

117956/23

In accordance with
Sections 859A and
859J of the Companies
Act 2006

MR01

Particulars of a charge



Companies House



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A fee is be payable with
Please see 'How to pay' or

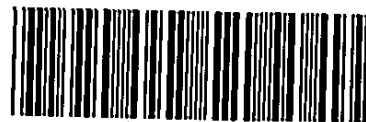
✓ **What this form is for**

You may use this form to register
a charge created or evidenced by
an instrument

✗ **What this form is NOT for**

You may not use this form
to register a charge where the
instrument Use form MR0

TUESDAY



A13

A5DZGWSQ

23/08/2016

#258

COMPANIES HOUSE

This form **must be delivered to the Registrar for registration within 21 days** beginning with the day after the date of creation of the charge. If delivered outside of the 21 days it will be rejected unless it is accompanied by a court order extending the time for delivery



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record. **Do not send the original**

1 Company details

Company number 0 8 5 4 6 0 0 9

Company name in full CBS UK Productions Limited

For official use

→ **Filling in this form**

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date d 1 d 5 m 0 m 8 y 2 y 0 y 1 y 6

3 Names of persons, security agents or trustees entitled to the charge

Please show the names of each of the persons, security agents or trustees
entitled to the charge

Name CBS Films Inc

Name

Name

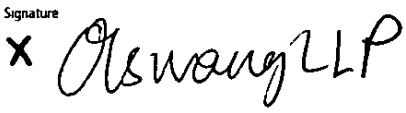
Name

If there are more than four names, please supply any four of these names then
tick the statement below

☐ I confirm that there are more than four persons, security agents or
trustees entitled to the charge

MR01

Particulars of a charge

4	Brief description Please give a short description of any land, ship, aircraft or intellectual property registered or required to be registered in the UK subject to a charge (which is not a floating charge) or fixed security included in the instrument Brief description All right, title and interest in and to all rights and properties relating to the film provisionally entitled "The Long Walk" and the proceeds thereof For more details please refer to the instrument	Please submit only a short description. If there are a number of plots of land, aircraft and/or ships, you should simply describe some of them in the text field and add a statement along the lines of, "for more details please refer to the instrument" Please limit the description to the available space
5	Other charge or fixed security Does the instrument include a charge (which is not a floating charge) or fixed security over any tangible or intangible or (in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
6	Floating charge Is the instrument expressed to contain a floating charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes Continue <input type="checkbox"/> No Go to Section 7 Is the floating charge expressed to cover all the property and undertaking of the company? <input checked="" type="checkbox"/> Yes	
7	Negative Pledge Do any of the terms of the charge prohibit or restrict the company from creating further security that will rank equally with or ahead of the charge? Please tick the appropriate box <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8	Trustee statement ^① You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge <input type="checkbox"/>	① This statement may be filed after the registration of the charge (use form MR06)
9	Signature Please sign the form here Signature X  X This form must be signed by a person with an interest in the charge	

MR01

Particulars of a charge



Presenter information

You do not have to give any contact information, but if you do, it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Sarah Cramer

Company name Olswang LLP

Address 90 High Holborn

Post town London

County/Region London

Postcode W C 1 V 6 X X

Country United Kingdom

DX DX 39792

Telephone 020 7067 3000



Certificate

We will send your certificate to the presenter's address if given above or to the company's Registered Office if you have left the presenter's information blank.



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following

- ☐ The company name and number match the information held on the public Register
- ☐ You have included a certified copy of the instrument with this form
- ☐ You have entered the date on which the charge was created
- ☐ You have shown the names of persons entitled to the charge
- ☐ You have ticked any appropriate boxes in Sections 3, 5, 6, 7 & 8
- ☐ You have given a description in Section 4, if appropriate
- ☐ You have signed the form
- ☐ You have enclosed the correct fee
- ☐ Please do not send the original instrument, it must be a certified copy



Important information

Please note that all information on this form will appear on the public record



How to pay

A fee of £23 is payable to Companies House in respect of each mortgage or charge filed on paper

Make cheques or postal orders payable to 'Companies House'



Where to send

You may return this form to any Companies House address. However, for expediency, we advise you to return it to the appropriate address below

For companies registered in England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

For companies registered in Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number 8546009

Charge code: 0854 6009 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 15th August 2016 and created by CBS UK PRODUCTIONS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd August 2016.

DX

Given at Companies House, Cardiff on 31st August 2016



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

OLSWANG

15 August 2016

DEED OF SECURITY ASSIGNMENT AND CHARGE
relating to the motion picture provisionally entitled
"THE LONG WALK"

- (1) CBS UK PRODUCTIONS LIMITED
- (2) CBS FILMS INC

We hereby certify this to
be a true and complete
copy of the original
Olswang LLP

*Save for personal information
and signatures redacted
pursuant to s859G of
Companies Act 2006.*

Olswang LLP
90 High Holborn
London WC1V 6XX

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DX 37972 Kingsway

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www.olswang.com

Ref JMH/TDO\22005341-3

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THIS DEED OF SECURITY ASSIGNMENT AND CHARGE is dated 15 August 2016

BETWEEN:

- (1) **CBS UK PRODUCTIONS LIMITED** a company incorporated under the laws of England and Wales with registered number 08546009 whose registered office is at Cannon Place, 78 Cannon Street, London, England, EC4N 6AF, United Kingdom (the "**Chargor**"), and
- (2) **CBS FILMS INC.** whose principal place of business is situated at 1100 Glendon Avenue, Suite 1100, Los Angeles, CA 90024, United States of America (the "**Chargee**"),

each a "**party**" and together the "**parties**"

RECITALS

- (A) The Chargee has agreed to make a loan facility (the "**Facility**") available to the Chargor to enable the Chargor to fund certain budgeted production costs of and to pay certain contingent payments in respect of the film provisionally entitled "The Long Walk" (or such other title determined by the Chargee) (the "**Film**") pursuant to a production agreement dated on or about the date hereof between the Chargor and the Chargee (the "**Production Agreement**")
- (B) The Chargor has agreed to execute this Deed in favour of the Chargee as security for the performance, payment and discharge of the Secured Obligations (as defined below)

THE PARTIES NOW AGREE as follows

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Deed (including the Recitals), capitalised expressions used in this Deed shall, unless defined herein, bear the meanings ascribed to them in the Production Agreement, and the following capitalised terms shall have the meaning set out below

"**Account**" means the sterling and other currency accounts in the name of the Chargor opened by or on behalf of the Chargor in connection with the production of the Film and the UK Tax Credit Account (as such term is defined in the Production Agreement),

"**Ancillary Rights**" means all collateral, subsidiary, allied and ancillary rights of every kind and nature in and to the Film including, without limitation, all re-make, sequel and spin-off and other transformative rights, all merchandising, commercial tie-in, literary publishing, music publishing, soundtrack album, non-theatrical (including airline and ship) rights and all wireless and on-line rights, in all media whether now known or hereafter invented,

"**Authorisations**" means any authorisation, permit, licence, consent or approval required by the Chargor in connection with the entry into, performance, validity and enforceability of this Deed, all documents, receipts, books or records, including, without limitation, documents or receipts of any kind or nature issued by any pledgeholder or bailee in connection with the Film (or any element thereof) and the equipment containing such books and records and all Transaction Documents to which the Chargor is a party,

"Business Day" means a day (other than a Saturday or a Sunday) on which banks are open for general business in London, United Kingdom, Los Angeles, United States of America and the other relevant cities as may be required for the relevant purposes of this Deed,

"Charged Assets" means the property, assets and interests (whether present or future) which are the subject of any security created by this Deed (and includes all income generated thereby, all proceeds of sale thereof and any present and future property, assets and interests of that type),

"Encumbrance" means any mortgage, charge, assignment for the purpose of security, pledge, lien, right of set-off, arrangement for retention of title, or hypothecation or trust arrangement for the purpose of, or which has the effect of, granting security, or other security interest of any kind whatsoever and any agreement, whether expressed to be conditional or otherwise, to create any of the same or any agreement to sell or otherwise dispose of any asset on terms whereby such asset is or may be leased to or re-acquired or acquired by the person so agreeing or disposing,

"Event of Default" means as defined in Clause 11 2,

"Facility" means as defined in Recital (A),

"Film" means as defined in Recital (A),

"Finance Documents" means (a) the Production Agreement, (b) this Deed, and (c) any other agreement, deed, notice or certificate entered into or given by any of the Relevant Parties from time to time creating, evidencing or entered into as security for, or for supporting either of, or entered into in accordance with either of, the documents referred to in (a) and (b) above or which the Chargee and the Chargor may from time to time agree constitutes a Finance Document,

"Material Adverse Effect" means with respect to the applicable person, any change or effect that has a material adverse effect on the business, assets, properties, operations or financial condition of such person and/or its affiliates,

"Production Agreement" means as defined in Recital (A),

"Permitted Encumbrances" means the security interest created by this Deed,

"Prohibited Security Interest" means any Encumbrance other than the Permitted Encumbrances,

"Receiver" means any one or more individuals acting as a receiver or manager or administrative receiver,

"Relevant Party" means each party to a Transaction Document, other than the Chargee (to the extent such party has any obligations outstanding under such Transaction Documents),

"Screenplay" means the final screenplay for the Film entitled "The Long Walk" written by Stephen Schiff and all drafts of the same,

"Secured Obligations" means at any time, all present and future obligations and liabilities (actual or contingent) of the Chargor (whether or not for the payment of money and including any obligation to pay damages for breach of contract, any obligation to make restitution and all liabilities acquired by the Chargor from any third party) which are, or are expressed to be, or may become, due, payable or owing to the Chargee under or in connection with the Finance Documents and any other Transaction Documents, together with all costs, charges, taxes or expenses incurred by the Chargee which the Chargor is obliged to pay under the Finance Documents and any other Transaction Documents,

"Security Period" means the period beginning on the date of this Deed until all of the Secured Obligations have been unconditionally and irrevocably discharged in full and the Chargee has no further obligations to make any loans pursuant to the Production Agreement and such period includes any period during which any administrator, liquidator or trustee in bankruptcy of the Chargor may claim any payment made to the Chargee in discharge or reduction of the Secured Obligations was a preference, transaction at an undervalue or otherwise liable to be repaid by the Chargee pursuant to any power in that regard given to such administrator, liquidator or trustee in bankruptcy under the Insolvency Act 1986,

"Subsidiary" or "Subsidiaries" means a subsidiary (whether direct or indirect) of a party or such party's ultimate holding company (as those terms are defined under Section 1159 of the Companies Act 2006),

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest),

"Tax Deduction" means a deduction or withholding for or on account of Tax from a payment under a Finance Document,

"Territory" means the universe,

"Transaction Documents" means any and all documents entered into in relation to and / or as part of the production, financing and / or exploitation of the Film, and

"Underlying Rights" means all of the copyright and other rights of any kind of nature in the material underlying the Film, including, without limitation, all rights in the Screenplay, and all underlying literary, dramatic and recorded material upon which the Film is based or from which it is adapted or developed, in whole or in part, or which may from time to time be included or used in the Film and any other material which is necessary to enable the Film (or any part of element of the Film) to be produced, delivered, exploited, published, reproduced and synchronised in accordance with the terms of the Transaction Documents

- 1 2 Words denoting the singular shall include the plural and vice versa, words denoting any gender shall include every gender and words denoting persons shall include corporations and vice versa
- 1 3 Any reference in this Deed to any statute, statutory provision or section, delegated legislation, code or guideline shall be a reference to the same as it may from time to time be amended, modified, extended, varied, superseded, modified, replaced, substituted or consolidated
- 1 4 Any reference to a party to this Deed or any other person shall be deemed to include its successors in title, permitted assigns and permitted transferees
- 1 5 References to a "person" includes an individual, firm, partnership, company, corporation, association, organisation, government, state, foundation and trust, in each case whether or not having separate legal personality
- 1 6 Unless otherwise stated, time shall be of the essence for the purpose of the performance of the Chargor's obligations under this Deed
- 1 7 References to this Deed or to any other document shall be construed as a reference to this Deed or that other document as amended, varied, novated or supplemented (including any supplement providing for further credit advances) from time to time
- 1 8 The clause headings in this Deed are for the convenience of the parties only and shall not limit, govern or otherwise affect its interpretation in any way
- 1 9 The covenants implied by Sections 2(1) and 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall apply to all assignments created under this Deed
- 1 10 Any covenant of the Chargor under this Deed remains in force during the Security Period
- 1 11 If the Chargee considers that an amount paid to the Chargee under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed
- 1 12 Unless the context requires otherwise, a reference to "rights" includes all rights, title, benefits, powers, discretions, claims and interests (whether present, future, vested, contingent, statutory or otherwise)

2 COVENANT TO PAY

- 2 1 In consideration of the Chargee entering into the Production Agreement and making available to the Chargor the Facility in accordance with the terms and subject to the conditions of the Production Agreement (which the Chargor acknowledges is of benefit to it in connection with the financing of the production of the Film) the Chargor undertakes to the Chargee that it will fully and promptly pay or discharge its payment obligations in respect of the Secured Obligations on the due date or dates in the manner provided in the Transaction Documents

- 2 2 For all purposes in connection with the exercise by the Chargee of any of its rights hereunder (including any legal proceedings, claims or suits arising out of or in connection with this Deed), a certificate signed by an authorised signatory of the Chargee as to the amount of any indebtedness comprised in the Secured Obligations, or any applicable rate of interest, shall, in the absence of manifest or proven error, be conclusive evidence against the Chargor as the amount or rate thereof

3 CREATION OF SECURITY

- 3 1 All the security created under this Deed is made

3 1 1 as continuing security for the payment, performance and discharge of the Secured Obligations,

3 1 2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994, and

3 1 3 (only to the extent applicable) by way of present assignment of future copyright pursuant to Section 91 of the Copyright, Designs and Patents Act 1988,

in each case for the Chargee to hold absolutely on the terms of this Deed throughout the universe and in perpetuity or otherwise for the full period of the Chargor's rights, wherever subsisting or acquired, as renewed and extended from time to time, subject only to Clause 21 (Release and Reassignment)

- 3 2 Notwithstanding any other provision of this Deed, the Chargee hereby grants the Chargor a licence to undertake and complete the production, post-production, completion, delivery and exploitation of the Film in accordance with the Transaction Documents, subject to the terms and conditions of this Deed and the security hereby created. The Chargor hereby agrees that the Chargee may terminate such licence immediately without notice in the event that the security created by this Deed becomes enforceable in accordance with Clause 11

4 ASSIGNMENT

- 4 1 The Chargor with full title guarantee and as continuing security for full and timely performance, payment and discharge of the Secured Obligations hereby absolutely assigns to the Chargee (and insofar as is necessary by way of present assignment of future copyright pursuant to Section 91 of the Copyright Designs & Patents Act 1988) all of its rights, title and interest in and to the following throughout the world for the full period of copyright and thereafter in perpetuity

4 1 1 the Underlying Rights,

4 1 2 the copyright and all other rights of every kind and nature (including, without limitation, all intellectual property rights and rights acquired by way of licence) in and to the Film and all musical compositions, scores and sound recordings (including lyrics), sketches, designs, plans and costumes made for or used in the production or distribution of, or featured in, the Film, and all other copyright

works produced in connection with the Film (in each case including the right to adapt, transform, record, produce, reproduce, publish or synchronise the same in the Film or to permit the private or public performance of the same by exhibition or broadcast of the Film), whether registered or not (and including all applications for the same) and the title of the Film and all rights to the exclusive use thereof, including all rights of trade marks and service marks, whether registered or not, and all other rights protected pursuant to regulations, laws or principles of law or equity,

- 4 1 3 the Ancillary Rights,
- 4 1 4 the benefit of all contracts and policies of insurance or indemnity and cut-through arrangements to any reinsurer, in each case, taken out by or on behalf of the Chargor, or under which the Chargor has an interest, in each case in connection with the Film, and all insurance proceeds at any time paid or payable to the Chargor (including, without limitation, all claims relating to them and any and all rights to require payment of any amount under them and returns of premium in respect of them) pursuant to such policies and arrangements,
- 4 1 5 the benefit of each Transaction Document to which the Chargor is a party including, without limitation, all rights granted and all amounts payable thereunder and the benefit of all representations, warranties, covenants and undertakings and other assurances given to the Chargor under or in respect of any such Transaction Document, (including all causes and rights of action arising under or in respect of any such Transaction Document and any and all rights to make claims or otherwise require payment of any amount under, or performance of, any provision of any such Transaction Document),
- 4 1 6 the benefit of any letter of credit or bond issued in the Chargor's favour, any bill of exchange or other negotiable instrument held by the Chargor and all other agreements entered into or to be entered into by the Chargor in relation to the Film,
- 4 1 7 the right to distribute, lease, licence, sell, exhibit, exploit, broadcast or otherwise deal with the Film, the Underlying Rights and the Ancillary Rights by all methods and means in all media throughout the Territory,
- 4 1 8 all of the Chargor's right, title and interest in and to any and all sums paid or payable to the Chargor now due or which hereinafter may become due to the Chargor by any state, federal, provincial or other governmental body or authority directly or indirectly by way of subsidy, tax credit, tax refund, production credit or similar benefit, or pursuant to any tax shelter, sale and leaseback transaction, co-production structure or similar transaction and all allied, ancillary and subsidiary rights therein,
- 4 1 9 all inventions, processes, formulae, licences, patents, patent rights, trademarks, trademark rights, service marks, service mark rights, trade names, trade name

rights, logos, indicia, corporate and company names, business source or business identifiers and renewals and extensions thereof, domestic and foreign, whether now owned or hereafter acquired, and the accompanying goodwill and other like business property rights relating to the Film, and the right (but not the obligation) to register claims under trademark or patent and to renew and extend such trademarks or patents and the right (but not the obligation) to sue in the name of the Chargor or in the name of the Chargee for past, present or future infringement of trademark or patent,

4 1 10 all other accounts receivable, contract rights, general intangibles, intellectual property, investment property, letter of credit rights and supporting obligations, which are related to or used in the Film, and

4 1 11 the products and proceeds of any and / or all of the foregoing, including, without limitation, all monies received and receivable for any reason in connection with the above

4 2 The assignment on the terms set out in Clause 4 1 above constitutes and effects an immediate and full assignment of such rights and assets, and shall be effective and constituted immediately upon the execution of this Deed

5 FIXED CHARGE

The Chargor hereby with full title guarantee charges by way of first fixed charge and as continuing security for the full and timely performance, payment and discharge of the Secured Obligations

5 1 all the rights referred to in Clause 4 (to the extent not effectively assigned pursuant to Clause 4),

5 2 all physical properties of every kind and nature of or relating to the Film and all musical scores, lyrics, sound recordings, scripts, sketches plans, designs and other works produced in connection with the Film or otherwise relating to the development, completion, delivery exploitation or distribution of the Film,

5 3 all physical elements of the Film including, without limitation, all negatives, duplicate negatives, inter-negatives, inter-positives, positive prints and positive sound and visual material made or to be made incorporating or reproducing all or any part of the Film and the trailer(s) of the Film all pre-print materials, exposed film, developed film, special effects and other physical properties of every kind and nature relating to the Film in any and all formats whether now known or hereafter devised, in whatever stage of completion,

5 4 all sums from time to time standing to the credit of the Chargor in each Account and the debt represented by such Account, from time to time,

5 5 all of its book and other debts and all other amounts due and owing to it and the benefit of all rights, securities or guarantees of any type held by it in relation thereto,

- 5 6 all shares, stocks, debentures, bonds and other securities and investments owned by it or held by any nominee on its behalf and all dividends, interest or other amounts accruing, paid or payable in connection therewith,
- 5 7 all plant and machinery, fixtures or equipment or chattels now or hereafter belonging to the Chargor in respect of the Film, including, without limitation, all office machinery, vehicles, trailers, implements, wardrobes, props, scenery, sound stages and equipment, dressing rooms, sets, lighting equipment, cameras and other photographic equipment, sound recording and editing equipment projectors, film developing equipment and machinery and other intangible personal property of every kind and description which the Chargor has acquired or shall acquire in connection with the Film, and all similar goods acquired or to be acquired in substitution or replacement thereof, wherever located,
- 5 8 the benefit of all Authorisations and the right to recover and receive compensation which may be payable to it in respect of such Authorisations,
- 5 9 all other properties (whether tangible or intangible) and things of value acquired or to be acquired by the Chargor incorporating or reproducing the Film or any part or element thereof or otherwise in connection with the Film, and
- 5 10 the products and proceeds of any and / or all of the foregoing, including without limitation, all monies received or receivable for any reason by or on behalf of the Chargor in connection with the above

6 FLOATING CHARGE

- 6 1 The Chargor with full title guarantee charges by way of first floating charge as continuing security for the full and timely performance, payment and discharge of the Secured Obligations the entire business, undertaking, property, assets, revenues, rights and uncalled capital, present and future, of the Chargor (but excluding the rights and assets effectively assigned under Clause 4 or charged by way of fixed charge under Clause 5) and all its rights and assets not at any time otherwise effectively assigned under Clause 4 or charged by way of fixed charge under Clause 5
- 6 2 Except as provided below, the Chargee may, by notice to the Chargor, convert the floating charge created by this Clause 6 into a fixed charge as regards any of the Chargor's rights and / or assets specified in that notice if
- 6 2 1 an Event of Default occurs, or
- 6 2 2 the Chargee considers those rights or assets to be in danger of being sold or seized under any form of distress, attachment, execution or other legal process, or to be otherwise in jeopardy
- 6 3 The floating charge created under this Clause 6 will automatically convert into a fixed charge over all of the Chargor's rights and assets if
- 6 3 1 an administrator is appointed, or

- 6 3 2 the Chargee receives notice of an intention to appoint an administrator,
- 6 3 3 the Chargor creates, agrees to create or permits to subsist any Encumbrance other than the Permitted Encumbrances on, over or with respect to, the rights or assets secured by floating charge under this Clause 6, or any part of it, or attempts to do so, or
- 6 3 4 any person levies, or attempts to levy, any distress, attachment, execution or other legal process against the rights or assets secured by the floating charge under this Clause 6, or any part of it
- 6 4 Paragraph 14 of Schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this Clause 6, which charge is accordingly a qualifying floating charge for such purposes

7 NATURE OF THE SECURITY

7 1 Continuing Security

The security constituted by this Deed is created in favour of the Chargee as continuing security for the full and punctual performance, payment and discharge of all the Secured Obligations and shall extend to the ultimate balance of all of the Secured Obligations, regardless of any intermediate payment or settlement of account or other discharge, whether in whole or in part

7 2 No Merger

Nothing herein contained shall operate so as to merge or otherwise prejudice or affect any bill, note guarantee, mortgage or other security or any contractual or other right which the Chargee may at any time have for any money or liabilities or other sums due or incurred by the Chargor to the Chargee or any right or remedy of the chargee thereunder and any receipt, release or discharge of the security provided by, or of any liability arising under, this Deed shall not release or discharge the Chargor from any liability to the Chargee for the same or any other monies which may exist independently of this Deed

7 3 Reinstatement

Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise without limitation, the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Chargee may concede or compromise any claim by any person that any payment, security or other disposition is liable to avoidance or restoration

7 4 Waiver of Defences

The obligations of the Chargor under this Deed and the security created by this Deed will not be affected by any act, omission or thing which, but for this Clause 7 4, would reduce,

release or prejudice any of its obligations under this Deed in whole or in part, including (whether or not known to the Chargor or to any other person)

- 7 4 1 any time or waiver granted to, or composition with, the Chargor or any other person by the Chargee,
- 7 4 2 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Encumbrance over the assets of the Chargor or any other 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, or the Chargee from time to time dealing with, exchanging, varying, realising, releasing or failing to perfect or enforce any of the same,
- 7 4 3 any incapacity or lack of powers, authority or legal personality, or dissolution or change in the status of the Chargor or any other person,
- 7 4 4 any variation (however fundamental) or replacement of a Transaction Document or any other document or security,
- 7 4 5 any partial or total unenforceability, illegality or invalidity of any obligation or any person under any Transaction Document or any other document or security on any ground whatsoever, to the intent that the Chargor's obligations under this Deed shall remain in full force and this Deed shall be construed accordingly, as if there were no unenforceability, illegality or invalidity,
- 7 4 6 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of the Chargor under a Transaction Document to which it is a party resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order so that each such obligation shall for the purposes of the Chargor's obligations under this Deed be construed as if there were no such circumstance,
- 7 4 7 the winding-up or administration of the Chargor or any other person,
- 7 4 8 any change in the constitution of the Chargor,
- 7 4 9 any amalgamation, merger or reconstruction that may be effected by the Chargee with any other person or any sale or transfer of the whole or any part of the property, assets and undertaking of the Chargee to any other person,
- 7 4 10 the existence of any claim, set-off or other right which the Chargor may have at any time against the Chargee or any other person,
- 7 4 11 the making or absence of any demand for performance of the Secured Obligations on the Chargor or any other person, whether by the Chargee or any other person,

7 4 12 any arrangement, moratorium or compromise entered into by the Chargee with the Chargor or any other person, or

7 4 13 any other thing done or omitted to be done by the Chargee or any other person or any other dealing, matter or thing which, but for this provision might operate to prejudice or alter the liability of the Chargor for the Secured Obligations

7 5 Immediate Recourse

The Chargor waives any right it may have of first requiring the Chargee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this Deed

7 6 Additional Security

This Deed is in addition to and is not in any way prejudiced by any right of lien, set-off, combination of accounts or other rights exercisable by the Chargee against the Chargor or any security guarantee, indemnity and / or negotiable instrument now or subsequently held by the Chargee in respect of the Secured Obligations

7 7 Collateral Security

Where the security given to the Chargee by this Deed initially takes effect as a collateral or further security then notwithstanding any receipt, release or discharge endorsed on, or given in respect of, or under, the principal security to which this Deed operates as a collateral or further security, the security provided by this Deed shall, in respect of any monies which were originally intended to be secured, be an independent security for any such monies

7 8 Turnover

The Chargor holds on trust for the benefit of the Chargee absolutely

7 8 1 any security held by it contrary to this Clause 7 and shall hold in trust and immediately pay or transfer to the Chargee any payment or distribution or benefit of any security received by it contrary to this Clause 7, and

7 8 2 the entire interest and benefit of the Chargor in and to all the Charged Assets and all other rights and assets intended to be subject to a security interest under this Deed (or any part of thereof) which are not or cannot be effectively assigned or charged by the Chargor under this Deed

8 NEGATIVE PLEDGE

The Chargor shall not without the prior written consent of the Chargee

8 1 create or allow to subsist any Encumbrance (other than the Permitted Encumbrances) on or in respect of any Charged Assets, or

8 2 sell, transfer, licence, lease, dispose of or otherwise part with any Charged Assets, or

8 3 redeem the security created by this Deed without at the same time redeeming every or any existing or future mortgage, charge or other security of whatever nature for the time being held by the Chargee on property wherever situated and whether now or hereafter belonging to the Chargor in relation to the Film, or

8 4 redeem any such mortgage, charge or other security of whatever nature in relation to the Film without at the same time redeeming the security created by this Deed

9 **NON-COMPETITION**

The Chargor shall not, after a claim has been made or by virtue of any payment or performance by it under this Deed

9 1 be subrogated to any rights, security or monies held, received or receivable by the Chargee or be entitled to any right of contribution or indemnity in respect of any payment made or monies received on account of the Chargor's liability under any Transaction Document (and, to avoid doubt, the Chargor waives any rights that it would otherwise have to do so),

9 2 claim, rank, prove or vote as creditor of any other obligor in competition with the Chargee (or any trustee or agent on its behalf), or

9 3 receive claim or have the benefit of any payment, distribution or security from or on account of any other obligor or exercise any right of set-off as against any other obligor or enforce the benefit of the security granted to it by any other obligor

10 **RIGHTS PRIOR TO ENFORCEMENT**

Prior to this Deed becoming enforceable the Chargee may exercise any discretions, options, remedies and other rights of whatever nature assigned or charged to it pursuant to this Deed as if it were the sole and absolute beneficial owner of the same and, to the extent that the Chargee considers it necessary to issue legal proceedings to enforce any such discretion, option, remedy or other right against the relevant counterparty, the Chargor irrevocably consents to the use of its name in any legal proceeding and agrees to be joined as a party to the same if reasonably required by the Chargee

11 **ENFORCEMENT**

11 1 The security created by this Deed shall become immediately enforceable without notice on the happening of an Event of Default or at any time thereafter Upon this Deed becoming enforceable

11 1 1 the Chargee may in its absolute discretion enforce all or any part of the security constituted by this Deed in any manner as it sees fit, and without liability for any loss (whether or not due to negligence) or any costs of any kind,

11 1 2 the Chargee's obligations under the Production Agreement shall immediately cease (without prejudice to the Chargee's rights thereunder), and

11 1 3 the entire amount of the Secured Obligations then outstanding shall be immediately due and repayable

11 2 Each of the following are **"Events of Default"**

11 2 1 any amount payable to the Chargee under any of the Transaction Documents not being paid when due for any reason,

11 2 2 any of the Relevant Parties becoming, for the purposes of any law, insolvent,

11 2 3 any of the Relevant Parties being unable, being deemed to be unable or admitting in writing its inability, to meet its debts as they fall due (within the meaning given to that expression in Section 123 of the Insolvency Act 1986 or any equivalent legislation),

11 2 4 any of the Relevant Parties suspending making payments on any of its debts or announcing an intention to do so or, by reason of actual or anticipated financial difficulties, beginning negotiations with any creditor for the rescheduling of any of its indebtedness,

11 2 5 an event occurs which would result in the crystallisation of any floating charges over the whole or any part of the assets and / or undertaking of a Relevant Party,

11 2 6 a moratorium being declared in respect of any of the indebtedness of any Relevant Party,

11 2 7 any of the Relevant Parties making an assignment for the benefit of creditors or to an agent authorised to liquidate any substantial amount of its properties or assets,

11 2 8 any of the Relevant Parties applying for or consenting to the appointment of a receiver or trustee for it or for a substantial part of its rights, property, business or other assets,

11 2 9 any of the Relevant Parties having instituted against it any proceedings for relief under any bankruptcy law or any law for the relief of debtors or having entered against it any order or judgment decreeing its dissolution or division,

11 2 10 a meeting of creditors being convened or any composition or arrangement for the benefit of creditors being proposed or entered into relating to any of the Relevant Parties,

11 2 11 a petition being presented for the purpose of considering a resolution for the liquidation or administration of any of the Relevant Parties,

11 2 12 similar proceedings being taken for the winding up, bankruptcy or dissolution of any of the aforesaid,

- 11 2 13 a distress or execution being levied or enforced upon or issued against the whole or any part of the property of any of the Relevant Parties which is not discharged within forty-eight (48) hours,
- 11 2 14 any event analogous to the foregoing occurring in any jurisdiction, or the Chargee becoming aware of any information or circumstances which lead it, in good faith, to believe that such an event is reasonably likely to occur,
- 11 2 15 any of the Relevant Parties ceasing or threatening to cease to carry on business or the existence of it being terminated,
- 11 2 16 any Encumbrance which affects any assets of the Chargor becoming enforceable or an encumbrancer taking possession or a trustee or receiver or similar officer being appointed, of the whole or, in the opinion of the Chargee, a material part of the assets or undertaking of any Relevant Party,
- 11 2 17 the Chargee becoming aware of any circumstances which leads the Chargee, acting reasonably and in good faith, to believe that a petition for an administration order under Section 9 of the Insolvency Act 1986 may be presented to the Court in respect of any of the Relevant Parties and the Chargee being satisfied that any of the Relevant Parties has or may become unable to pay its debts (within the meaning given to that expression in Section 123 of that Act) or such a petition being so presented,
- 11 2 18 control of any of the Relevant Parties (as defined in Section 450 of the Corporation Tax Act 2010) passing to any person or group of persons whose control in the Chargee's good faith opinion results in a material deterioration in any of the Relevant Parties' creditworthiness or any disagreement or deadlock amongst the owners or managers of any of the Relevant Parties occurring which the Chargee believes in good faith may affect the Relevant Party's ability to meet its obligations under the Transaction Documents to which it is a party,
- 11 2 19 any of the Relevant Parties breaching any of the terms, conditions, representations, warranties or undertakings contained in any of the Transaction Documents or the occurrence of an Event of Default under any of the Transaction Documents or any failure by any party to make any payment due, payable, owing or outstanding pursuant to any of the Transaction Documents,
- 11 2 20 any of the Transaction Documents ceasing to be in full force and effect or being terminated or any of the provisions thereof becoming illegal or unenforceable or it becomes illegal for any Relevant Party to perform its obligations under any Transaction Document, or
- 11 2 21 any circumstances arising which in the Chargee's opinion, acting reasonably and in good faith, do or will materially and adversely affect the security conferred or intended to be conferred on the Chargee in connection herewith including, any invalidity, breach, repudiation or threatened repudiation of this Deed or of any of the security created by the Transaction Documents and / or

any material adverse change or potential material adverse change in the business or financial condition of any of the Relevant Parties

12 EXERCISE OF RIGHTS

The Chargee may at any time after the security created by this Deed has become enforceable

- 12 1 sell, call in, collect, convert into money or otherwise deal with or dispose of the Charged Assets or any part thereof on an instalment basis or otherwise and generally in such manner and upon such terms as the Chargee may think fit,
- 12 2 exercise all of the powers set out in the Law of Property Act 1925 and in Schedule 1 to the Insolvency Act 1986 and any other powers conferred upon the Chargee by this Deed or otherwise conferred by statute or common law on mortgagees,
- 12 3 in accordance with Clause 11 or if requested by the Chargor appoint one or more persons to be (an) administrator(s) of the Chargor pursuant to the Insolvency Act 1986, and / or
- 12 4 appoint (in writing either under hand or as a deed) a Receiver over all or any part of the Charged Assets upon such terms as the Chargee thinks fit, remove the Receiver and appoint another in his place, and exercise any or all of the powers which a Receiver could exercise provided that the Chargee may not appoint an administrative receiver (as defined in section 29(2) Insolvency Act 1986) if the Chargee is prohibited from doing so by section 72A Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies

13 POWERS OF RECEIVER AND CHARGE

- 13 1 If a Receiver is appointed the Receiver shall be the agent of the Chargor (which shall alone be personally liable for the Receiver's acts, defaults and remuneration) and, without prejudice to any other powers the Receiver may have by law, the Receiver shall have the power set out in the Law of Property Act 1925 and in Schedule 1 to the Insolvency Act 1986 and in addition shall have power
 - 13 1 1 to enter upon any premises which the Receiver considers necessary and to take possession of, collect, get in or realise all and any part of the Charged Assets and to take, enforce, defend or abandon any actions, suits and proceedings in the name of the Chargor or otherwise in relation to the Charged Assets as the Receiver or the Chargee shall think fit,
 - 13 1 2 to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is, or claims to be, a creditor of the Chargor or relating in any way to the Charged Assets or any part thereof,
 - 13 1 3 to assign, sell, lease, licence, grant options to sell, deal with or manage or concur in assigning, selling, leasing, licensing, granting options to sell, dealing

with or managing of any Charged Assets and to vary, terminate or accept surrenders of leases, licences or tenancies in respect of any of the Charged Assets in such manner and generally on such terms and conditions as the Receiver or the Chargee shall think fit and to carry any such transactions into effect in the name of and on behalf of the Chargor or otherwise,

- 13 1 4 to take any steps that may be necessary or desirable to effect compliance with all or any of the agreements hereby charged or assigned to the Chargee,
- 13 1 5 to carry on, manage or concur in carrying on and managing the business of the Chargor or any part thereof including, without limitation, to take over and complete the production of the Film,
- 13 1 6 to raise or borrow any money that may be required upon the security of the whole or any part of the Charged Assets or without such security upon such terms as the Chargee or the Receiver shall think fit,
- 13 1 7 to give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising the Charged Assets,
- 13 1 8 to appoint and discharge advisers, managers, agents, employees, contractors and workmen in relation to the business of the Chargor relating to the Film at such salaries and for such periods as the Receiver may determine,
- 13 1 9 to make any arrangement or compromise, pay any compensation or incur any obligation and enter into any contracts which the Receiver or the Chargee shall think expedient in the interests of the Chargee,
- 13 1 10 to make, effect and do all maintenance, repairs, developments, reconstructions, improvements furnishings, equipment, alterations, additions, changes or insurance to or in respect of the Charged Assets in the interest of the Chargee for maintaining the value of the Charged Assets in every such case as the Chargee or the Receiver thinks fit,
- 13 1 11 to promote the formation of companies with a view to purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Charged Assets, to arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Charged Assets on such terms and conditions whether or not including payment by instalments secured and unsecured as the Receiver shall think fit,
- 13 1 12 to manage, develop, reconstruct, improve, amalgamate or diversify or concur in managing, developing, reconstructing, improving, amalgamating or diversifying the business of the Chargor in relation to the Film,
- 13 1 13 to exercise in relation to the Charged Assets or any part of it an election in accordance with paragraph 2 of Schedule 10 to the Value Added Tax Act 1994 and / or to revoke any such election,

13 1 14 to do all such other acts and things in relation to all or any part of the Charged Assets as may be considered to be incidental or conducive to any of the matters or powers aforesaid and which the Receiver or the Chargee lawfully may or can do, and

13 1 15 to exercise all such other power and authority as the Receiver or the Chargee shall think fit to confer and so that the Receiver and / or the Chargee may in relation to all or any part of the Charged Assets exercise and confer any powers and authorities which it could exercise and confer if it had full title guarantee thereto and to use the name of the Chargor for any such purposes,

PROVIDED ALWAYS THAT nothing herein contained shall make the Chargee liable to the Receiver in respect of his remuneration, costs, charges or expenses or otherwise for which together with the Receiver's acts, contracts, defaults and omissions the Chargor alone shall be liable and **PROVIDED FURTHER THAT** the Receiver's rights and powers shall be subject to the distribution rights in the Film granted to any third party with the prior written approval of the Chargee provided there has been no breach of the agreements granting such distribution rights

13 2 In addition, but without prejudice, to the foregoing remedies if the security created by this Deed becomes enforceable the Chargee shall (without prejudice to the statutory power of sale conferred by the Law of Property Act 1925) be entitled to take over and complete the production of the Film on notice to the Chargor, and entitled to sell the Charged Assets or any part or parts thereof or otherwise exploit or turn to account the Charged Assets for such price and in such manner as the Chargee in its absolute discretion may think fit, without any formalities, all of which are hereby waived by the Chargor, other than the formality of first notifying the Chargor of its intention to exercise such rights The Chargee shall be entitled to repayment of all costs and charges in connection therewith including all costs fees and charges it may incur as a consequence of the enforcement hereof

13 3 All the powers, authorities and discretions which are conferred by this Deed either expressly or impliedly upon the Receiver may be exercised by the Chargee in relation to the Charged Assets or any part of it without first appointing a Receiver or notwithstanding the appointment of a Receiver

13 4 The powers conferred by this Deed in relation to the Charged Assets on the Chargee or on the Receiver shall be in addition to, and not in substitution for, the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and the Insolvency Act 1986 or otherwise available at law

13 5 The Chargee and any Receiver may, at any time and from time to time, delegate by power of attorney or in any other manner (including, under the hand of any duly authorised officer of the Chargee) to any person all or any of the powers, authorities and discretions which are, for the time being, exercisable by the Chargee or any Receiver under this Deed, the Law of Property Act 1925 or the Insolvency Act 1986 in relation to the Charged Assets or any part of them, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such

regulations as the Chargee or the Receiver (as the case may be) may think fit. Except for negligence in its selection of any such delegate, the Chargee and the Receiver shall not be in any way liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate (or sub-delegate)

- 13 6 If there is any ambiguity or conflict between the powers conferred on the Receiver by the Law of Property Act 1925, Schedule 1 of the Insolvency Act 1986 and the powers conferred by this Clause 13, the powers conferred by this Clause 13 shall prevail
- 13 7 The restrictions contained in sections 93, 103 and 109 of the Law of Property Act 1925 shall not apply to the security hereby created
- 13 8 The Chargee or the Receiver may enforce the security created by this Deed in any order which the Chargee or the Receiver in its absolute discretion thinks fit
- 13 9 The Chargee may appoint more than one Receiver and in such event any reference in this Deed to a Receiver shall apply to both or all of the Receivers so appointed and the appointment of Receivers so made shall be deemed to be a joint and several appointment, so that the rights vested in the Receivers may be exercised by them all jointly, or severally by each of them
- 13 10 The Chargee shall not, nor shall the Receiver, by reason of the Chargee or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or for any default or omission of any nature whatsoever for which a mortgagee in possession might be liable, or be liable for any loss or damage occasioned by or upon realisation or diminution in value happening in or about the exercise of any power conferred hereby or by statute. The Chargor shall have no right of action or claim against the Chargee on the grounds that a better price could or might have been obtained on any such realisation, sale or disposal. The Chargee and the Receiver shall be entitled to all the rights, powers, privileges and immunities conferred by statute on mortgagees and Receivers
- 13 11 The Chargor undertakes that it will hold the Charged Assets upon trust to convey, assign or otherwise deal with the same in such manner and to such person as the Chargee shall direct, and will declare that it is lawful for the Chargee to appoint one or more new trustees of the Charged Assets by an instrument under its common seal
- 13 12 The Chargee shall have the right at its complete discretion to give time or indulgence to or compound with and to make such other arrangement of whatsoever nature as it sees fit with the Chargor or any other person, without prejudice to the Chargor's liability hereunder or the Chargee's rights to the Charged Assets and the Chargee may apply any monies received by it to any account or transaction of such persons or otherwise as the Chargee sees fit
- 13 13 The Chargee may redeem such or any other prior Encumbrance or procure the transfer thereof to itself and may settle and pass the accounts of the encumbrancer and any account so settled and passed shall be conclusive and binding on the Chargor and all monies paid by the Chargee to the encumbrancer in accordance with such accounts shall

as from such payment be due from the Chargor to the Chargee and shall bear interest, fees, costs and charges owing hereunder

- 13 14 The Chargee or a Receiver may (but shall not be obliged to) do all such things and incur all such expenditure as the Chargee or such Receiver shall in its sole discretion consider necessary or desirable to remedy such default or protect or realise the Charged Assets or its interests under this Deed and, in particular (but without limitation), may enter upon the Chargor's property and may pay any monies which may be payable in respect of any of the Charged Assets and any monies expended in so doing by the Chargee or Receiver shall be deemed an expense incurred and paid by the Chargee and the Chargor shall reimburse the same on demand to the Chargee

14 APPROPRIATIONS

- 14 1 Any monies obtained by the Chargee or by a Receiver appointed hereunder whether by sale of any of the Charged Assets or obtained by carrying on the business or otherwise (subject always to the provisions of the Enterprise Act 2002) shall be applied

14 1 1 first, in payment of the remuneration of the Receiver and in payment of all costs and expenses incurred and incidental to the powers conferred on the Chargee or the Receiver hereunder, and

14 1 2 second, in and towards satisfaction of the Secured Obligations,

and the surplus (if any) shall be applied in accordance with the terms of the Production Agreement

- 14 2 The provisions of Clause 14 1 shall take effect as and by way of variation and extension of the provisions of sections 99 to 109 inclusive of the Law of Property Act 1925, which provisions so varied and extended shall be regarded as incorporated herein

- 14 3 The Chargee may in its absolute discretion

14 3 1 refrain from applying or enforcing any monies, security or rights held or received by it in respect of the Secured Obligations, or apply and enforce the same in such manner and in such order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same, and

14 3 2 hold in an interest-bearing suspense account for so long and in such manner as the Chargee may determine any monies received, recovered or realised from the Chargor or on account of the Chargor's liability in respect of the Secured Obligations and apply such monies in or towards the discharge of any part of the Secured Obligations,

14 3 3 (in circumstances where the Chargor has more than one account on the books of the Chargee) transfer without notice all or any part of any balance standing to the credit of any such account to any other such account which may be in debt,

combine and consolidate all or any of such accounts against the Chargor's liability under this Deed, and

14 3 4 set off any liability or obligation (whether matured or not) owed by the Chargor under any of the Finance Documents against any liability or obligation (whether or not matured) owed by the Chargee to the Chargor regardless of the place of payment, booking, branch or currency of either obligation. If the respective obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If either obligation is unliquidated or unascertained, the Chargee may set-off in an amount estimated by it in good faith to be the amount of that obligation.

14 4 All payments to be made by the Chargor pursuant to this Deed shall be paid together with value added tax or other sales tax (if any) thereon.

15 **LAW OF PROPERTY ACT 1925**

The restriction on consolidation of mortgages contained in section 93 of the Law of Property Act 1925 shall not apply to this security. The powers conferred by section 101 of the Law of Property Act 1925, as varied and extended by this Deed, shall be deemed to have arisen immediately on the execution of this Deed.

16 **LAW OF PROPERTY (MISCELLANEOUS PROVISIONS) ACT 1989**

The terms of the other Finance Documents are incorporated into each Finance Document to the extent required for any purported disposition of any property contained in any Finance Document to be a valid disposition within section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989.

17 **PROTECTION OF THIRD PARTIES**

17 1 No purchaser, mortgagee or other third party dealing with the Chargee and / or Receiver or other person dealing with the Chargee and / or Receiver shall be concerned to enquire whether

17 1 1 any of the powers which the Chargee or the Receiver has exercised or purported to exercise has arisen or become exercisable,

17 1 2 the security created hereunder has become enforceable,

17 1 3 the Secured Obligations have been performed,

17 1 4 the exercise or purported exercise of any power is valid; or

17 1 5 the application of any money paid to the Chargor or such Receiver is proper,

or otherwise as to the propriety or regularity or any other dealing by the Chargee or the Receiver and such dealing shall be deemed to be within the powers conferred hereunder and to be valid and effectual accordingly and the title of a purchaser and the position of

such a person shall not be prejudiced by reference to any of those matters and all the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 and section 42 of the Insolvency Act 1986 shall apply to any person purchasing from, or dealing with, the Chargee or the Receiver as if the statutory powers of sale and appointing a Receiver in relation to the Charged Assets had not been varied by this Deed

- 17 2 In favour of a purchaser the Secured Obligations shall be deemed to have become due on the date a demand for the same is made by the Chargee and all powers exercisable by the Chargee under this Deed shall be exercisable from that time

18 CHARGOR REPRESENTATIONS AND WARRANTIES

- 18 1 The Chargor repeats in favour of the Chargee the warranties, representations, undertakings and covenants given by it to the Chargee in the other Finance Documents as if the same were set forth and incorporated in this Deed

- 18 2 The Chargor represents and warrants in favour of the Chargee as follows

- 18 2 1 it is a limited liability company, duly incorporated and validly existing in good standing under the laws of England and Wales and is able to pay its debts as they fall due within the meaning of section 123 of the Insolvency Act 1986,
- 18 2 2 it has the power and authority to enter into and perform, and has taken all necessary actions to authorise the entry into and performance of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents,
- 18 2 3 each Transaction Document to which it is a party is its legal, valid, binding and direct obligation, enforceable in accordance with its terms,
- 18 2 4 the Chargor has obtained or effected (or will obtain or effect within any applicable time period) all consents, authorisations, approvals, licences, exemptions, filings, registrations, notansations and other requirements of governmental, judicial and public bodies and authorities required in connection with the execution, delivery, performance, validity, admissibility in evidence and enforceability of the Transaction Documents and such consents, authorisations, approvals, licenses, exemptions, filings, registrations, notarisations and other requirements are in full force and effect,
- 18 2 5 the choice of the governing law of each Transaction Document and the Chargor's submission to the jurisdiction of the applicable courts in such Transaction Documents are valid and binding,
- 18 2 6 the entry into and performance by it of, and the transactions contemplated by, the Transaction Documents to which it is party do not

- 18 2 6 1 give rise to the creation or imposition of any Encumbrance on any of the undertaking, property or assets of it (present or future) other than the Permitted Encumbrances,
- 18 2 6 2 conflict with or contravene (i) any law or regulation or similar enactment or any judgment, injunction or award of any court or authority applicable to it, (ii) its constitutional documents or (iii) any limitation on the powers of its directors or other officers or any provision of any existing contract or document which is binding upon it or any of its assets,
- 18 2 7 no Event of Default is outstanding or will result from the execution of, or the performance of any transaction contemplated by, any Transaction Document,
- 18 2 8 there is no outstanding breach of any term of any Transaction Document to which it is a party and, to the best of its knowledge and belief, no person has breached, disputed, repudiated or disclaimed liability under any Transaction Document to which it is a party nor has evidenced an intention to do so, and no other event is outstanding which constitutes a default under any document which is binding on it or any of its assets to an extent or in a manner which in the opinion of the Chargee has or is reasonably likely to have a Material Adverse Effect,
- 18 2 9 as at the date of this Deed, no claim, litigation, arbitration or administrative proceedings before or at any court, arbitrator or authority, is current, pending or, to the best of its knowledge and belief, threatened against it, which in the opinion of the Chargee has or is reasonably likely to have a Material Adverse Effect, or which might adversely, in the opinion of the Chargee, affect the production, completion, delivery, distribution and exploitation of the Film,
- 18 2 10 it is the absolute legal and beneficial owner with full title guarantee of the Charged Assets to the exclusion of all others and it is or shall be entitled to grant the rights to the Film granted pursuant to those of the Transaction Documents to which it is a party free from Encumbrances save for the Permitted Encumbrances,
- 18 2 11 to the best of its knowledge and belief, having made due and careful inquiry, no party save for the Chargee pursuant to the Permitted Encumbrances, has or is in the process of perfecting any charge or lien or any other security over any of the undertaking or assets of any of the Relevant Parties relating to the Film,
- 18 2 12 to the best its knowledge and belief, having made diligent enquiry, nothing contained in the Film is or shall be obscene, libellous or defamatory or infringes or will infringe any right of copyright, trade mark, patent, design right, registered design right, moral right, performer's right, right of privacy, right of publicity or any other right whatever of any third party,
- 18 2 13 it has no any actual or constructive notice of any defect in its rights in the Film,

- 18 2 14 to the best of its knowledge and belief, having made diligent enquiry, the Film is and shall be protected under statutory and common law copyright in all countries adhering to the Berne Convention and the Universal Copyright Convention,
- 18 2 15 this Deed creates first priority security interests of the type described, over the assets referred to, in this Deed and those assets are not subject to any prior or pari passu Encumbrance,
- 18 2 16 except for registration of this Deed under the Companies Act 2006, all Authorisations have been obtained or effected and are in full force and effect or will be obtained or effected and will be in full force and effect on the date they are required,
- 18 2 17 the execution, delivery and performance of Transaction Documents to which it is a party does not and will not violate in any respect any provision of (i) any law judgment, regulation, treaty, convention, decree, order or consent to which the Chargor is subject or by which the Chargor, the Charged Assets, or any material part of its assets or business is bound or affected, or (ii) the constitutional documents of the Chargor, or (iii) any charge, indenture, agreement or other instrument to which the Chargor is a party or which is binding on it or any of its assets, and do not and will not result in the creation or imposition of any Encumbrance on its assets in accordance with any agreement or instrument (other than this Deed), and
- 18 2 18 no event has occurred which constitutes a default under or in respect of any law, or of any agreement or instrument to which the Chargor is a party or by which the Chargor or its assets may be bound (including, inter alia, the Transaction Documents to which it is a party) and no event has occurred which, with the giving of notice, or the passing of time or on any other condition being satisfied or determination being made would be likely to constitute a default under or in respect of any law or agreement which is likely either to have a material adverse effect on the assets, financial condition, prospects or operations of the Chargor or materially and adversely affect its ability to observe or perform its obligations under this Deed

18 3 The representations and warranties in this Clause 18

- 18 3 1 are made by the Chargor on the date of this Deed, and
- 18 3 2 are deemed to be repeated by the Chargor on each day during the Security Period with regard to the circumstances existing at the time of repetition, unless the representation and warranty is expressed to be made only at a specific date

19 FURTHER CHARGOR UNDERTAKINGS

- 19 1 The Chargor hereby covenants and undertakes with the Chargee that it shall

- 19 1 1 at all times comply with the terms of each Transaction Document to which it is a party and will do all acts as may be necessary to enforce such terms, and on demand by the Chargee, produce evidence which the Chargee considers to be satisfactory of the Chargor's compliance at all times with its obligations under the Transaction Documents to which it is a party and such information concerning the business and affairs of the Chargor relating to the Film and the Charged Assets as the Chargee may require,
- 19 1 2 remain liable under each contracts and agreement which forms part of the Charged Assets to perform all the obligations assumed by it thereunder and the Chargee shall not be under any obligation or liability under or in respect of any of such contracts and agreements,
- 19 1 3 not accept or make any claim that any Transaction Document to which it is a party has been frustrated or have ceased to be in full force,
- 19 1 4 not exercise any right or power conferred on it by or available to it under any Transaction Document to which it is a party (including without limitation, the right of termination, cancellation or variation) unless and until requested so to do by the Chargee whereupon it will exercise such right or power as the Chargee may direct,
- 19 1 5 not amend or permit the amendment of any of its constitutional documents without the express consent of the Chargee,
- 19 1 6 ensure that all sums at any time payable under any such insurance policies in respect of the Charged Assets shall be applied in making good or recouping expenditure in respect of the loss or damage for which such monies are received or in or towards discharge or reduction of any part of the Secured Obligations,
- 19 1 7 promptly pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Charged Assets or any part of it and on demand procure evidence of payment for the Chargee,
- 19 1 8 immediately after becoming aware of the same, notify the Chargee of any material loss, theft, damage or destruction of the Charged Assets or any of them,
- 19 1 9 immediately on becoming aware of it, notify the Chargee in writing of the occurrence of any Event of Default and inform the Chargee of any action taken or proposed to be taken in connection with it,
- 19 1 10 immediately on becoming aware of it, notify the Chargee of any litigation, arbitration or administrative or other proceeding before or of any judicial, administrative, governmental or other authority or arbitrator, of any dispute with any governmental regulatory body or law enforcement authority, of any labour dispute or of any other event which, in the opinion of the Chargee, has or may

have a material adverse effect on its assets, financial condition, operations or prospects,

19 1 11 not exercise any right it may have to close any of the Accounts,

19 1 12 not vary the terms of any laboratory pledgeholder's agreement concerning the Film without the prior written consent to the Chargee, and

19 1 13 give the Chargee such information concerning the location, condition, use and operation of the Charged Assets as the Chargee may require and to permit any persons designated by the Chargee at all reasonable times to inspect and examine the Charged Assets or any of them and the records maintained in connection with it

20 INDEMNITY

The Chargor indemnifies, and agrees to keep indemnified, the Chargee and the Receiver and any of their managers, contractors, agents, officers or employees for whose liability, actions or omissions the Chargee or, as the case may be, the Receiver may be answerable, from and against all actions, claims, proceedings, demands, liabilities and expenses now or hereafter brought against, suffered or incurred by any or arising from or as a result of

20 1 the execution, or purported execution, of any of the powers, authorities or discretions vested in the Chargee or the Receiver pursuant hereto and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets,

20 2 any breach by the Chargor of any covenants or other obligations to the Chargee under this Deed,

20 3 the enforcement of the provisions of this Deed, or

20 4 any action, claim or proceeding relating to any of the above,

and the Chargee and the Receiver may retain and pay all sums in respect of the same out of any monies received under the powers hereby conferred. The Chargor's liability to the Chargee under this Clause 20 shall form part of the Secured Obligations

21 RELEASE AND REASSIGNMENT

21 1 Any release, settlement or discharge between the Chargee and the Chargor shall be conditional upon no security, disposition or payment to the Chargee by the Chargor or any other person being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to the insolvency or liquidation for the time being in force or for any reason whatsoever. If the same is so avoided, set aside, reduced or ordered to be refunded, the Chargee shall be entitled to recover the value or amount of any such security or payment from the Chargor subsequently as if such settlement or discharge had not occurred, and the Chargor assigns and charges the Charged Assets on mutatis

mutandis the items of Clauses 4, 5 and 6 with any liability, actual or contingent, under this Clause 21

- 21 2 The Chargee shall be entitled to retain this Deed for the duration of the Security Period
- 21 3 Subject to and without prejudice to Clause 21 1, once the Chargee in its sole and unfettered discretion is satisfied that all the Secured Obligations have been paid and discharged in full and all facilities which might give rise to the Secured Obligations have been terminated, and the Chargee is satisfied that it has no further obligations whether actual or contingent to make any credit or other accommodation available to the Chargor under the Finance Documents, then the Chargee shall, at the request and cost of the Chargor, execute and do all such deeds, acts and things as may be reasonably necessary to release the Charged Assets from the assignments, mortgages and charges contained in this Deed
- 21 4 The Chargee may redeem any prior Prohibited Security Interest or any prior Encumbrance and may settle and prove the accounts of the beneficiary of that prior Prohibited Security Interest or prior Encumbrance, and accounts so settled and provided shall be conclusive and binding on the Chargor and the money so paid shall be a receivership expense and be secured by this Deed

22 FURTHER ASSURANCE

- 22 1 The Chargor shall, at its own expense, take whatever action the Chargee or a Receiver may consider necessary or desirable in order to
- 22 1 1 vest in or further assure to the Chargee the rights expressed to be assigned and granted to the Chargee under this Deed and to create, perfect or protect any security intended to be created by this Deed and to ensure that such security is and remains valid, legally binding and enforceable, and
- 22 1 2 facilitate the realisation of any Charged Assets, and the exercise of any right, power or discretion vested in, intended to be vested in, or otherwise exercisable by the Chargee or any Receiver or any of its delegates or sub-delegates

This includes (without limitation)

- 22 1 3 executing any transfer, conveyance, assignment or assurance of any property, whether to the Chargee or its nominee,
- 22 1 4 producing or depositing with the Chargee or its nominee all deeds and documents of title relating to the Charged Assets or any of them,
- 22 1 5 taking any step to protect the Chargee's rights in and to the Charged Assets or to facilitate or effect the exercise by the Chargee of its rights under this Deed or conferred by statute on the Chargee or on any Receiver, and
- 22 1 6 the giving of any notice, order, instruction or direction and the making of any registration (in each case, in a form required by the Chargee),

which, in each case, the Chargee may consider expedient

22 2 The Chargor shall, at its own expense

22 2 1 on demand by the Chargee produce evidence which the Chargee considers to be satisfactory of the Chargor's compliance at all times with its obligations under the Transaction Documents to which it is a party and such information concerning the business and affairs of the Chargor relating to the Film and the Charged Assets as the Chargee may require, and

22 2 2 execute any financing statements under Uniform Commercial Codes of such states or counties in the United States of America as the Chargee may reasonably consider appropriate to perfect or protect the Chargee's security hereunder immediately upon request by the Chargee and insofar as may be reasonably possible no later than one (1) month following signature hereof

22 3 The Chargor hereby covenants with the Chargee that on request it will ratify and confirm all documents, acts and things and all transactions entered into by the Chargee or by the Chargor at the instance of the Chargee in the exercise or purported exercise of the aforesaid powers

22 4 The Chargor hereby irrevocably and by way of security appoints the Chargee and, if any Receiver shall be appointed, the Chargee and the Receiver jointly and severally, the attorney or attorneys of the Chargor and in its name and on its behalf to sign, execute and deliver all deeds and documents and to do all acts and things which the Chargee may require or deem appropriate for the purpose of realising this security The Chargor hereby acknowledges that such appointment shall be coupled with an interest and shall be irrevocable The Chargee shall promptly deliver to the Chargor a copy of each deed or document signed or executed by the Chargee pursuant to this Clause 22 This appointment shall operate as a general power of attorney made under section 10 of the Powers of Attorney Act 1971 This power of attorney shall terminate without further notice on the release and discharge of this Deed pursuant to Clause 21 (Release and Reassignment)

23 ASSIGNMENT

The Chargee shall be entitled to charge, sub-charge, license, transfer, assign or otherwise grant security over or deal with all or any of the rights assigned and granted to it hereunder (including the benefit of any warranties, undertakings, representations and indemnities) to any third party

24 PARTIAL UNENFORCEABILITY

If any clause or any part of this Deed or the application thereof to either party shall for any reason be adjudged by any court or other legal authority of competent jurisdiction to be invalid, such judgment shall not affect the remainder of this Deed, which shall continue in full force and effect

25 NOTICES

25 1 Any notices required to be given under the provisions of this Deed shall be in writing and in English and shall be deemed to have been duly serviced if hand delivered or sent by facsimile or other print-out communication mechanisms or, within the United Kingdom, by prepaid special or first-class recorded delivery post, or, outside the United Kingdom, by prepaid international recorded airmail, correctly addressed to the relevant party's address as specified in this Deed or to such other address as any party may hereafter designate from time to time in accordance with this Clause 25

25 1 1 in the case of the Chargee to its address first set out in this Deed (fax [REDACTED] [REDACTED] attention Rik Toulon, Executive Vice President & General Counsel) with a courtesy copy to Olswang, 90 High Holborn, London WC1V 6XX (fax +44-[REDACTED] attention Jacqueline Hurt), and

25 1 2 in the case of the Chargor to its address first set out in this Deed (fax (310) 220-6563, attention Rik Toulon, Executive Vice President & General Counsel) and any notice so given shall be deemed to have been served (unless actually received at an earlier time in which case the time of service shall be the time of such actual receipt)

25 1 2 1 if hand delivered, at the time of delivery,

25 1 2 2 if sent by facsimile or other print-out communication mechanisms upon proof by the sender that it holds a transmission report indicating uninterrupted transmission to the addressee during a Business Day or at the opening of business on the next Business Day if not during business hours (and for this purpose "business hours" means between 09 00 and 17 30), and

25 1 2 3 if sent by prepaid post as aforesaid, forty-eight (48) hours after posting if posted to an address within the country of posting, and seven (7) days after posting if posted to an address outside the country of posting

26 NO WAIVER

No failure or delay on the part of the Chargee or the Chargor in exercising any right, title, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any other right, power or remedy hereunder. The remedies herein provided are cumulative and not exclusive of any remedies in law

27 ENTIRE AGREEMENT

This Deed and each other Transaction Document to which the parties are party constitute the entire agreement between the parties and supersede all prior agreements and understandings, oral or written, between the parties hereto relating to the subject matter of this Deed. This Deed may not be changed, altered or modified, except by written instrument signed by each of the parties

28 COUNTERPARTS

This Deed may be executed in any number of counterparts, original or sent by facsimile or transmitted electronically in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF), each of which when so executed, shall be deemed as original and all of which shall together constitute one and the same deed

29 THIRD PARTY RIGHTS

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to rely upon or enforce any term 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

30 GOVERNING LAW

- 30 1 The validity, construction and performance of this Deed (and any claim, dispute or matter arising under or in connection with it or its enforceability) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the law of England and Wales. Each party irrevocably submits to the non-exclusive jurisdiction of the courts of England and Wales over any claim, dispute or matter arising under or in connection with this Deed or its enforceability or the legal relationships established by this Deed (including non-contractual disputes or claims)

THIS DEED has been executed by the Chargor and the Chargee on the day, month and year first above written

EXECUTED as a **DEED**
and unconditionally delivered by
CBS UK PRODUCTIONS LIMITED
acting by two directors or
one director and the company secretary

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)
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Director / Company Secretary

EXECUTED as a **DEED**
and unconditionally delivered
for and on behalf of
CBS FILMS INC.
a company incorporated in the
State of Delaware by

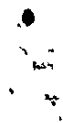
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Rik Toulon

a person who, in accordance with the laws
of that territory, is acting under the authority of
CBS FILMS INC.

Authorised Person

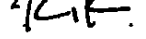
Rik Toulon
Executive Vice President & General Counsel



EXECUTED as a DEED
and unconditionally delivered by
CBS UK PRODUCTIONS LIMITED
acting by two directors or
one director and the company secretary

Director / Company Secretary

P L DARTON
SVP, Legal &
Business Affairs

EXECUTED as a DEED
and unconditionally delivered
for and on behalf of
CBS FILMS INC.
a company incorporated in the
State of Delaware by

a person who, in accordance with the laws
of that territory, is acting under the authority of
CBS FILMS INC.

Authorised Person

Rik Toulon
Executive Vice President & General Counsel