

MEMORANDUM OF UNDERSTANDING
(DRAFT FOR Emanuel, Elliott, Jordan Discussion)

This Memorandum of Understanding will confirm the terms of the agreement between Al's Records and Tapes, ("Company") and Aretha Franklin ("Artist") with respect to the motion picture project currently referred to as "Amazing Grace." ("The Film")

The agreement is as follows:

1. Company owns and is producing the unfinished documentary film entitled "Aretha Franklin: Amazing Grace". Aretha Franklin appears as the principal subject of The Film and performs various musical compositions therein.

2. Artist hereby grants Company the right in perpetuity to use her name likeness and musical performance in The Film and to distribute The Film throughout the universe in any medium now known or hereafter developed. As consideration for all of the rights granted by Artist hereunder, Artist will receive fifteen percent (15%) of the amount raised to produce The Film. Further, provided Artist is not in material breach of the terms of this Agreement, Company shall cause Artist to be paid, in the aggregate, twenty-five percent (25%) of one hundred percent (100%) of the "Net Profits" from every source of exploitation of The Film in whole or in part, calculated on the same terms and conditions as the Company participates in Net Profit.

3. "Net Profits" shall be defined as all monies received by Company from the marketing and exploitation of The Film in all media throughout the universe after deduction of all production and marketing costs (including but not limited to production expenses, deferrals, distribution fees and expenses, marketing expenses, sales commissions, publicity expenses and all taxes) calculated and paid in accordance with the principal investment agreements for the production of The Film or, in the absence thereof, with the generally accepted accounting principles of the motion picture industry. In no event shall the Net Profits definition accorded to Artist be less favorable than the definitions accorded to any other Net Profit participant in The Film.

4. Artist warrants and represents that Artist has the right to enter into this agreement and that this agreement does not violate Artist's recording agreement with Atlantic records or any other contract to which Artist may be a party. Artist further acknowledges that the profit participation does not confer upon Artist any ownership interest in the Film and is merely a method of compensation to Artist for the rights granted herein.

5. Artist shall receive a customary, single card credit in the opening credits of the Project and, additional credits where appropriate. The size, height, width, boldness, duration and prominence of type of the credits shall be as customary to Artists in the motion picture industry and should appear everywhere a billing block or credit sequence for the Project appears.

6. It is anticipated that a more formal agreement will be entered into between the parties. Until such time this Memorandum shall set forth the entire agreement of the parties with respect to the subject matter hereof and may only be amended by a written agreement signed by the parties. This Memorandum shall be governed by the laws of California applicable to agreements entered into and fully performed in California, with jurisdiction in the state and federal courts located in Los Angeles, CA.

The signatures below shall confirm the foregoing, effective as of 31 January 2008.

AL's RECORDS and TAPES, INC.

By, Alan Elliott, President

Aretha Franklin, Artist