

EXHIBIT A

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SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK: CIVIL TERM

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EDITH SHAW MARCUS and META SHAW STEVENS,
as Temporary Administrators of the
Estate of SAM SHAW,

Plaintiffs,

Index No.
123783/94

- against -

MARTIN BRESSLER, LARRY SHAW,
SUSAN SHAW, BRESSLER & BRESSLER,
VALERIE GOODMAN, 1912 PRODUCTIONS,
INC., MARC WEINSTEIN, individually
and d/b/a COLOR GROUP,

Defendants.

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80 Centre Street
New York, New York 10007
June 5, 2002

B E F O R E:

HONORABLE MARTIN EVANS,
Judicial Hearing Officer

A P P E A R A N C E S:

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New York, New York 10169
BY: WILLIAM GREENAWALT, ESQ.
-and-
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605 Third Avenue
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DEBRA SALZMAN, RMR, Official Court Reporter

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A P P E A R A N C E S: (Cont'd)

JEFFREY P. TUNICK, ESQ.
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BY: JEFFREY RUBIN, ESQ.

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AFTERNOON SESSION

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MR. MARINO: It is hereby stipulated and agreed by and between the parties to the within action and their attorneys, all of which are present, that the above entitled action is hereby settled on the following terms and conditions:

Number 1. An entity will be formed. Whether that entity be a corporation, limited liability partnership, joint venture, what type of entity it will be will be determined by what is most reasonably efficient with respect to making money, tax consequences and the like.

The name of that entity will be the Shaw Family Archives. Whether it be Shaw Family Archives Inc., LLC, partnership, "Shaw Family Archives" will be the primary name.

Larry Shaw, Meta Shaw Stevens and Edith Shaw Marcus shall be principals in that entity and their respective interests in that entity will be the following: Larry Shaw shall own 50 percent of that entity. Meta Shaw Stevens and Edith Shaw Marcus -- off the record.

(Discussion held off the record.)

MR. MARINO: Meta Shaw Stevens shall own 25 percent of that entity and Edith Shaw Marcus shall own

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25 percent of that entity.

That entity shall own and take possession of, in a manner set forth below, all of the photographs involved in this litigation. That includes --

MR. RUBIN: Off the record.

(Discussion held off the record.)

MR. MARINO: That includes each and every photograph shot by either Sam Shaw or Larry Shaw during the course of their respective careers, lifetimes --

JHO EVANS: Excuse me. Wait a minute.

There were some photographs that were claimed by both Sam and Larry Shaw, but Sam Shaw's attorneys weren't aware they were taken by her but owned by Columbia pictures. If you want to dispose those photographs, they're not a party to it.

MR. MARINO: Your Honor, I don't think we can dispose of them via stipulation.

JHO EVANS: From the point of view of the stipulation you can.

(Discussion held off the record.)

MR. MARINO: The photographs included in collection to be owned by the Shaw family foundation entity include -- Shaw Family Archives entity include

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all of those photographs now in the possession -- I can't do that either.

(Discussion held off the record.)

MR. MARINO: (Continuing) All of the photographs taken -- snapped by Sam Shaw and/or Larry Shaw during the course of their lifetimes, together with those photographs taken by third parties which either of them claim as being owned by them via some gift or sale from a third party, all subject to claims by said third parties.

There shall be appointed what we have termed a "superagent." The superagent shall have two roles: number one, the primary role shall be the custodian of all the photographs hereinbefore mentioned. However, it is in the interest of all the parties to keep that group of photographs within the possession of the superagent at a minimum in order to save costs.

Let me go back for a minute. The primary or one of the roles of the super agent shall be to warehouse and maintain all of the photographs subject to a reduction in that collection pursuant to the agreement of the principals: Larry, Meta and Edith.

The second role for the super agent is to determine the commercial reasonableness of each and every deal brought to the Shaw Family Archive entity.

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2 Each and every deal brought to the Shaw Family entity
3 upon which there is not agreement between Larry, Edith
4 and Meta, and with respect to that their votes are 50
5 percent Larry, and 50 percent total for Edith and
6 Meta, 25 percent each.

7 In the event of a deadlock, 50/50 deadlock
8 the super agent will determine whether or not a deal
9 shall go forward depending on its commercial
10 reasonableness. The respective voting power is 50
11 percent Larry, no matter what the entity; 25 percent
12 Edith, 25 percent Meta.

13 Let me try to back up. With respect to all
14 types of transactions other than outright sales of
15 photographs, the procedure is as follows: If the
16 parties agree either to do or to not do the
17 transaction, the super agent need not be involved.

18 If, however, there is a deadlock on whether
19 or not to do the transaction the transaction must go
20 to the super agent who will determine whether or not
21 it is commercially reasonable to do and his
22 determination shall be final.

23 However, with respect to the outright sale
24 of an image, photograph -- if with respect to the
25 outright sale of a photograph, negative or
26 transparency, photographic print, negative or

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transparency, again, if the parties -- withdraw that.

If any of the parties wishes not to do the transaction and even if it is a minority position, then -- withdrawn. That's not right.

MR. RUBIN: Keep going.

MR. MARINO: If it is a minority position, and the super agent makes the determination that the deal is commercially reasonable, the party, either Larry, Edith or Meta, dissenting, or parties, will have the right of first refusal to make that deal.

JHO EVANS: Off the record.

(Discussion held off the record.)

MR. MARINO: Let's back up a little bit.

In the event --

MR. RUBIN: Off the record.

(Discussion held off the record.)

MR. MARINO: Let me back up.

With respect to an outright sale as previously stated, if any of the parties -- with respect to the outright sale of a photographic print, negative or transparency, if any of the parties -- let me continue.

With respect to the outright sale of a photographic print, negative or transparency or contact sheet, which is a print, in the event of

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unanimity between the parties, the deal shall go forward.

In the event that there is a majority in favor of the deal, the dissenting party may nonetheless match the deal presented within five days, and if said deal is not matched by this dissenting party within said five-day period the deal shall go forward.

In the event there is a deadlock that the decision as to whether or not to go forward with that transaction shall be in the hands of the super agent, and if the super agent makes the determination that the deal should go forward because it is commercially reasonable, then any of the dissenting parties to that deal among the principals shall have the right, within five days after the super agent makes determination, to go forward to match the deal. If they cannot match the deal within that said five-day period the deal goes forward.

Now, all of the principals, Larry, Edith and Meta, may act as subagents for the collection, and they shall be compensated by the entity for each deal that is brought to the super agent -- excuse me -- each deal that is brought to the entity via the super agent in an amount which is commercially reasonable

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given industry standards.

To clarify, they shall be compensated an agency commission in an amount which is reasonable in accordance with industry standards for all deals brought and consummated. Said compensation upon consummation shall only be paid in the event money is received with respect to that transaction by the entity.

With respect to any monies coming in, any monies generated by the collection as described previously, all monies shall be paid directly to the entity, and any commissions or expenses as will be laid out below will all be paid by the entity after receipt of said -- off the record.

(Discussion held off the record.)

MR. MARINO: In the event any income generated by the collection is payable to anyone other -- any one or any entity other than the Shaw Family Archives, the person or entity receiving that check or money or cash shall immediately endorse it over and deliver it to the super agent on behalf of the Shaw Family Archives.

The commission paid to the subagent shall be a percentage based on the gross amount generated and collected in connection with the transaction, and such

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2 commissions shall be paid by the entity to the agent
3 after said generated money is deposited and cleared
4 the entity bank account.

5 All expenses incurred by agents, whether
6 they be Larry, Meta or Edith, or any other outside
7 agents shall be borne by the agent as the agent's cost
8 of doing business.

9 However, in the event either Larry, Meta or
10 Edith, or any other outside agent request that certain
11 expenses be borne by the entity because of
12 extraordinary circumstances, then if Meta, Larry and
13 Edith agree they will be borne by the entity. If
14 there is a deadlock -- withdrawn.

15 A majority of the parties may agree to have
16 the entity bear such expenses, or a majority of the
17 parties may agree that the expenses should not be
18 borne by the entity. In the event of a deadlock, the
19 super agent will determine the expenses sought to be
20 borne by the entity using a commercially reasonable
21 standard.

22 Any such expenses advanced by a subagent
23 without the prior written approval of the entity --
24 forget that. Forget that. It's assumed.

25 The parties herein, Larry, Meta and Edith,
26 shall each be entitled to a percentage of the net

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proceeds of all income-generating transactions after the payment of all reasonable and necessary expenses, which shall include the agency commission, if any, subagency commission, if any, and after the payment of all expenses reasonable and necessary to house and maintain the collection, including any and all fees, reasonable and necessary fees paid to the super agent.

JHO EVANS: Off the record.

(Discussion held off the record.)

MR. MARINO: Just by way of example only, expenses shall include the super agent's fee, the cost of housing and maintaining the collection -- by "maintaining," I mean kept boxes, glassine envelopes, folders, maintain -- but it shall also include the administration of the entity's business affairs and shall also include the scanning and inventorying of all the images in the collection.

The net proceeds after the deduction of the aforementioned expenses shall be split in the following manner: 50 percent to Larry Shaw; 25 percent to Meta Shaw Stevens; 25 percent to Edith Shaw Marcus.

JHO EVANS: Off the record.

(Discussion held off the record.)

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MR. MARINO: Any reference herein to the principals' ownership of a share in the entity -- I said that wrong. The principals of the entity shall herein -- the next subject.

The parties, each of them individually, Larry Shaw, Meta Shaw Stevens Edith Shaw Marcus individually, indemnify and hold the other harmless, including the entity, for any and all claims, losses or liabilities incurred by any of the parties or the entity.

Each of the individual parties agrees to indemnify and hold harmless --

MR. RUBIN: Each of the principals of the entity agree to indemnify and hold harmless the entity and each other from any claims made against them for any transaction that they conducted in relation to subject of the entity prior to this date.

JHO EVANS: Can you tell me what it is you're referring to?

MR. RUBIN: What we're referring to is in the event one of the parties had done a transaction off the record.

(Discussion held off the record.)

MR. RUBIN: From any claims including any lawsuits, including but not limited to any lawsuits

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which are made against any of the principals for any transaction conducted by such principals or their agents, each respective principal or their agents in relation to the corpus of the entity.

JHO EVANS: I take it that what you're referring to is if any claims are made against this proposed entity, whatever it is, corporation or LLC, by any third person arising out of any activities that are taken by any of these three individuals who are parties today, before today, those individuals will hold the entity harmless and indemnify the entity against any expense arising out of those claims. Is that correct?

MR. RUBIN: Correct, your Honor.

MR. MARINO: Entity and each other.

MR. TUNICK: And the other principals.

MR. MARINO: Individually.

JHO EVANS: Indemnify each other from the claims made against them.

MR. MARINO: Exactly what you said, except the indemnity also extends to the individuals.

MR. GREENAWALT: And would also be, your Honor, for acts of those parties if the parties have agents and have done things in their name, then that would also apply.

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MR. MARINO: And I am saying it has to be authorized agents.

MR. RUBIN: Our problem is Darius, where there is a claim by Larry that he is acting without authority.

JHO EVANS: What you're saying is if he makes any claim against the entity, Larry Shaw will hold the entity harmless against them. Is that right?

MR. RUBIN: That's what it should be. We didn't have any dealings with them.

JHO EVANS: Is that true?

MR. MARINO: That's what they are suggesting. All I'm saying is that the agent be an authorized agent in order for the indemnity to take effect, and then the issue of whether it was authorized or not is --

MR. RUDES: Just a second on that.

JHO EVANS: If this fellow was not an authorized agent and he makes some claim against the entity, even though he was unauthorized, and suppose somebody is from Australia and says they were authorized by Meta Stevens to sell these photographs and he wasn't, should there be an indemnity by Meta Stevens against the entity?

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MR. RUBIN: No. Our problem is with Darius specifically because Darius was doing business with Larry, and if Darius had done -- if Darius had done business with another person, and that person comes against the entity claiming that there was some problem in the sale, we shouldn't have to pay for the defense of that.

JHO EVANS: I fail to see how any person can make a claim against an entity arising out of a past action if the entity has not been in existence.

MR GREENAWALT: Not just against the entity. The way Mr. Marino put it, it's also claims against any one of the principals or their acts for any of those transactions.

JHO EVANS: Is there a possibility that Darius will make claims against Stevens and Marcus?

MR. RUBIN: I don't know. There was a contract that he signed with the receiver. I have no idea -- I haven't seen the contract -- I have no idea who is responsible for that.

MR. TUNICK: The receiver, he signed the deal, he's responsible for it.

MR. RUBIN: The receiver signs in his representative capacity.

MR. GREENAWALT: Darius and the receiver

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signed a contract.

JHO EVANS: But he was authorized to do so wasn't he? If he was authorized to sign a contract and based on that contract, that's an authorized contract.

MR GREENAWALT: Darius is only supposed to do certain things under the contract.

JHO EVANS: I don't know, if there's a claim based on the contract that should be indemnified.

MR. GREENAWALT: If somebody claims against Darius outside of the contract or claims against Larry or Meta, claims against them for acts up to now, that's what we're trying to get into the indemnity.

MR. TUNICK: Authorized agent.

JHO EVANS: You want the entity indemnified for claims against Larry.

MR GREENAWALT: By a third person.

JHO EVANS: I don't understand that but

MR GREENAWALT: If somebody claims Larry done something strange and Larry owes somebody a hundred thousand dollars for some reason, okay --

MR. RUDES: Not "for some reason," for what he did on behalf of marketing the photos.

JHO EVANS: That's not a claim against the entity.

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MR GREENAWALT: The point is --

JHO EVANS: How can that be a claim against the entity?

MR. MARINO: This indemnity makes no sense. This indemnity makes no sense.

JHO EVANS: It doesn't make any sense.

MR. MARINO: The indemnity makes no sense at all.

JHO EVANS: That doesn't make any sense.

MR. RUBIN: Judge, there's another issue that there is a claim --

JHO EVANS: You're forming a corporation. Somebody is making a claim against Larry for past acts. How is the corporation involved?

MR. MARINO: The extent of the claim can only be against Larry and Larry's interest in the entity.

MR. RUBIN: Here is the problem. The problem is that there is an issue that some pictures which Larry has are also claimed by another party, a photographer as being his. If those become the subject of --

JHO EVANS: Wait a minute. Tell me that again. Some third party makes a claim against what?

MR. RUBIN: Larry has claimed that certain

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pictures are authored by himself. There is another photographer that made a claim that those pictures not Larry's but his. Those then, however, will be part of this entity and will be marketed as part of the entity.

If that person, that photographer, sues the entity in claiming that those pictures are his not Larry's, we want Larry to defend it.

MR. MARINO: There are a similar amount of photographs on the other end.

JHO EVANS: We know that there are claims third parties.

MR. TUNICK: We already said that.

MR. RUBIN: Who pays for the defense of the lawsuit?

JHO EVANS: We know there are claims by third parties against some of these photographs. Some of these photographs were claimed by Larry Shaw and also claimed by Sam Shaw. Now, if this third party comes in against the corporation and says those are mine, who is going to indemnify the corporation?

MR. RUBIN: I'm saying there are certain pictures that Larry claims were taken. There is a pictures taken by Atami (phonetic) that he took. If in fact there is a lawsuit, Larry makes these part of

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the corpus of the entity, if this person comes in and brings a lawsuit, who pays for --

MR. TUNICK: Don't take them as part of the corpus.

MR. MARINO: Turn them over.

MR. TUNICK: Don't take them.

MR. RUBIN: That's not the point.

MR. TUNICK: Came them back to Atami.

JHO EVANS: Is there any likelihood of that happening?

MR GREENAWALT: Well, your Honor, I think two of the groups you were referring to, Maureen Lambrey and Jessica Burstein, Jessica says so far as she's concerned Sam, she feels, could have those.

JHO EVANS: I don't care. She testified that she took them and the ownership of them is in Columbia Pictures. That's what she testified to. What kind of a claim can she make? She doesn't own the photographs.

MR GREENAWALT: I understand.

I suppose Columbia could make a claim, your Honor.

JHO EVANS: Don't look for something that doesn't exist.

MR. RUBIN: The women are concerned about

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being responsible or being responsible for something that was done previously which may be wrong or have some consequences against them and the entity, that's all, so they just want to be held harmless for that because they don't know what Larry was doing and they're willing to do it reciprocally.

MR. RUDES: Each party here represents that they have done nothing in any way which would expose the individual or the entity to anymore suits or any other suits or any attempts to recover in any fashion and they acknowledge that in entering into this agreement they have been relying on the representations and warranties.

MR. MARINO: That's fine. I'm happy with that.

JHO EVANS: What more do you need? That's all you need.

Both sides agree to that?

MR. MARINO: Yes, we're fine, Judge.

MR GREENAWALT: Just a minute.

JHO EVANS: Next point.

MR. MARINO: Now we move on to attribution

All of the photographs involved in this collection shall be the property -- shall be termed part of the Shaw Family Archives.

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With respect to the individual authorship of an individual image, all of the Marilyn Monroes will be -- I was about to state that all of the Marilyn Monroes can be attributed to Sam Shaw, except that my client just raised 72 photographs or 36 photographs -- are they printed or negatives?

(Discussion held off the record.)

MR. MARINO: The parties have agreed that the attribution of the photographs involved in this collection will be determined by Judge Evans based on his findings, which will be based in turn on the evidence adduced at trial over the past seven years.

MR. GREENAWALT: I'm not willing to let Marilyn Monroe be attributed to Larry Shaw.

MR. MARINO: Let me tell you, since we didn't present any evidence on that during seven years --

MR. GREENAWALT: No, no, no.

MR. RUBIN: Hold it. I don't know what the problem is. I thought we agreed.

MR. MARINO: We did agree.

MR. TUNICK: Larry tells us two rolls are Larry Shaw's photographs of Marilyn Monroe. If we can agree that all Marilyn Monroe photographs can be attributed to Sam Shaw except for a certain two rolls,

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then we have no problem.

MR. GREENAWALT: Fine.

MR. RUBIN: We're agreeing to that.

MR. GREENAWALT: We don't agree necessarily on the two rolls.

MR. MARINO: Larry, you have to agree that Judge Evans will determine them, that's all.

MR. RUBIN: Judge Evans will two determine the two rolls.

MR. LARRY SHAW: There has been testimony that.

MR. MARINO: Fine.

MR. TUNICK: Fine. That takes care of Marilyn Monroe.

MR. RUBIN: Let's discuss it.

(Discussion held off the record.)

MR. RUDES: Next.

MR. RUBIN: The two rolls will be determined by the judge.

MR. MARINO: The two rolls --

MR. TUNICK: Stop. It's there.

MR. MARINO: As far as authorship with respect to the balance of the photographs, images, transparencies, negatives involved in this transaction, the authorship shall be determined by

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Judge Evans based on the evidence adduced in this case over the past seven years.

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In the event any of the parties, Larry, Meta or Edith, have marketed any photograph outside of the parameters, a photograph, any image, any transparency of any kind, have marketed any of those images outside the parameters of this agreement, then that party shall be penalized in the following manner -- start again.

In the event any of the parties herein from this date forward, June 5, 2002, market, commercialize, attempt to sell, attempt to make any type of deal with respect to an image involved in this transaction --

JHO EVANS: What about gifts?

MR. MARINO: Gifts are included, if they attempt to gift -- off the record.

(Discussion held off the record.)

MR. MARINO: (Continuing) Including gifts, without the agreement of the other parties -- excuse me -- without the majority agreement of the other parties, then that person shall be penalized in the following manner: they will be subject to treble damages in the event monies are received. In the event of a gift they will be subject to treble damages

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on the value of the damages, on the value of the photograph plus \$10,000.

Off the record.

(Discussion held off the record.)

MR. LARRY SHAW: I will not agree on that

MR. TUNICK: Strike that.

(Discussion held off the record.)

MR. MARINO: No \$10,000, just treble damages.

In the event any of the parties market, commercially exploit, sell or even gift one of the images that should be a part of this collection but has not been previously -- but has not been turned over pursuant to this stipulation, that party will be penalized in the following manner: they will be subject to treble damages and they will be penalized in addition be penalized in the amount of \$10,000 per occurrence.

MR. TUNICK: Also the value --

MR GREENAWALT: Also you don't have to --

MR. TUNICK: After discovered photographs images, transparencies, whatever was listed, turned by any principal to the super agent, any ones turned in after this date, any photographs turned in -- and photographs after discovered -- how about after

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discovered photographs? I'm giving everybody the benefit of the doubt.

MR. LARRY SHAW: After recovered.

MR. MARINO: After discovered or after recovered photographs, beautiful.

MR. RUDES: Very good.

MR. TUNICK: (Continuing) Turned over to the super agent or the entity shall not be subject to the aforementioned penalties.

MR. MARINO: Fine. Okay.

MR. RUDES: One thing clarified, Madam Reporter. At the outset when Mr. Marino made reference to images and all that stuff, could you put "collectively known as photographs" so we don't have to worry about anything cropping up if he left out a word.

COURT REPORTER: Your statement is now on the record.

MR. MARINO: In the event of any dispute arising out of the terms and conditions of this stipulation, said dispute shall be --

MR. RUDES: No arbitration. Leave it out.

MR. MARINO: Judge, can you help us out here? All the parties agree, I think, that Myron Beldock is an appropriate super agent.

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However, we are unclear on how to deal
whether -- how he gets fired or how he gets renewed
In the event of a deadlock there's no super agent
make a determination.

MR. TUNICK: That's the last point we have

MR. RUDES: Go back to court and get a
receiver.

MR GREENAWALT: Your Honor, let me explain
some of the reason for this. There are many people
who would love to have some control of this
collection, who are experts in this field, who we
are -- we've been told on good source would really
market this collection tremendously. Myron Beldock
a fine guy but he's a very, very busy lawyer.

JHO EVANS: In that case, use your people
subagents.

MR GREENAWALT: We want to have some
provisions for maybe cutting down the cost of the
super agent's administration, such as having True
Color --

JHO EVANS: What you're saying is you want
somebody else as a super agent?

MR GREENAWALT: At some period.

JHO EVANS: Is that what you're saying?

MR GREENAWALT: We would like somebody else

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2 now. We are acceding to Beldock for the time being,
3 but we want to have another way to get another
4 superagent, or if True Color can take it over, the
5 pictures --

6 MR. MARINO: I'm sorry.

7 (Discussion held off the record.)

8 JHO EVANS: You have agreed on everything
9 now except whether Beldock will continue in some way.
10 Everything else is agreed?

11 MR. TUNICK: Yes.

12 MR. MARINO: Yes.

13 JHO EVANS: Everything agreed except the
14 question of what happens if you don't like Beldock.

15 MR. RUBIN: Right.

16 MR GREENAWALT: We have one more thing.

17 JHO EVANS: Is everything else agreed except
18 that?

19 MR. RUBIN: The only other issue is what
20 lab, the place of storage. Right now it's my
21 understanding that these are stored at True Color
22 Laboratories.

23 MR. LARRY SHAW: A portion are stored there.

24 MR. RUBIN: A portion stored there and a
25 portion stored at Edie's house.

26 Is that true?

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MS. SHAW MARCUS: Yes.

MR. RUBIN: Is there a problem if you put all the photos at True Color?

MR. MARINO: The problem is the expense; seems to me a waste of money.

(Discussion held off the record.)

MR. MARINO: Let's do that. To start, at some point get together and determine --

MR. TUNICK: Just so they're in one place.

MR. RUDES: We're going to store them all True Color and then decide what they're going to do.

MR. MARINO: They can be scanned at True Color.

MR. TUNICK: They're going to be stored at True Color Lab. All photos have to be delivered to True Color Lab.

JHO EVANS: Let's say this. If two-thirds of the parties agree --

MR. TUNICK: That this is a deal --

JHO EVANS: -- that any photograph can be taken out and given to any one of the parties, that will be done.

MR. MARINO: I'm happy with that.

MR. RUDES: There's a problem now about family photos that are in bins, which they say have

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1 go into --

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3 JHO EVANS: You didn't hear what I just
4 suggested.

5 MR. RUDES: No.

6 JHO EVANS: That if two-thirds of the
7 parties agree, any photographs can be given to any of
8 the parties.

9 MR. RUDES: Yes, two-thirds. Well, then
10 suppose we have a split 50/50.

11 MR. MARINO: Saul, if the photographs that
12 are there now are the ones that Larry previously said
13 were okay to go to Meta or Edith, he's going to say it
14 again. They stand as exactly the same relationship as
15 the photographs that were never claimed by Sam.

16 MR. RUDES: Just a minute. We have photos
17 in bins. We are going to count them up and we're
18 going to make an offer to sell them to the individual
19 sisters.

20 MR. MARINO: No, you're going to turn them
21 over and we're going to look at them. Nobody is
22 selling anything.

23 MR. RUDES: We agree that the photos are
24 there. I'm bringing an offer for certain photos to
25 buy them and you turn me down, pay me for the price.
26 I don't understand why this is any different.

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(Discussion held off the record.)

JHO EVANS: I have a solution for that one
Mr. Rudes, it's very simple.

The so-called family photographs will all
put into one special pot or box, and if the parties
can't agree I'll decide.

MR. RUDES: That's the end.

MR. TUNICK: Fine.

MR. MARINO: That ends that.

JHO EVANS: Is there anything left now?
said there was a question of a laboratory and then
question of family photographs was raised, and the
question of the replacement possibly of Mr. Beldock
Is there anything else or have those been resolved

MR. GREENAWALT: The laboratory is True
Color.

MR. MARINO: Fine, until the parties agree
otherwise.

JHO EVANS: The laboratory is resolved;
family photographs are resolved.

Why even bother at this point of going
the question of replacing Beldock when you got no
else in mind?

MR. MARINO: Exactly.

MR. RUBIN: I'll take it.

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JHO EVANS: You're wasting time.

MR. MARINO: Your Honor, should we have an allocation?

JHO EVANS: We will, as soon as Mr. Rudes sits down.

First I will ask all counsel, have you all heard the stipulation?

MR. MARINO: Yes, we have.

MR. RUBIN: Yes.

MR. RUDES: Yes.

MR. GREENAWALT: Yes.

JHO EVANS: Do you individually agree with that?

MR. GREENAWALT: Yes.

MR. RUBIN: Yes.

MR. MARINO: Yes.

MR. RUDES: Yes.

JHO EVANS: Do you agree with that on behalf of your clients?

MR. RUBIN: One other thing. My understanding is that this stipulation settles this lawsuit in its entirety.

MR. MARINO: Excuse me. Are you referring to the pending motion?

MR. RUBIN: In its entirety.

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MR. MARINO: That is our motion.

MR. RUBIN: In its entirety and --

MR. MARINO: No, not a chance.

MR. RUBIN: And is therefore discontinued with prejudice after we allocute to the stipulation

MR. MARINO: Your Honor, there is not a chance in hell of Mr. Tunick and I withdrawing the pending motion. We would be happy, happy to try to resolve it amicably, but it's not going to be withdrawn. This is not Larry's motion, it is our motion.

JHO EVANS: All right. Aside from that, you agree with the stipulation, aside from that one question?

MR. RUBIN: Right. But my understanding that this will discontinue the lawsuit with prejudice.

JHO EVANS: Aside from that.

MR. RUBIN: As far as this.

JHO EVANS: Aside from the motion, aside from that question, do you agree with the stipulation?

MR. RUBIN: Yes, if it discontinues the lawsuit with prejudice.

JHO EVANS: Aside from that question, do

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agree with that?

MR. RUBIN: Yes.

MR GREENAWALT: My understanding was that it did away with the motion. That was never raised that this was going to be continued.

JHO EVANS: Aside from that, do you agree with the stipulation?

MR. RUBIN: Aside from that. I agree with it.

JHO EVANS: Mr. Greenawalt, do you agree with that, aside from that one question?

MR GREENAWALT: That's a major question, "aside from that," I can't agree to it if that's what's going to continue.

MR. RUBIN: Aside from that.

MR. RUDES: He said aside from that.

MR. GREENAWALT: Again aside from that, the terms are okay, but I was sure --

JHO EVANS: That's what I was asking you.

Aside from that, Mr. Larry Shaw, do you further stipulate, aside from that one question, do you agree with the stipulation?

MR. LARRY SHAW: Yes, your Honor, I do.

JHO EVANS: Have you been advised by your attorneys with respect to that?

MR. LARRY SHAW: By my attorneys I've been

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advised, I argued at length and I have agreed.

JHO EVANS: Now, I'll ask Edith Marcus, have you heard the terms of the stipulation?

MS. SHAW MARCUS: Yes.

JHO EVANS: Have you discussed it with your lawyers?

MS. SHAW MARCUS: Yes.

JHO EVANS: And having discussed it and being advised of the terms, do you agree with it with the exception of this one question that's just been raised?

MS. SHAW MARCUS: Yes.

JHO EVANS: Ms. Stevens, have you heard the terms of the stipulation?

MS. SHAW STEVENS: Yes.

JHO EVANS: Have you discussed it with your lawyers?

MS. SHAW STEVENS: Yes.

JHO EVANS: Aside from this one question that's been raised, do you agree with it?

MS. SHAW STEVENS: Yes.

JHO EVANS: I'm going to ask Mr. Marcus, you're not formally a party but you're actually a party. You heard the terms of the stipulation. Have you discussed it with your lawyers?

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MR. MARCUS: Yes, your Honor.

JHO EVANS: Do you agree with them?

MR. MARCUS: Yes.

JHO EVANS: Except for this one point.

Now we have one point of dispute. There's another question that I will raise in a few minutes. I think it will be advisable for you talk about, maybe as you suggested -- it's too late today to continue with the hearing -- some amicable settlement. We'll continue again on Monday.

The other question in my mind is this. Before me, to which I have taken evidence, is about 9,800 photographs. There are maybe a hundred thousand or whatever it was that the receiver has, and I take it there may be a dispute as to who owns or who should be attributable to those photographs. I haven't heard any evidence with respect to them and I'm really not in a position to make that decision as to those. I can't say they can be attributed to one or another.

How do you want to handle that?

MR. MARINO: Your Honor, I would suggest that since you can't make a determination on those, that we go back to my original suggestion, which was if the parties can't agree, that the image itself will be termed "an image owned by the Shaw Family Archive,"

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and unless the parties can agree on an attribution

JHO EVANS: The question is, they will be owned by the Shaw Family Archives.

MR. MARINO: The specific authorship.

JHO EVANS: The question is one of attribution.

MR. MARINO: Your Honor, there doesn't have to be a specific attribution to every photograph. It can still be marketed.

MR. GREENAWALT: Your Honor, one of the points about that hundred thousand or 75,000 pictures is that there are many overlaps with the 9,800.

JHO EVANS: That doesn't make any difference. If I decide the 9,800, there may be others that are not.

MR. GREENAWALT: These are all taken --

JHO EVANS: Obviously if I decide Picture A is attributed to John Jones, a copy of Picture A is attributable to John Jones. It's pretty clear. There were others that are not.

MR. GREENAWALT: I understand, but we have obviously, as have you, not heard any evidence.

JHO EVANS: That matter was never before me.

MR. GREENAWALT: I know you ruled that.

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2 that's right. There are also, by the way, your Honor,
3 some pictures that have been turned into the receiver.

4 JHO EVANS: Without arguing the point, the
5 question is how to handle it.

6 MR GREENAWALT: I'm mentioning the pictures
7 that have been turned into the receiver. We're just
8 about to make a motion to get those considered by your
9 Honor.

10 JHO EVANS: To get what?

11 MR GREENAWALT: Mr. Darius and Larry Shaw
12 turned over to the receiver in the spring of 2001 --

13 JHO EVANS: He has them, the receiver has
14 them.

15 MR GREENAWALT: Those need to be decided
16 upon also, your Honor. There's a much less number of
17 those, only about, say, 250 of those but they're
18 important ones. We need to have those decided too.

19 JHO EVANS: The question of the
20 attribution.

21 MR GREENAWALT: Yes, a lot of those, a lot
22 of those Larry Shaw has also by a document attributed
23 them to Sam Shaw, but we need to have those decided as
24 well.

25 JHO EVANS: Can we continue this on Monday?

26 MR. RUBIN: I can't be here on Monday.

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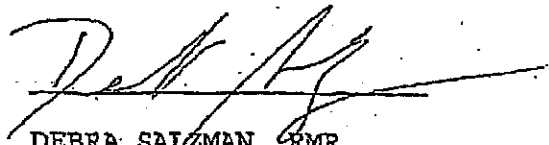
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JHO EVANS: You have able counsel to take over for you.

(Proceedings adjourned to June 9, 2002.)

* * * *

The foregoing is hereby certified to be a true and correct transcript of the proceedings held this matter.



DEBRA SALZMAN, RMR

Senior Court Reporter