

May 15, 1990

Dear Woody + Steina:

Greetings from all of us at SCAN. After a long long rain, we have finally a beautiful May weather. I hope this letter finds you in good health and excellent working spirit.

We are happy to report to you on the sales and rentals of your videotapes distributed through PROCESSART INC., the distribution section of Video Gallery SCAN. This will be the last report under our present contract. We will be sending you our new contractual agreement for your consideration shortly. The main change in our new contractual agreement is as follows.

Basically all the accounting will be made in Japanese Yen and at the time of payment the total amount will be converted into your country's currency at on-going exchange rate. Yen has been fractuating a lot these days and it has become difficult for us to continue dealing at a fixed rate.

Another change is in the price structure. We would like to propose a new royalty/commission percentage of 60/40. The artists/producer will have the option of raising the retail price if newly proposed figure is not satisfactory.

We will be sending you our new contractual agreement within a week.

Sincerely,

  
Fujiko Nakaya

Video Gallery SCAN

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