

CHFP025

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COMPANIES FORM No. 155(6)a

Declaration in relation to assistance for the acquisition of shares

155(6)a

Pursuant to section 155(6) of the Companies Act 1985

Please complete legibly, preferably in black type, or bold block lettering

Note
Please read the notes
on page 3 before
completing this form

**To the Registrar of Companies
(Address overleaf - Note 5)**

For official use

Company number

03293818

Name of company

* Film Resources Limited

* insert full name
of company

Ø insert name(s) and address(es) of all the directors

XWe 8 Richard James Alexander Bridgwood of Duxford Mill, Duxford,
Cambridgeshire CB22 4PT,
Charles Macaulay Ogilvie of Bugsell Farm, Bugsell Lane, Robertsbridge,
East Sussex TN32 5EN
and
Giles Kirkley Willits of 11 Buckingham Street, London WC2N 6DF

† delete as appropriate

§ delete whichever
is inappropriate

~~XXXXXXXXXXXX~~ [all the directors] † of the above company do solemnly and sincerely declare that

The business of the company is

[illegible]

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the

~~XXXXXX~~ [company's holding company Contender Limited (a company incorporated in England and Wales with registsered number 02989602) ~~XXXXXX~~

The assistance is for the purpose of ~~the acquisition~~ [reducing or discharging a liability incurred for the purpose of that acquisition] †

The number and class of the shares acquired or to be acquired is 102,400 ordinary A shares,
60,813 ordinary B shares, 22,420 ordinary C shares and 4,000 ordinary D shares

**Presenter's name address and
reference (if any)**
Mayer Brown International LLP
11 Pilgrim Street
London
EC4V 6RW

LDE93

For official Use
General Section

THURSDAY



A6KR43MK

A24

02/10/2008

206

COMPANIES HOUSE

The assistance is to be given to (note 2) E-One UK Limited (a company incorporated in
England and Wales with registered number 06269098) whose registered office is at
20 Black Friars Lane, London EC4V 6HD

Please do not
write in this
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Please complete
legibly, preferably
in black type, or
bold block
lettering

The assistance will take the form of

See Part I of the Schedule attached to this Form 155(6)a.

The person who [has acquired] ~~06269098~~ † the shares is

† delete as
appropriate

E-One UK Limited, 20 Black Friars Lane, London EC4V 6HD

The principal terms on which the assistance will be given are

See Part II of the Schedule attached to this Form 155(6)a.

The amount of cash to be transferred to the person assisted is £ Nil

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is Within 8 weeks of the date hereof

* delete either (a) or (b) as appropriate

(b) XX
XX
XX (note 3)

Declarants to sign below

on


1	9	0	9	2	0	0	8
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before me


S. Anth SARATHI CANTHRA

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths

Declarants to sign below







The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

SCHEDULE TO FORM 155(6)(a)

Film Resources Limited (the "Company")

Company Number 03293818

Part I

The Form of Financial Assistance (the "Financial Assistance")

The Financial Assistance will take the form of:

- (a) the execution, delivery and performance by the Company of the Credit Agreement pursuant to which the Company guarantees and secures the obligations of the Credit Parties under the Fundamental Documents,
- (b) the execution, delivery and performance by the Company of a debenture (the "**Debenture**") in favour of the Administrative Agent pursuant to which the Company creates fixed and floating charges over all of its assets and undertaking to secure the obligations and liabilities of the Credit Parties under the Fundamental Documents,
- (c) the execution, delivery and performance by the Company of a New York law governed security agreement creating security over all of its assets in favour of the Administrative Agent (the "**Security Agreement**");
- (d) the execution, delivery and performance by the Company of a New York law governed contribution agreement (the "**Contribution Agreement**"), and
- (e) by the performance of all acts or the execution of any other documents ancillary to or otherwise relating to any of the above documents,

in each case as such document is amended, restated, varied or supplemented from time to time (each of the documents referred to above being a "**Financial Assistance Document**" and together the "**Financial Assistance Documents**").

The Company will assume liabilities and obligations under each Financial Assistance Document in accordance with and subject to the terms of each such document.

(Unless otherwise defined, capitalised terms are defined in Part III of this Schedule)

Part II
The Principal Terms of the Financial Assistance

1 Guarantee

The Company is to enter into the Credit Agreement as a guarantor pursuant to which it shall give a guarantee on the following principal terms (the "**Guarantee**")

- (a) the Company unconditionally and irrevocably, and jointly and severally with the other Guarantors, guarantees to the Secured Parties the due and punctual payment and performance of the Obligations (including interest accruing on and after the filing of any petition in bankruptcy or of reorganization of the obligor whether or not post filing interest is allowed in such proceeding);
- (b) the Obligations may be increased, extended or renewed, in whole or in part, without notice or further assent from the Company, and the Company will remain bound under the Guarantee notwithstanding any extension or renewal of any Obligation;
- (c) the Company waives presentation to, demand for payment from and protest to, as the case may be, any Credit Party or any other guarantor of any of the Obligations, and also waives notice of protest for nonpayment, notice of acceleration and notice of intent to accelerate;
- (d) the obligations of the Company under the Guarantee shall not be affected by
 - (i) the failure of the Secured Parties to assert any claim or demand or to enforce any right or remedy against any Borrower or any Guarantor or any other guarantor under the provisions of the Credit Agreement or any other agreement or otherwise;
 - (ii) any extension or renewal of any provision of the Credit Agreement, any other agreement or otherwise,
 - (iii) the failure of the Secured Parties to obtain the consent of the Company with respect to any rescission, waiver, compromise, acceleration, amendment or modification of any of the terms or provisions of the Credit Agreement, the Notes or of any other agreement,
 - (iv) the release, exchange, waiver or foreclosure of any security held by the Administrative Agent for the Obligations or any of them,
 - (v) the failure of the Secured Parties to exercise any right or remedy against any other Guarantor or any other guarantor of the Obligations,

- (vi) any bankruptcy, reorganization, liquidation, dissolution or receivership proceeding or case by or against any Borrower or other Credit Party, any change in the corporate existence, structure, ownership or control of any Borrower or other Credit Party (including any of the foregoing arising from any merger, consolidation, amalgamation, reorganization or similar transaction), or
 - (vii) the release or substitution of any Guarantor or any other guarantor of the Obligations,
- (e) the Guarantee is a continuing guarantee, shall secure the Obligations and any ultimate balance thereof, notwithstanding that the Borrowers or others may from time to time satisfy the Obligations in whole or in part and thereafter incur further Obligations, and constitutes a guarantee of performance and of payment when due and not just of collection, and the Company will waive any right to require that any resort be had by the Secured Parties to any security held for payment of the Obligations or to any balance of any deposit, account or credit on the books of any Secured Party in favour of any Borrower or any Guarantor, or to any other person;
 - (f) the Company expressly assumes all responsibilities to remain informed of the financial condition of the Borrowers, the Guarantors and any other guarantors of the Obligations and any circumstances affecting the Collateral or the Pledged Securities or the ability of the Borrowers to perform under the Credit Agreement;
 - (g) the Company's obligations under the Guarantee shall not be affected by the genuineness, validity, regularity or enforceability of the Obligations, the Notes or any other instrument evidencing any Obligations, or by the existence, validity, enforceability, perfection, or extent of any collateral therefor or by any other circumstance relating to the Obligations which might otherwise constitute a defense to the Guarantee;
 - (h) the obligations of the Company shall not be subject to any reduction, limitation, impairment or termination for any reason (except payment and performance in full of the Obligations), including, without limitation, any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations or otherwise. Without limiting the generality of the foregoing, the obligations of the Company shall not be discharged or impaired or otherwise affected by the failure of the Secured Parties to assert any claim or demand or to enforce any remedy under the Credit Agreement or any other agreement, by any waiver or modification of any provision hereof or thereof, by any default, failure or delay, wilful or otherwise, in the performance of the Obligations, or by any other act or thing or omission or delay to do any other act or thing which may or

might in any manner or to any extent vary the risk of the Company or would otherwise operate as a discharge of the Company as a matter of law, unless and until the Obligations are paid in full, the Commitments have terminated and each outstanding Letter of Credit has expired or otherwise been terminated,

- (i) the Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any Secured Party upon the bankruptcy or reorganization of a Borrower or a Guarantor, or otherwise;
- (j) upon failure of the Borrowers to pay any Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice or otherwise, the Company promises to and will, upon receipt of written demand by the Administrative Agent on behalf of the Secured Parties, forthwith pay or cause to be paid to the Administrative Agent for the benefit of the Secured Parties in cash an amount equal to the unpaid amount of all the Obligations with interest thereon at a rate of interest equal to the rate specified in Section 2.15 of the Credit Agreement, and thereupon the Administrative Agent shall assign such Obligation, together with all security interests, if any, then held by the Administrative Agent in respect of such Obligation, to the Company; such assignment to be subordinate and junior to the rights of the Secured Parties with regard to amounts payable by the Borrowers in connection with the remaining unpaid Obligations and to be pro tanto to the extent to which the Obligation in question was discharged by the Company; and
- (k) all rights of the Company against the Borrowers arising as a result of the payment by the Company of any sums to the Administrative Agent for the benefit of the Secured Parties or directly to the Lenders under the Credit Agreement by way of right of subrogation or otherwise, shall in all respects be subordinated and junior in right of payment to, and shall not be exercised by the Company until and unless, the prior final and indefeasible payment in full of all the Obligations. If any amount shall be paid to the Company for the account of the Borrowers, such amount shall be held in trust for the benefit of the Administrative Agent, segregated from the Company's own assets, and shall forthwith be paid to the Administrative Agent on behalf of the Secured Parties to be credited and applied to the Obligations, whether matured or unmatured.

2 Debenture

The principal terms on which the Financial Assistance pursuant to the Debenture will be given are

- (a) the Company covenants with the Administrative Agent (as security trustee for the Secured Parties) that it shall forthwith on demand of the Administrative Agent discharge the Obligations and pay to the

Administrative Agent when due and payable every sum at any time owing, due or incurred by the Company to, the Administrative Agent (whether for its own account or as security trustee for the Secured Parties) or any of the other Secured Parties under or pursuant to the Fundamental Documents (including the Debenture), whether present or future, actual or contingent and whether incurred solely or jointly and whether as principal or as surety or in some other capacity, and provided that neither this covenant nor the security created by or pursuant to the Debenture shall extend to or include any obligation or sum which would, but for this proviso, cause such covenant or security to be unlawful or prohibited by any applicable law,

- (b) subject to Clause 3.5 (*Exceptions*) of the Debenture, the Company charges with full title guarantee in favour of the Administrative Agent (as security trustee for the Secured Parties) as security for the payment and discharge of the Obligations, by way of first fixed charge (which so far as it relates to Real Property in England and Wales vested in the Company at the date of the Debenture shall be a charge by way of first legal mortgage), all the Company's right, title and interest from time to time in and to each of the following assets
 - (i) the Real Property,
 - (ii) the Tangible Moveable Property (other than any Tangible Moveable Property which is otherwise subject to a legal mortgage pursuant to the Debenture);
 - (iii) the Intellectual Property,
 - (iv) any goodwill and rights in relation to the uncalled capital of the Company,
 - (v) the Shares and all Derivative Rights;
 - (vi) the Investments, and
 - (vii) the Monetary Claims (other than any Monetary Claims which are otherwise subject to a fixed charge or an assignment (at law or in equity) pursuant to the Debenture).
- (c) subject to Clause 3.5 (*Exceptions*) of the Debenture, the Company assigns absolutely with full title guarantee to the Administrative Agent (as security trustee for the Secured Parties) as security for the payment and discharge of the Obligations all the Company's
 - (i) right, title and interest from time to time in and to the proceeds of the Insurance Policies and all Related Rights;
 - (ii) right, title and interest from time to time in the Distribution Agreements,
 - (iii) rights and claims in relation to any Monetary Claims; and

- (iv) to the extent not charged under Clause 3.1 (*Fixed Charges*) of the Debenture, all of its present and future Intellectual Property;
- (d) the Company charges with full title guarantee in favour of the Administrative Agent (as security trustee for the Secured Parties) as security for the payment and discharge of the Obligations, by way of first floating charge, the whole of the Company's undertaking and all its assets, whatsoever and wheresoever, both present and future, other than any assets validly and effectively charged by way of first fixed security pursuant to Clause 3.1 (*Fixed Charges*), or assigned by way of security pursuant to Clause 3.2 (*Assignments*) of the Debenture;
- (e) the Company shall, in respect of any Real Property which it acquires after the date of the Debenture, promptly and at its own expense execute and deliver to the Administrative Agent a valid legal mortgage (in form and substance satisfactory to the Administrative Agent) in respect of such Real Property in favour of the Administrative Agent (as security trustee for the Secured Parties) as security for the payment and discharge of the Obligations (subject to obtaining any necessary consent to such legal mortgage from any third party);
- (f) without prejudice to Clause 6 (*Further Assurance*) of the Debenture, the Company shall, in relation to any leasehold property which it acquires after the date of the Debenture, be required to perform its obligations under paragraph 2(e) above only to the extent that the terms of any lease applicable to that property do not prohibit the creation of a legal mortgage over the property,
- (g) the Company shall promptly and at its own expense execute all such documents (including assignments, transfers, conveyances, mortgages or assurances (whether in favour of the Administrative Agent or any of its nominees)) and do all such acts and things (including making any filings or registrations and/or giving any notices, orders, directions or instructions) as the Administrative Agent may require (and in form and substance satisfactory to the Administrative Agent)
 - (i) to perfect or protect the security created (or intended to be created) by the Company pursuant to the Debenture (including, without limitation, the execution by the Company of a mortgage, charge or other document over all or any of the assets constituting (or intended to constitute) Charged Property of the Company) and/or to perfect or protect the priority of such security,
 - (ii) to confer on the Administrative Agent security over any property and assets of the Company located in any jurisdiction outside England and Wales equivalent or similar to the security intended to be conferred on the Administrative Agent by or pursuant to the Debenture,

- (iii) to facilitate the realisation of the Charged Property of the Company, and/or
- (iv) to exercise the Collateral Rights,
- (h) the Company shall not create or permit to subsist any Lien (other than a Permitted Encumbrance) over all or any part of the Charged Property or do anything else prohibited by Section 6 2 (*Limitations on Liens*) of the Credit Agreement,
- (i) the Company shall not, except as permitted by the Credit Agreement:
 - (i) whether by a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary), sell, lease, license, assign, transfer or otherwise dispose of any asset (other than trading stock which is sold on arm's length terms in the ordinary course of the Company's trading and for the purpose of carrying on the Company's business); or
 - (ii) without limiting and in addition to paragraph 2(1)(1) above:
 - (A) execute any transfer, assignment or other disposition of all or any part of the Charged Property or create any legal or equitable estate or other interest in, or over, or otherwise relating to, the Charged Property,
 - (B) lend any Shares to any person; or
 - (C) agree or purport to do any of the foregoing,
- (j) the Company shall not do, or omit to be done, or cause or permit to be done, or omitted to be done, anything which may in any way depreciate, jeopardise or otherwise prejudice the value to the Administrative Agent of the security created or expressed to be created by the Debenture or the Collateral Rights;
- (k) the security created by or pursuant to the Debenture is a continuing security and will extend to the ultimate balance of sums payable by any Chargor in respect of the Obligations, regardless of any intermediate payment or discharge in whole or in part;
- (l) neither the obligations of the Company under the Debenture, nor the security created by or pursuant to the Debenture nor the Collateral Rights will be affected by an act, omission, matter or thing which, would reduce, release or prejudice any of its obligations under any of the Fundamental Documents or any such security or Collateral Rights (without limitation and whether or not known to it or to any Secured Party) including
 - (i) any time, waiver or consent granted to, or composition with, any person;

- (ii) the release of any person under the terms of any composition or arrangement with any creditor of any member of the Group,
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (iv) any incapacity, or lack of power, authority or legal personality of or dissolution or change in the members or status of any person,
 - (v) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Fundamental Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Fundamental Document or other document or security,
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Fundamental Document or any other document or security, or
 - (vii) any insolvency or similar proceedings,
- (m) no Secured Party shall be concerned to establish or investigate the powers or authorities of any of the Credit Parties or their respective officers or agents, and monies obtained or Obligations incurred by any Credit Party in purported exercise of such powers or authorities (or by any person purporting to be a Credit Party) shall be deemed to form part of the Obligations, and "Obligations" shall be construed accordingly,
 - (n) the Company shall be bound by the Debenture notwithstanding the fact that not all of the other members of the Group may have executed any Fundamental Document;
 - (o) the security created by or pursuant to the Debenture and the Collateral Rights are in addition to and are not in any way prejudiced by any other guarantees or security now or subsequently held by any Secured Party; and
 - (p) the Company shall, notwithstanding any release or discharge of all or any part of the security created by or pursuant to the Debenture, within three Business Days of demand indemnify the Administrative Agent, any Receiver and any Delegate against any cost, loss or liability incurred by any of them or by any of their respective officers, employees, agents and attorneys as a result of any breach by any

Chargor of the provisions of the Debenture or the exercise or purported exercise of any of the rights and powers conferred on any of them by the Debenture or otherwise in connection with the security created by or pursuant to the Debenture

3 **Security Agreement**

The principal terms on which the Financial Assistance pursuant to the Security Agreement will be given are:

- (a) as security for the due and punctual payment of the Obligations (including post-petition interest, to the extent permitted by Applicable Law), the Company mortgages, pledges, assigns, transfers, sets over, conveys and delivers to the Secured Party (for the purposes of this paragraph 3 the term "Secured Party" shall have the same meaning as in the Security Agreement), for the benefit of the Beneficiaries, and grants to the Secured Party, for the benefit of the Beneficiaries, a continuing security interest in all of its right, title and interest in and to the Collateral (for the purposes of this paragraph 3 the term "Collateral" shall have the same meaning as in the Security Agreement);
- (b) the Company covenants and agrees that it will not grant, or grant an option to grant, any Lien over the Collateral or any portion thereof to any Person without prior written consent from the Secured Party (other than Permitted Encumbrances), but in any event shall defend the Collateral against any and all Liens however arising (other than Permitted Encumbrances),
- (c) the remedies conferred upon or reserved to the Secured Party in the Security Agreement are intended to be in addition to, and not in limitation of, any other remedy or remedies available to the Secured Party. Without limiting the generality of the foregoing, the Secured Party and the Beneficiaries shall have all rights and remedies of a secured creditor under Article 9 of the UCC or other Applicable Law; and
- (d) the Company agrees that it will from time to time, at the request of the Secured Party
 - (i) duly execute and deliver, or cause to be duly executed and delivered, at the cost and expense of the Company, such further instruments as may be appropriate in the reasonable judgment of the Secured Party to carry out the provisions and purposes of the Security Agreement,
 - (ii) promptly execute and deliver or cause to be executed and delivered, at the cost and expense of the Company, such further instruments as may be appropriate in the reasonable judgment of the Secured Party, to provide the Secured Party (on behalf of the Beneficiaries) a first perfected Lien (subject to Permitted

Encumbrances) in the Collateral and any and all documents (including, without limitation, the execution, amendment or supplementation of any financing statement and continuation statement or other statement) for filing under the provisions of the UCC, the PPSA and the rules and regulations thereunder, or any other statute, rule or regulation of any applicable foreign, federal, state or local jurisdiction, and perform or cause to be performed such other ministerial acts which are necessary or advisable, from time to time, in order to grant and maintain in favor of the Secured Party (on behalf of the Beneficiaries) the security interest in the Collateral contemplated under the Security Agreement, and

- (iii) promptly undertake to deliver or cause to be delivered to the Secured Party, such other documentation, consents, authorizations and approvals in form and substance reasonably necessary or advisable to perfect or maintain the Liens of the Secured Party in the Collateral for the benefit of the Beneficiaries

4. **Contribution Agreement**

The principal terms on which the Financial Assistance pursuant to the Contribution Agreement will be given are:

- (a) in order to provide for just and equitable contribution among the Credit Parties in the event any Contribution is made by a Credit Party (a "**Funding Contributor**") under the Credit Agreement or a Security Agreement, that Funding Contributor shall be entitled to a contribution from the other Credit Parties for all payments, damages and expenses incurred by that Funding Contributor in discharging any of the Obligations, in the manner and to the extent set forth in the Contribution Agreement. The amount of any Contribution under the Contribution Agreement shall be equal to the payment made by the Funding Contributor pursuant to the Credit Agreement or the fair saleable value of the Funding Contributor's portion of the Collateral against which recourse is exercised, and shall be determined as of the date on which such payment is made or recourse is exercised, as the case may be;
- (b) the "**Benefit Amount**" of any Credit Party as of any date of determination shall be the net value of the benefits to such Credit Party from extensions of credit made by the Lenders and the Issuing Bank to the Borrowers under the Credit Agreement. Such benefits shall include benefits of funds constituting proceeds of Loans that are deposited into the accounts of the Borrowers by the Lenders, which are in turn advanced or contributed by the Borrowers to such Credit Party (collectively, the "**Benefits**") In the case of any proceeds of Loans or Benefits advanced or contributed to, or received by, a Person, any of the equity interests of which are owned directly or indirectly by a Credit Party (an "**Owned Entity**"), the Benefit Amount of such Credit

Party with respect thereto shall be that portion of the net value of the benefits attributable to Loans or Benefits advanced or contributed to the Owned Entity equal to the direct or indirect percentage ownership of such Credit Party in its Owned Entity,

- (c) each Credit Party shall be liable to a Funding Contributor in an amount equal to the greater of (A) the product of (i) a fraction, the numerator of which is the Benefit Amount of such Credit Party, and the denominator of which is the total amount of the Obligations times (ii) the amount of the Obligations paid by such Funding Contributor and (B) 95% of the excess of the fair saleable value of the property of such Credit Party over the total liabilities of such Credit Party (including the maximum amount reasonably expected to become due in respect of contingent liabilities), as the case may be, determined as of the date on which the payment made by a Funding Contributor is deemed made for purposes of the Contribution Agreement or any recourse is exercised against any Funding Contributor's portion of the Collateral, as the case may be (giving effect to all payments made by other Funding Contributors and to the exercise of recourse against any other Funding Contributor's portion of the Collateral as of such date in a manner to maximize the amount of such contributions), and
- (d) in the event that at any time there exists more than one Funding Contributor with respect to any Contribution (in any such case, the "**Applicable Contribution**"), then payment from other Credit Parties pursuant to the Contribution Agreement shall be allocated among such Funding Contributors in proportion to the total amount of the Contribution made for or on account of the Borrowers by each such Funding Contributor pursuant to the Applicable Contribution. In the event that at any time any Credit Party pays an amount under the Credit Agreement in excess of the amount calculated pursuant to clause (A) of paragraph (c) above, that Credit Party shall be deemed to be a Funding Contributor to the extent of such excess and shall be entitled to contribution from the other Credit Party in accordance with the provisions of the Contribution Agreement

Part III

Definitions

Capitalised terms which are not defined in this Part III have the meanings given to such terms in the Credit Agreement

"Account " has the meaning given to that term in the Debenture

"Administrative Agent" means JPMorgan Chase Bank, N.A..

"Applicable Law" means all provisions of statutes, rules, regulations and orders of the United States, the United Kingdom, Canada, The Netherlands, the Cayman Islands or Hungary, any state or province thereof or municipality therein or of any foreign governmental body or of any regulatory agency applicable to the Person in question, and all orders and decrees of all courts, tribunals and arbitrators in proceedings or actions in which the Person in question is a party.

"Beneficiaries" means, collectively, the Administrative Agent, the Sterling Agent, the Canadian Agent, the Issuing Bank and the Lenders (and their respective successors and assigns)

"Borrowers" means, jointly and severally, E-One UK Limited, 4384768 Canada Inc. and Earl Street Capital Inc

"Business Day" means any day other than a Saturday, Sunday or other day on which banks are required or permitted to close in the State of New York, the State of California or in London; provided, however, that

- (a) when used in connection with a Eurodollar Loan, the term "Business Day" shall also exclude any day on which banks are not open for dealings in Dollar deposits or deposits in Sterling on the London Interbank Market;
- (b) when used in connection with a Euribor Loan, the term "Business Day" shall also exclude any day which is not a TARGET Day, and
- (c) when used in connection with a Canadian Dollar Loan or a Bankers' Acceptance, the term "Business Day" shall also exclude any day on which banks are required or permitted to close in the Province of Ontario

"Charged Property" means all the assets and undertaking of any Chargor which from time to time are the subject of the security created or expressed to be created in favour of the Administrative Agent by or pursuant to the Debenture (and references to the Charged Property shall include references to any part of it).

"Chargor" has the meaning given to that term in the Debenture.

"Collateral" means with respect to each Credit Party, all of such Credit Party's right, title and interest in and to all personal and real property, tangible and intangible, wherever located or situated and whether now owned, presently existing or hereafter acquired or created, including, but not limited to, all goods, accounts, instruments, intercompany obligations, contract rights, partnership and joint venture interests,

documents, chattel paper, general intangibles, goodwill, equipment, machinery, inventory, investment property, copyrights, trademarks, trade names, insurance proceeds, cash, deposit accounts, letter of credit rights and the Pledged Securities, and any proceeds thereof, products thereof or income therefrom, further including but not limited to:

- (a) all of such Credit Party's right, title and interest in and to each and every item of Film Product, the scenario, screenplay or script upon which an item of Film Product is based, all of the properties thereof, tangible and intangible, and all domestic and foreign copyrights and all other rights therein and thereto, of every kind and character, whether now in existence or hereafter to be made or produced, and whether or not in possession of such Credit Party, including with respect to each and every item of Film Product, and without limiting the foregoing language, all of the Film Product Rights; and
- (b) all of such Credit Party's right, title and interest in and to each and every item of Music Product, all of the properties thereof, tangible and intangible, all of such Credit Party's interest in the intellectual property related thereto, all of such Credit Party's interest in domestic and foreign copyrights in such Music Product and all of such Credit Party's other rights therein and thereto, of every kind and character, whether now in existence or hereafter to be made or produced, and whether or not in possession of such Credit Party, including with respect to each and every item of Music Product, and without limiting the foregoing language, all of the Music Product Rights;

provided, however, that notwithstanding anything in the Credit Agreement to the contrary, the term "Collateral" shall not include any

- (i) "intent-to-use" trademark applications for which a statement of use has not been filed and accepted with the United States Patent and Trademark Office or any intellectual property if the grant of a security interest therein would result in the cancellation or voiding of such intellectual property by the applicable Governmental Authority;
- (ii) intellectual property (or rights thereto) which is not owned solely by the Credit Parties;
- (iii) Equity Interests expressly excluded from the definition of Pledged Securities; or
- (iv) any agreement to which any Credit Party is a party, only to the extent and for so long as the terms of such agreement or any requirement of Applicable Law (x) validly prohibit the creation by such Credit Party of a security interest in such agreement in favor of the Administrative Agent (after giving effect to Sections 9-406(d), 9-407(a), 9-408(a) or 9-409 of the UCC (or any successor provision or provisions) or any other Applicable Law (including the Bankruptcy Code) or principles of equity) or (y) would result in a termination pursuant to the terms of any such agreement (other than to the extent that any such term would be rendered ineffective pursuant to Section 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other Applicable Law (including the Bankruptcy

Code) or principles of equity), in each case unless and until any required consents are obtained;

provided further that Collateral shall include, and the security interest granted in the Collateral shall attach to, any proceeds, substitutions or replacements of any such excluded items referred to herein unless such proceeds, substitutions or replacements would constitute excluded items hereunder.

"Collateral Rights" means all rights, powers and remedies of the Administrative Agent provided by or pursuant to the Debenture or by law.

"Commitments" means the commitment of each Lender to make Loans to the Borrowers, participate in Letters of Credit and accept and discount Bankers' Acceptances from the Initial Date applicable to such Lender through the Commitment Termination Date up to an aggregate amount at any one time not in excess of the amount set forth:

- (a) opposite its name under the column captioned "Commitment" in the Schedule of Commitments or
- (b) in any applicable Assignment and Acceptance(s) to which it may be a party, as the case may be,

as such amount may be reduced from time to time in accordance with the terms of the Credit Agreement.

"Contribution" has the meaning given to that term in the Contribution Agreement

"Credit Agreement" means an asset based revolving facility agreement of up to US\$150,000,000 (with an option to increase the same to US\$175,000,000, subject to satisfying certain conditions) to be entered into between, amongst others, the Lenders and Entertainment One Ltd and certain of its subsidiaries (including the Company) as borrower and guarantors.

"Credit Party" has the meaning given to that term in the Credit Agreement

"Delegate" means any person appointed pursuant to Clause 21.2 (*Delegation*) of the Debenture and any person appointed as an attorney of the Administrative Agent and/or any Receiver

"Derivative Rights" means, in relation to any Shares or Investments, as the case may be

- (a) all dividends, interest, distributions and other income paid or payable on or in respect of those Shares or Investments,
- (b) all stocks, shares, securities or other property derived from those Shares or Investments;
- (c) all other allotments, accretions, rights, benefits and advantages of any kind accruing, offered or otherwise derived from or incidental to those Shares or

Investments (whether by way of redemption, bonus, preference, option, substitution, conversion, exchange or otherwise); and

(d) all other Related Rights in relation to those Shares or Investments.

"Distribution Agreement" means any and all existing and future agreements entered into by a Chargor pursuant to which such Chargor sells, leases, licenses or assigns distribution rights or other exploitation rights to any item of Product to any Person other than an Affiliate, in each case as the same may be amended, supplemented or otherwise modified, renewed or replaced from time to time of the Debenture but excluding any existing agreement only to the extent and for so long as the terms of such agreement or any requirement of Applicable Law (x) validly prohibit the creation by such Chargor of a security interest in such agreement in favour of the Administrative Agent (after giving effect to any Applicable Law or principles of equity) or (y) would result in a termination pursuant to the terms of any such agreement (other than to the extent that any such term would be rendered ineffective pursuant to any other Applicable Law or principles of equity), in each case unless and until any required consents are obtained

"Fundamental Documents" means the Credit Agreement, the Notes, the Bankers' Acceptances, the Security Agreement, the Pledgeholder Agreements, the Laboratory Access Letters, the Copyright Security Agreements, the Copyright Security Agreement Supplements, the Trademark Security Agreement, the Account Control Agreements, the Sweep Agreements, the Pledge Agreement, the UK Debenture, the UK Share Charges, the Dutch Security Agreements, the Dutch Share Charges, the Ontario Security Agreement, the Quebec Security Documents, the Canadian Pledge Agreement, the Cayman Islands Debenture, the Hungarian Security Agreements, the Hungarian Pledge Agreement, the Jersey Charge Over Bank Accounts, the Subordination Agreement, the Notices of Assignment and Irrevocable Instruction, the Contribution Agreement, any Instrument of Assumption and Joinder, UCC financing statements, PPSA financing statements and each of the agreements delivered pursuant thereto and any other ancillary documentation which is required to be or is otherwise executed by any Credit Party and delivered to the Administrative Agent in connection with the Credit Agreement or any of the documents listed above.

"Group" means each of the Chargors and each of their Subsidiaries for the time being.

"Guarantors" has the meaning given to that term in the Credit Agreement.

"Insurance Policies" means any contracts and policies of insurance (other than a Third Party Liability Policy) in which any Chargor may from time to time have an interest (including any of the same specified in Schedule 7 (*Details of Insurance Policies*) of the Debenture) and all Related Rights.

"Intellectual Property" means any patents, trade marks, service marks, designs, trade names, business names, copyrights, design rights, moral rights, inventions, rights in confidential information, rights in know how and any other intellectual property rights and interests, whether registered or unregistered, tangible or intangible and foreign or domestic (including but not limited to all such rights in any Product, Music Product Rights, and Film Product Rights and any of the same specified in

Schedule 4 (*Details of Intellectual Property*) of the Debenture), together with the benefit of all rights to use or exploit any such assets (including any licences and sub-licences), all applications, and all rights to apply, for any such assets and all other Related Rights but excluding (i) "intent-to-use" trademark applications for which a statement of use has not been filed and accepted with the United States Patent and Trademark Office or any Intellectual Property if the grant of a charge therein would result in the cancellation or voiding of such Intellectual Property by the applicable Governmental Authority and (ii) Intellectual Property (or rights thereto) which is not owned solely by such Chargor

"Investments" means

- (a) securities and investments of any kind (including shares, stock, debentures, units, depositary receipts, bonds, notes, commercial paper and certificates of deposit) (but not including the Shares), and
- (b) warrants, options or other rights to subscribe for, purchase or otherwise acquire any securities and investments,

whether in bearer or registered form and all other interests in any person (including any of the same specified in Schedule 6 (*Details of Investments*) of the Debenture) and all Derivative Rights, whether any of the same are held directly by or to the order of any Chargor or are deposited with or registered in the name of any trustee, fiduciary, depositary, custodian, nominee, clearing house or system, investment manager, chargee or other similar person or their nominee on behalf of any Chargor (in each case whether or not on a fungible basis) or whether the same have been delivered to or to the order of the Administrative Agent (or any of its nominees).

"Issuing Bank" means JPMorgan Chase Bank, N.A.

"Lenders" means JPMorgan Chase Bank, N.A., Barclays Bank PLC and Toronto-Dominion Bank.

"Letter of Credit" means a letter of credit issued pursuant to Section 2.11 of the Credit Agreement

"Lien" means any mortgage, copyright mortgage, pledge, security interest, hypothec, encumbrance, lien or charge or any other claim of any kind whatsoever (including, without limitation, any conditional sale or other title retention agreement, any agreement to grant a security interest at a future date, any lease in the nature of security, and the filing of, or agreement to give, any financing statement under the PPSA or the Uniform Commercial Code of any jurisdiction)

"Loans" means the revolving loans made in accordance with Sections 2.1, 2.3, 2.5 and 2.7 of the Credit Agreement

"Monetary Claim" means any book debt, other debt, receivable and monetary claim owing to any Chargor and any proceeds thereof (including any claim or sum of money deriving from or relating to any Distribution Agreement, Intellectual Property, any Investments, the proceeds of any Insurance Policy, any court order or judgment, any

pension fund, or any contract or agreement to which any Chargor is a party and any other assets, property, rights or undertaking of any Chargor) and all Related Rights.

"Notes" has the meaning given to such term in Section 2.10(c) of the Credit Agreement

"Obligations" means the obligation of the Borrowers to make due and punctual payment of.

- (a) principal of and interest on the Loans, the face amount of each Bankers' Acceptance, the Commitment Fees, any reimbursement obligations in respect of Letters of Credit and all other monetary obligations of the Borrowers to the Administrative Agent, the Sterling Agent, the Canadian Agent, the Issuing Bank or any Lender under the Credit Agreement, the Notes, any other Fundamental Document or the Fee Letter,
- (b) all amounts payable by the Borrowers to any Lender under any Currency Agreement or Interest Rate Protection Agreement, provided that the Administrative Agent shall have received written notice thereof within ten (10) Business Days after execution of such Currency Agreement or Interest Rate Protection Agreement; and
- (c) amounts payable to JPMorgan Chase Bank, N.A. or any of its Affiliates in connection with any bank account maintained by the Borrowers or any other Credit Party at JPMorgan Chase Bank, N.A. or any such Affiliate or any other banking services provided to the Borrowers or any other Credit Party by JPMorgan Chase Bank, N.A. or any such Affiliate.

"Parent" means E-One UK Limited (company number 06269098).

"Permitted Encumbrances" means Liens permitted under Section 6.2 of the Credit Agreement.

"Person" means any natural person, corporation, division of a corporation, limited liability company, partnership, trust, joint venture, association, company, estate, unincorporated organization or government or any agency or political subdivision thereof.

"Pledged Securities" means all of the issued and outstanding Equity Interests of each of:

- (a) the Credit Parties, other than:
 - (i) Entertainment One; and
 - (ii) the Equity Interests in 6972501 Canada to be owned by the Marx Vendors upon consummation of the Marx Acquisition, and additional Equity Interests in 6972501 Canada to be owned by the Marx Vendors upon payment of the stock portion of the earn-out element of the purchase price for the Marx Acquisition, in each case issued pursuant to the Marx Acquisition Agreements,

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- (b) the Excluded Subsidiaries wholly-owned, directly or indirectly, by Entertainment One or a Canadian Structure Subsidiary, other than
 - (i) the direct and indirect Subsidiaries of Barna-Alper Productions Inc that are either (1) in existence as of the date hereof or (2) Special Purpose Producers;
 - (ii) the direct and indirect Subsidiaries of Blueprint Entertainment Corporation that are either (1) in existence as of the date hereof other than Oasis Pictures Inc and Oasis Productions LLC or (2) Special Purpose Producers,
 - (iii) RCV Entertainment Belgique N.V.;
 - (iv) Seville Productions (Dallaire) Inc , and
 - (v) 2179417 Ontario Inc. and 3229813 Nova Scotia Limited (in each case, to the extent that it is a Non-Material Subsidiary),
- (c) to the extent not prohibited by organizational or corporate governance documents or other contractual restrictions, the direct and indirect Subsidiaries of Entertainment One that are not wholly-owned directly or indirectly by Entertainment One or a Canadian Structure Subsidiary, and
- (d) all other Equity Interests now owned or hereafter acquired by any of the Credit Parties, including without limitation the securities listed on Schedules 3.7(a) and 3.7(c) of the Credit Agreement, but other than those expressly excluded by clauses (b) or (c) of this definition

"PPSA" means unless otherwise provided in the Credit Agreement, the Personal Property Security Act, R.S.O. 1990 c.P.10 as heretofore and hereafter amended and in effect in the Province of Ontario, or, where the context requires, the legislation of the other provinces or territories of Canada, including without limitation the Civil Code of Quebec for the Province of Quebec, relating to security in personal property generally, including accounts receivable, as adopted by and in effect from time to time in such provinces or territories in Canada, as applicable

"Real Property" means

- (a) any freehold, leasehold or immovable property wherever located (including without limitation the freehold and/or leasehold property in England and Wales specified in Schedule 2 (*Details of Real Property*) of the Debenture), and
- (b) any buildings, fixtures and fittings (including trade fixtures and fittings) and fixed plant or machinery from time to time situated on or forming part of such freehold, leasehold or immovable property,

and all Related Rights.

"Receiver" means a receiver or receiver and manager or (if applicable), administrative receiver, appointed under the Debenture.

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"Related Rights" means, in relation to any asset

- (a) the proceeds of sale of any part of that asset;
- (b) all rights under any licence, agreement for sale or agreement for lease in respect of that asset,
- (c) all rights, benefits, claims, contracts, warranties, covenants for title, negotiable and non-negotiable instruments, guarantees, indemnities, security, liens, reservation of proprietary rights, rights of tracing or remedies in respect of that asset, and
- (d) any monies and proceeds paid or payable in respect of that asset and, in the case of an Account, any credit balance from time to time on that Account

"Secured Parties" means each of the Lenders, the Administrative Agent, the Issuing Bank, the Sterling Agent and the Canadian Agent, and their respective successors and assigns

"Shares" means all of the shares in any member of the Group incorporated in England and Wales held by, to the order of, or on behalf of, any Chargor at any time (including any of the same specified in Schedule 5 (*Details of Shares*) of the Debenture)

"Tangible Moveable Property" means any plant, machinery, office equipment, computers, vehicles, every tangible item of Product and other chattels (excluding any for the time being forming part of any Chargor's stock-in-trade or work-in-progress) and all Related Rights

"UCC" means the Uniform Commercial Code as in effect in the State of New York on the date of execution of the Credit Agreement

REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF FILM RESOURCES LIMITED ("THE COMPANY") PURSUANT TO SECTION 156(4) OF THE COMPANIES ACT 1985

We report on the attached statutory declaration of the directors dated 19 September 2008, prepared pursuant to the Companies Act 1985, in connection with the proposal that the Company should give financial assistance for the purpose of reducing or discharging a liability incurred for purpose of acquisition of 102,400 of Contender Limited's ordinary A shares, 60,813 of Contender Limited's ordinary B shares, 22,420 of Contender Limited's ordinary C shares and 4,000 of Contender Limited's ordinary D shares

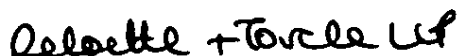
This report is made solely to the directors of the Company for the purpose of section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors of the Company those matters that we are required to state to them in an auditors' report under that section and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the opinions that we have formed.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their statutory declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



Deloitte & Touche LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
19 September 2008