

A&M RECORDS, INC.
1416 North La Brea Avenue
Hollywood, California 90028

Dated as of November 1, 1980

Mr. Richard Carpenter
Ms. Karen Carpenter
c/o Werner Wolfen, Esq.
Irell & Manella
1800 Avenue of the Stars, Suite 900
Los Angeles, Cliforna 90067

Dear Mr. and Ms. Carpenter:

Reference is made to that certain recording contract between you and us dated April 17, 1969, as amended (the "Agreement").

1. You hereby agree that we shall have the right, but not the obligation, to use and license others to use the Master Recording recorded by you pursuant to the Agreement entitled "We've Only Just Begun" along with other master recordings not recorded by you, on one (1) mid-priced compilation album (the "Album") which may be distributed, alone or together with one (1) or more other mid-priced compilation album(s), anywhere in the world outside the United States. As used herein, the term "mid-priced compilation album" refers to a record which bears a suggested retail list price in the country in question in excess of sixty-six and two-thirds percent (66-2/3%) and less than eighty percent (80%) of the suggested retail list price in such country of top-line record albums. If there are no suggested retail list prices of records in any particular country, then for the purpose of computing royalties hereunder the prices of records in such country generally regarded as the equivalent thereof shall be deemed the suggested retail list prices of such records.

2. Notwithstanding anything to the contrary contained in the Agreement, the royalty rate for the Album shall be three-fourths (3/4) of the otherwise applicable royalty rate pursuant to the Agreement.

3. With respect to any particular country or territory of the world, the Album shall be initially released therein, if at all, within two (2) years after the date hereof.

If the foregoing correctly sets forth your understanding and agreement with us, please so indicate by signing in the space provided below.

Very truly yours,

A&M RECORDS, INC.

By: *Fennett Powell*

AGREED AND ACCEPTED:

Richard Carpenter
Richard Carpenter

Karen Carpenter
Karen Carpenter