

Add a new MBA Article 67 to clarify MBA requirement re Fair Market Value:

“ARTICLE 67 FAIR MARKET VALUE

All revenue-based payments in the MBA shall be based on revenues that are not less than the fair market value of the transaction in question. The fair market value of the transaction shall be determined by ascertaining the monies which would have been paid by an unaffiliated licensee/buyer to a licensor/seller for the rights licensed/sold.

If the licensee/buyer is an affiliated entity of the licensor/seller, then the payment shall be based on the monies actually received by the licensor/seller in respect of the license/sale, provided the monies actually received by the licensor/seller in respect of the license/sale are not less than the fair market value of the rights licensed/sold. If such monies are less than the fair market value, then the payment shall be based on the fair market value of the rights licensed/sold.

Make conforming changes as needed, including deletion of Article 64.A.4.b. and f. and the second unnumbered paragraph in Section 1. of the Sideletter on Exhibition of Motion Pictures Transmitted Via the Internet.