

PERSONAL & CONFIDENTIAL

**MEMORANDUM**

TO: [REDACTED]

FROM: [REDACTED]

DATE: April 29, 2001

RE: Burda/STARnetONE Deal Summary  
**[TOTAL PAGES SENT - TWO (2)]**

Hope all is well! The following is the high-level summary on the current proposed Burda/STARnetONE deal based on the agreement they sent on Friday. Let's discuss in detail tomorrow.

What does Burda/STARnetONE provides MJ?

- Ten percent (10.0%) of the shares outstanding in STARnetONE for a nominal price. MJ cannot transfer these shares.
- Reimbursement of \$40,000.00 in travel expenses for each appearance, chat, etc..
- Provide compensation for digital downloads when customers are charged.
- \$1.0 million advance to MJnet.
- Split of net revenue on concerts on a 50/50 basis up to \$60.0 million. In excess of \$60.0 million, it would be a 60/40 split to STARnetONE. There are no guarantees on any revenue to MJ.
- No other compensation for MJ.

What does MJ provide Burda/STARnetONE?

- Three (3) year contract with two (2) one (1) year options to renew at Burda/STARnetONE's discretion.
- Two (2) personal appearances per year that include interviews and a meeting with three (3) fans. These appearances will be approved at least four (4) months in advance. Two (2) appearances will be in 2001.
- Press conference on deal in May 2001.
- Use of video rights and the such to use themselves and license to third parties.
- Any further use of video, chats, etc. must be pre-approved.
- Four (4) live chats per year for a duration of two (2) hours each. Two (2) of these chats will be in 2001. Chats will be monitored and allowed questions pre-approved. These chats will be approved at least two (2) months in advance. One chat will be near launch of the album.
- MJ will try to obtain the domains [www.MichaelJackson.com](http://www.MichaelJackson.com) and [www.MichaelJackson.de](http://www.MichaelJackson.de) for use during the course of the contract and as long as MJ owns stock. Web site content will be pre-approved. If the Sony contract terminates, it will become the official website for MJ.

TO [REDACTED] FROM [REDACTED]  
 COMPANY DATE  
 April 30, 2001  
 FAX NUMBER TOTAL NO. OF PAGES INCLUDING COVER  
 1  
 PHONE NUMBER SENDER'S REFERENCE NUMBER  
 RE YOUR REFERENCE NUMBER  
 Phillip [REDACTED] Contact Information

URGENT  FOR REVIEW  PLEASE COMMENT  PLEASE REPLY  PLEASE RECYCLE

NOTES/COMMENTS:  
 As Discussed

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