

SUBJECT: "JAMBOREE"; "THE HOBBIT";  
"THE LORD OF THE RINGS"

DATE: As of August 21, 1998

### QUITCLAIM AGREEMENT

The following are the terms of the quitclaim agreement ("Quitclaim Agreement") between MIRAMAX FILM CORP. ("Miramax") and NEW LINE CINEMA CORPORATION ("Purchaser"), with respect to (a) one or more motion pictures based on the literary works referred to in 2.b.3 below, such motion picture project(s) being also known as "Jamboree" (collectively, the "Picture"), including without limitation, any and all synopses, treatments, scenarios, screenplays and/or other written material pertaining thereto, and (b) the literary work referred to in 2.b.2 below, and (c) the literary works referred to in 2.b.3 below; including all copyrights in connection therewith and all tangible and intangible properties respecting all of the foregoing, whether in existence or known now or in the future.

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b. The following literary material (collectively, the "Literary Material"):

- (1) Any and all material written by Stephen Sinclair and Philippa Boyens in connection with the Picture pursuant to the Writing Agreement, and, if and to the extent that it exists and is owned by Hardware or Miramax, any other material created by them in connection with the Picture but any failure to deliver such other material not in Miramax's or Hardware's possession to Purchaser shall not be a breach of this Quitclaim Agreement.
- (2) The work entitled "The Hobbit: Or There and Back Again", written by J.R.R. Tolkien;
- (3) The work entitled "The Lord of the Rings", a Trilogy consisting of books entitled "The Fellowship of the Ring", "The Two Towers", and "The Return of the King", written by J.R.R. Tolkien;

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c. **Contingent Consideration:**

(1) For the purposes of this paragraph the following terms have the following meanings:

(i) The "Original Pictures" means with respect to each of the four books separately which comprise "The Hobbit: Or There And Back Again" and "The Lord of the Rings", the first motion picture, if any, based in whole or in part upon such book which is produced by or pursuant to the authority of Purchaser, but excluding remakes. A motion picture shall be deemed to be a picture based on the book "The Hobbit: Or There and Back Again" if either (a) the main story line of the book is substantially the main story line of the picture, or (b) the events or incidents in the picture are primarily the

events or incidents from the book and the picture has both the characters Smaug The Dragon and Thorin The Dwarf (or other characters which would satisfy their story functions) or Bilbo Bagins as the lead character, or (c) the title or subtitle of the picture is "The Hobbit" or "Hobbit" is any part of the title or subtitle of the picture.

(ii) "GR" means "adjusted gross receipts" as defined, calculated, accounted for and paid pursuant to the Exhibit "GR" and the Rider 1 and Rider 2 thereto contained in Exhibit "C" attached hereto and by this reference made a part hereof.

(iii) "TV-AGR" means "adjusted gross receipts" as defined, calculated, accounted for and paid pursuant to the "Computation of Television Modified Adjusted Gross Receipts" contained in Exhibit "C-1" attached hereto and by this reference made a part hereof.

(2) As to each of the Original Pictures which is produced for intended theatrical release, Miramax's participation shall be defined, calculated, accounted for and paid in accordance with the provisions of Exhibit "C". As to each Original Picture which is initially released in the United States theatrically, or has a theatrical release in the United States within six months after its initial United States release in the first medium in which it is released there, Miramax's participation shall be % of GR.

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IN WITNESS WHEREOF, the parties hereto have executed this Quitclaim Agreement as of the day and year written above.

MIRAMAX FILM CORP.

By: 

Its: Pres. Prod.

ACCEPTED AND AGREED:

NEW LINE CINEMA CORPORATION

By: 

Its: \_\_\_\_\_