

Company Number: 541295

THE COMPANIES ACTS 1985 AND 1989

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

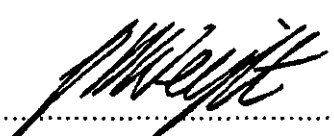
OF

GUINNESS WORLD RECORDS LIMITED

PASSED 27 JULY 2006

We, the undersigned, being the sole member of the Company being entitled to receive notice of and to attend and vote at general meetings (being a corporation by our duly authorised representative), hereby resolve, pursuant to article 5.6 of the articles of association of the Company, that the following resolution be passed and agree that the same shall have effect as if passed as a special resolution at a general meeting duly convened and held:

THAT the acceptance of HIT Holdings 3 Limited as a debtor of the Company in place of HIT Entertainment Limited in respect of a liability of £941,796 arising pursuant to a loan agreement entered into between the Company and HIT Entertainment Limited on the date hereof be and hereby is approved on the terms and conditions set out in the draft deed of novation produced to the shareholder of the Company with this resolution, and that the Company be and hereby is authorised to enter into such a deed and that any two directors or a director and the secretary of the Company be and hereby is authorised to execute the same.


.....
for and on behalf of
Gullane Entertainment Limited



DATED 27 JULY 2006

- (1) HIT ENTERTAINMENT LIMITED**
- (2) LYRICK STUDIOS, INC.**
 - LYONS PARTNERSHIP, L.P.**
 - GULLANE (THOMAS) LIMITED**
 - GUINNESS WORLD RECORDS LIMITED**
 - HIT ENTERTAINMENT SERVICES LIMITED**
 - LEACH PRODUCTION LIMITED**
 - HIT VENTURES 5 LIMITED**
- (3) HIT HOLDINGS 3 LIMITED**

DEED OF NOVATION

PRICEWATERHOUSECOOPERS  LEGAL

1 Embankment Place
London WC2N 6DX
Tel: +44 (0) 20 7212 1616
Fax: +44 (0) 20 7212 1570
Ref: RJE/SM

DEED OF NOVATION

DATED 27 JULY 2006

BETWEEN

- (1) **HIT ENTERTAINMENT LIMITED**, a company incorporated in England and Wales (registered number 2341947) whose registered office is at Maple House, 149 Tottenham Court Road, London W1T 7NF ("**Borrower**");
- (2) **LYRICK STUDIOS, INC.**, a company incorporated under the laws of the State of Texas, United States of America whose registered office is at 830 South Greenville Avenue, Allen Texas 75002, United States of America;

LYONS PARTNERSHIP, L.P., a limited partnership formed under the laws of the State of Texas having its principal place of business at 830 South Greenville Avenue, Allen, Texas 75002, United States of America;

GULLANE (THOMAS) LIMITED, a company incorporated in England and Wales (registered number 1555168) whose registered office is at Maple House, 149 Tottenham Court Road, London W1T 7NF;

GUINNESS WORLD RECORDS LIMITED, a company incorporated in England and Wales (registered number 541295) whose registered office is at Maple House, 149 Tottenham Court Road, London W1T 7NF;

HIT ENTERTAINMENT SERVICES LIMITED, a company incorporated in England and Wales (registered number 4144859) whose registered office is at Maple House, 149 Tottenham Court Road, London W1T 7NF;

LEACH PRODUCTION COMPANY, a company incorporated under the laws of the State of Texas, whose registered office is at 830 South Greenville Avenue, Allen, Texas 75002, United States of America;

HIT VENTURES 5 LIMITED, a company incorporated in England and Wales (registered number 4528846) whose registered office is at Maple House, 149 Tottenham Court Road, London W1T 7NF;

(together the "**Lenders**"); and

- (3) **HIT HOLDINGS 3 LIMITED**, a company incorporated in England and Wales (registered number 5842537) whose registered office is at Maple House, 149 Tottenham Court Road, London W1T 7NF ("**HH3**").

PRELIMINARY:

- (A) The Lenders have each made a loan to the Borrower in the amounts and on the terms, which expression includes any UK sterling promissory notes issued by the Borrower to all the Lenders pursuant to any of the loan agreements and subject to the conditions contained in the loan agreements (the "**Loan Agreements**") as detailed in the Schedule to this Deed. HH3 has on the date hereof declared a dividend to its sole shareholder the Borrower (the "**Dividend**"). The Dividend shall be satisfied by HH3 assuming the liabilities of the Borrower pursuant to the Loan Agreements.

- (B) In order to effect the Dividend the Borrower desires to be released and discharged from the further performance of its obligations under the Loan Agreements and the Lenders have agreed so to release and discharge the Borrower upon the terms that HH3 shall undertake to perform and observe the obligations under the Loan Agreements and to be bound by their terms in place of the Borrower.
- (C) In consideration for the Lenders agreeing to release and discharge the Borrower from the further performance of its obligations under the Loan Agreements, HH3 has agreed to perform and observe the obligations under the Loan Agreements and be bound by their terms in place of the Borrower.

THIS DEED WITNESSES:

1 INTERPRETATION

- 1.1 In this Deed the following expressions have, unless inconsistent with the context or otherwise specified, the following meanings:

"Act" the Companies Act 1985; and

"Group" in relation to a company, the group of companies comprising that company and its subsidiaries and subsidiary undertakings, any holding company of the company and all other subsidiaries of any such holding company from time to time.

- 1.2 In this Deed, unless inconsistent with the context or otherwise specified:

1.2.1 the clause headings are inserted for ease of reference only and do not affect its interpretation;

1.2.2 a reference to a clause or the Schedule is a reference to a clause or schedule of this Deed;

1.2.3 words and expressions defined in the Act have the same meaning as in the Act;

1.2.4 a reference to a person includes a reference to a firm, body corporate, association, authority or partnership;

1.2.5 references to writing include any mode of reproducing words in a legible form and reduced to paper;

1.2.6 the Interpretation Act 1978 shall apply to this Deed in the same way as it applies to an enactment; and

1.2.7 references to all or any part of any statute include any statutory amendment, modification or re-enactment in force from time to time and references to any statute include any statutory instrument or regulations made under it.

2 NOVATION

- 2.1 With effect from the date of this Deed:

2.1.1 The Lenders hereby release and discharge the Borrower from the performance of its undertakings and obligations under the Loan Agreements to which they are party and from all claims, demands and liabilities whatsoever in respect of such Loan

Agreements and agree to accept the liabilities of HH3 to perform the undertakings and obligations of the Borrower in respect of such Loan Agreements and in relation to all claims, demands and liability whatsoever of the Borrower under such Loan Agreements; and

2.1.2 HH3 hereby undertakes to observe and perform the obligations on the part of the Borrower under the Loan Agreements (so far as not performed) and to be bound by the terms of each of the Loan Agreements in all respects as if HH3 had been a party to the Loan Agreements in place of the Borrower and to accept liability in relation to all claims, demands and liabilities whatsoever of the Borrower in respect of the Loan Agreements.

2.2 The Lenders agree with HH3 that they will each duly fulfil, perform, observe and comply with their duties and obligations and the undertakings on their part to be fulfilled, performed, observed and complied with under the respective Loan Agreements as detailed in the Schedule to this Deed and to be bound by the terms of such Loan Agreements in all respects as if HH3 had been named in each such Loan Agreements as a party to each Loan Agreements in place of the Borrower.

2.3 The Lenders acknowledge and agree that HH3 is entitled to the full benefit under each of the respective the Loan Agreements and to enforce the obligations of each of the Lenders respectively under each Loan Agreement in relation to all matters whether arising before or after the date of this Deed.

2.4 HH3 acknowledges and agrees that the Lenders are entitled to the full benefit of each of the respective Loan Agreements and to enforce the obligations of HH3 under each of the respective Loan Agreements in relation to any matters whether arising before or after the date of this Deed.

3 WARRANTIES AND REPRESENTATIONS

Each party to this Deed warrants and represents to each other party that each of the statements set out in this clause 3 is true and accurate in all respects and is not misleading at the date of this Deed and that:

3.1 it has the legal right and full power and authority to execute and deliver, and to exercise its rights and perform its obligations under this Deed and all the documents which are to be executed by it pursuant to this Deed;

3.2 all corporate action required by it validly and duly to authorise the execution and delivery of, and the exercise of its rights and performance of its obligations under, this Deed and all other documents which are to be executed by it pursuant to this Deed has been duly taken; and

3.3 this Deed and all other documents which are to be executed it pursuant to this Deed will, when executed, create legal, valid and binding obligations of such party enforceable against such party in accordance with their terms.

4 GENERAL PROVISIONS

4.1 Costs

Each party shall bear its own costs in relation to the negotiations leading up to the execution of this Deed and to the preparation, execution and carrying into effect of this Deed and any matter contemplated by it.

4.2 Further assurance

Each party shall from time to time at its own cost, on being reasonably requested to do so by the other party, perform or procure the performance of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to such other party to give full effect to this Deed and to secure such other party the full benefit of the rights, powers and remedies conferred upon such party by or pursuant to this Deed.

4.3 Entire agreement

The written terms of this Deed constitute the entire understanding and constitute the whole agreement in relation to its subject matter and supersede any previous agreement between the parties in respect thereto.

4.4 The Contracts (Rights of Third Parties) Act 1999

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Deed, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

4.5 Severability

If at any time any provision of this Deed is or becomes, or is adjudicated by any court of competent jurisdiction or public authority to be, illegal, invalid or unenforceable in any respect under the law of any jurisdiction, this shall not affect or impair:

4.5.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Deed; or

4.5.2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Deed.

4.6 Amendment

This Deed may be amended or modified in whole or in part by an agreement in writing executed in the same manner and by the same persons as this Deed.

4.7 Waiver

No failure to exercise or delay in exercising any right or remedy under this Deed shall constitute a waiver thereof and no waiver by any party of any breach or non-fulfilment by any of the other parties of any provision of this Deed shall be deemed to be a waiver of any subsequent or other breach of that or any other provision hereof. No single or partial exercise of any right or remedy under this Deed shall preclude or restrict the further exercise of any such right or remedy. The rights and remedies provided in this Deed are cumulative and not exclusive of any rights and remedies provided by law.

4.8 Assignment

This Deed shall be binding upon and enure for the benefit of the successors of the parties, but no party may assign, encumber, dispose of or otherwise transfer any of its rights under this Deed, save that a party may at any time assign all or any part of its rights and benefits under this Deed to any member of its Group who may enforce them as if it had also been named in this Deed as that party.

4.9 Counterparts

This Deed may be executed in one or more counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of this Deed, but all the counterparts shall together constitute the same instrument.

4.10 Notices

4.10.1 A notice or other communication in connection with this agreement:

- (a) must be in writing; and
- (b) must be left at the address of the addressee or sent by prepaid ordinary post (airmail if posted overseas) to the address which is specified in this agreement or, if the addressee notifies another address or a facsimile number for such purpose, then to that other address or facsimile number.

4.10.2 A notice or other communication shall take effect from the time it is received (or, if earlier, the time it is deemed to be received in accordance with clause 4.10.3) unless a later time is specified in it. A notice or communication sent by facsimile transmission shall be confirmed by personal delivery or by post in accordance with clause 4.10.1 within two business days of the facsimile taking effect.

4.10.3 Any notice or other communication given or made under or in connection with the matters contemplated by this agreement shall be addressed as provided in clause 4.10.1 and, if so addressed, shall be deemed to have been duly given or made as follows:

- (a) if personally delivered, upon delivery at the address of the relevant party;
- (b) if sent by first class post, two business days after the date of posting;
- (c) if sent by airmail, six business days after the date of posting; and
- (d) if sent by facsimile transmission, on receipt of printed confirmation of successful transmission.

5 GOVERNING LAW AND JURISDICTION

5.1 This Deed is governed by, and shall be construed in accordance with, the law of England and Wales.

5.2 In relation to any legal action or proceedings to enforce this Deed or arising out of or in connection with this Deed and the legal relationship established by this Deed each of the parties irrevocably submits to the exclusive jurisdiction of the Courts of England and Wales and waives any right to object to such proceedings in such courts on the grounds of venue or on the grounds that the proceedings have been brought in an inappropriate forum.

EXECUTED by the parties on the date first mentioned above as a deed.

EXECUTED as a DEED
By **HIT ENTERTAINMENT LIMITED**
acting by:

)
)
)

Director

Director/Secretary

EXECUTED as a DEED
By **LYRICK STUDIOS, INC.**
acting by:

)
)
)

By:
Name:
Title:

EXECUTED as a DEED
By **LYONS PARTNERSHIP, L.P.**
acting by:

)
)
)

By:
Name:
Title:

EXECUTED as a DEED
By **GULLANE (THOMAS) LIMITED**
acting by:

)
)
)

Director

Director/Secretary

EXECUTED as a DEED)
By GUINNESS WORLD RECORDS LIMITED)
acting by:)

Director

Director/Secretary

EXECUTED as a DEED)
By HIT ENTERTAINMENT SERVICES LIMITED)
acting by:)

Director

Director/Secretary

EXECUTED as a DEED)
By LEACH PRODUCTION COMPANY)
acting by:)

By:
Name:
Title:

EXECUTED as a DEED)
By HIT VENTURES 5 LIMITED)
acting by:)

Director

Director/Secretary

EXECUTED as a DEED)
By HIT HOLDINGS 3 LIMITED)
acting by:)

Director

Director/Secretary

Schedule

Lender	Date of Loan Agreement	Amount
Lyrick Studios, Inc.	27 July 2006	£34,024,417
Lyons Partnership, L.P.	27 July 2006	£3,888,157
Gullane (Thomas) Limited	27 July 2006	£7,821,917
Guinness World Records Limited	27 July 2006	£941,796
HIT Entertainment Services Limited	27 July 2006	£1,063,704
Leach Production Company	27 July 2006	£910,931
HIT Ventures 5 Limited	31 January 2003	£9,222,560 (representing the accrued interest outstanding on the loan)