The Michael Jackson Company, LLC

.....
(authorized signatory 2)
The Michael Jackson Company, LLC"

Partial and multiple drawings are permitted. The stated amount of this letter of credit shall be automatically reduced by the amount of any drawings honored by us hereunder.

SPECIAL CONDITIONS: -- [As reasonably required by the Issuing Bank].

AUTHORIZED SIGNATURE _____

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AEG Live, 5750 Wilshire Blvd, Suite 501, Los Angeles, California 90036
telephone: 323.930.5700 • fax 323.930.5799

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Exhibit 1

Joint Confirmation

Bank
Bank Address
Attn: _____
Telephone: (____) _____
Facsimile: (____) _____

Re: AEG Live/The Michael Jackson Company, LLC- Michael Jackson ("Artist") (with respect to [dates] Shows at [venue, city], and Draw Number [____])

Dear Sir or Madame:

In accordance with that certain Tour Agreement by and between AEG Live LLC ("Promoter") and The Michael Jackson Company, LLC ("Artistco"), we hereby confirm that Artist has performed at the above reference five Shows and that the Interim Artist Advance that is now owing by Promoter to Artistco is \$ _____ ("Interim Artist Advance").

AEG LIVE LLC

By: _____

Print Name of Authorized Signer: _____

Dated: _____

THE MICHAEL JACKSON COMPANY, LLC.

By: _____

Print Name of Authorized Signer: _____

Dated: _____

AEG Live, 5750 Wilshire Blvd, Suite 501, Los Angeles, California 90036
telephone: 323.930.5700 • Fax 323.930.5799