



Registration of a Charge

Company name: **MARV EAGLE PRODUCTIONS LIMITED**

Company number: **09325507**



X43SB8Z5

Received for Electronic Filing: **23/03/2015**

Details of Charge

Date of creation: **20/03/2015**

Charge code: **0932 5507 0001**

Persons entitled: **COUTTS & CO**

Brief description: **THERE IS NO INTELLECTUAL PROPERTY REGISTERED OR REQUIRED TO BE REGISTERED SUBJECT TO A CHARGE. FOR FURTHER DETAIL, PLEASE SEE THE INSTRUMENT.**

Contains fixed charge(s).

Contains floating charge(s) (floating charge covers all the property or undertaking of the company).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC**

**COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION
FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

WIGGIN LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9325507

Charge code: 0932 5507 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 20th March 2015 and created by MARV EAGLE PRODUCTIONS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd March 2015 .

Given at Companies House, Cardiff on 24th March 2015

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

WIGGIN

DATED

20 March

2015

(1) MARV EAGLE PRODUCTIONS LIMITED

(2) COUTTS & CO

DEED OF DEBENTURE

CONTENTS

1.	Interpretation	2
2.	Consideration	2
3.	Indemnity	2
4.	Charges	3
5.	Assignment and Trust	4
6.	Creation of Security	5
7.	Warranty and Negative Pledge	6
8.	Licence	6
9.	Default	6
10.	Exercise of Rights	6
11.	Indemnity and Interest	9
12.	Warranties, Representations and Covenants	9
13.	Nature of Security	14
14.	Grant of Time or Indulgence	14
15.	Protection of Third Parties	14
16.	Waivers, Remedies Cumulative	14
17.	Governing Law	15
18.	Further Assurance	15
19.	Notice of Default	15
20.	Power of Attorney	15
21.	Invalidity of any Provision	15
22.	No Partnership	16
23.	Assignment	16
24.	Release and Reassignment	16
25.	Notices	16
SCHEDULE 1		18
DEFINITIONS		18
1.	Representations and Warranties	21
1.	Covenants	26

THIS DEED OF DEBENTURE ("Deed") IS DATED

20 March

2015

BETWEEN:

1. **MARV EAGLE PRODUCTIONS LIMITED** (Company Number: 09325507) a company incorporated under the laws of England and Wales with offices is at 2nd Floor, Mka House, 36 King Street, Maidenhead, Berkshire, SL6 1NA (attention: Charles Filmer; email address: [REDACTED]) (the "**Chargor**"); and
2. **COUTTS & COMPANY** of 440 Strand, London WC2R 0QS (attention: Judith Chan/Steve Lansdown, facsimile number: [REDACTED]) (the "**Chargee**").

RECITALS

- A. Pursuant to the Loan Agreement, the Chargee has agreed to make available the Facility to the Borrower.
- B. In consideration of the Chargee agreeing to provide the Facility, the Chargor has agreed to execute this Deed as third party security for the payment, satisfaction and discharge of the Secured Liabilities and has determined that it is in its commercial interests to do so.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. **Interpretation**

- 1.1 In this Deed capitalised terms shall have the meanings set out in Schedule 1 and in the list of parties above (as applicable).
- 1.2 In this Deed (a) any reference to the parties includes a reference to their respective successors in title and permitted assigns; (b) any reference to a person includes any body corporate, unincorporated association, partnership or other legal entity; (c) the singular includes the plural and vice versa; (d) words imparting gender include the other gender; (e) Clause headings are for convenience only and shall not be taken into account in the construction or interpretation of this Deed; (f) references to a "Clause" are references to a clause of this Deed; (g) any references to an agreement, deed, instrument or document is to the same as amended, modified, supplemented or restated from time to time; (h) references to "copyright", "films", "sound recordings", "copies of films and sound recordings" and to all other rights therein mentioned shall (where the context requires or admits) be construed in accordance with the Copyright, Designs and Patents Act, 1988 (as amended); (i) the covenants implied by Sections 2(1) and 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall apply to the assignment hereby created provided that the operation of such covenants shall be extended by the omission of the words following "third parties" in Section 3(1)(b); and (j) notwithstanding the foregoing, wherever in this Deed the word "Film" is used and the soundtrack is not expressly referred to, such word shall be deemed and construed to include the soundtrack of the Film.
- 1.3 The parties intend this Deed to operate as a Deed notwithstanding that it is signed under hand by the Chargee.

2. **Consideration**

This Deed is executed in consideration of -

- (i) the Chargee agreeing to make available the Facility to the Borrower (which the Chargor acknowledges is of benefit to it by enabling the Film to be financed and produced); and
- (ii) the payment by the Chargee to the Chargor of £1 (the receipt and adequacy of which is hereby acknowledged by the Chargor).

3. **Indemnity**

- 3.1 The Chargor acknowledges to the Chargee that the entry by the Chargee into the Loan Agreement and the agreement of the Chargee to advance the sums set out therein to the Borrower is of commercial benefit to it as it enables the Film

to be financed and produced. Accordingly, if any sums expressed to be payable by the Borrower under the terms of the Loan Agreement or to the Chargee under any other Relevant Agreement are not recoverable from the Borrower or any other Relevant Party by reason of any invalidity or unenforceability of the Loan Agreement or such other Relevant Agreement, or any legal limitation, inability to pay or other incapacity of the Borrower or any other Relevant Party or any other reason whatsoever, such sums shall nevertheless be recoverable by the Chargee from the Chargor as if it were a principal debtor under the Loan Agreement or, as applicable, such other Relevant Agreements as a separate and independent obligation of the Chargor. The Chargor agrees to indemnify the Chargee on demand against any loss or liability arising out of such sums not being recoverable from the Borrower any other Relevant Party (as applicable) by reason of any such invalidity, inability to pay, unenforceability, legal limitation, incapacity or any other reason affecting the Secured Liabilities or the Borrower or any other Relevant Party, as the case may be.

- 3.2 The Chargor agrees that its obligations under Clause 3.1 shall not be exhausted by any failure or omission or delay by the Chargee or any third party to exercise any right or remedy under the Loan Agreement or any of the Relevant Agreements. The Chargor agrees that any modification of the Loan Agreement or any of the Relevant Agreements shall not affect the obligations of the Chargor pursuant to Clause 3.1.

4. Charges

- 4.1 The Chargor, as owner with full title guarantee and as security for the payment, satisfaction and discharge of the Secured Liabilities, (subject only to the Chargee's obligation to release specified in Clause 24.1.1 hereof):

- 4.1.1 charges to the Chargee by way of legal mortgage all freehold and leasehold property owned by it at the date of this Deed;
- 4.1.2 charges to the Chargee by way of equitable mortgage its interest in any freehold or leasehold property acquired by it after the date of this Deed;
- 4.1.3 assigns to the Chargee its interest in any present or future licenses under which it is entitled to occupy freehold or leasehold property;
- 4.1.4 charges to the Chargee by way of fixed charge its interest in:
- (a) any investment;
 - (b) its present and future goodwill and uncalled capital;
 - (c) any money now or at any time after the date of this deed standing to the credit of each Account including all interest accrued on each Account and all debts represented by the foregoing;
 - (d) any money now or at any time after the date of this deed standing to the credit of any other present and future account with a bank or financial institution;
 - (e) any present and future insurances in respect of any Collateral and the proceeds of such insurances including the benefit of any insurance policy taken out for or in connection with the production or exploitation of the Film;
 - (f) all stocks, shares, bonds and securities of any kind whatsoever whether marketable or otherwise and all other interests (including but not limited to loan capital) in any person including all allotments, rights, benefits and advantages whatsoever at any time accruing offered or arising in respect of or incidental to the same and all money or property accruing or offered at any time by way of conversion, redemption, bonus, preference, option, dividend, distribution, interest or otherwise in respect of them;
 - (g) all Intellectual Property Rights;
 - (h) all contract rights including any agreements for the provision of any goods, services, facilities or finance for the Film including the Relevant Agreements;

- (i) any sum now or at any time after the date of this deed received by it as a result of any order of the court under sections 213, 214, 238, 239 or 244 of the Insolvency Act 1986;
- (j) all copies made or to be made of the Film;
- (k) any other films and any sound recordings made in the course of the production of the Film or pursuant to any right acquired in connection with, or arising from, the production of the Film;
- (l) all copies made or to be made of the scripts and musical scores of the Film and any sketches and designs produced in connection with the Film;
- (m) all digital files, digital material, physical negative, internegative, interpositive and positive sound and visual material made or to be made incorporating or reproducing all or any part of the Film;
- (n) the benefit of all revenues accruing to the Chargor or the Chargor's order or on the Chargor's behalf in respect of the exhibition, distribution and exploitation of the Film and/or the Film Rights and/or the Rights;
- (o) all other rights and properties, including physical properties acquired or to be acquired by the Chargor in connection with the Film;
- (p) the UK Tax Credit Collateral; and
- (q) the proceeds of any or all of the foregoing.

4.1.5 charges its interest in the Debts to the Chargee by way of fixed charge; and

4.1.6 charges to the Chargee by way of fixed charge, all of its assets to the extent not charged or assigned by the previous paragraphs of this clause (other than its stock in trade or work in progress).

4.2 The Chargor, as owner with full title guarantee and as security for the payment, satisfaction and discharge of the Secured Liabilities, charges in favour of the Chargee by way of first floating charge all of the Chargor's undertaking, rights and assets, whether now owned or hereafter acquired or created (including (without limitation) any assets expressed to be charged or assigned pursuant to Clauses 4.1 and 5 to the extent the same are not for the time being effectively charged by way of first fixed charge or effectively assigned (whether at law or in equity) by way of security to the Chargee). Paragraph 14, schedule B1 Insolvency Act 1986 (incorporated by schedule 16 Enterprise Act 2002) shall apply to any floating charge created pursuant to this Deed, which floating charge is accordingly a qualifying floating charge for such purposes.

5. **Assignment and Trust**

5.1 The Chargor, as owner with full title guarantee and as security for the payment, satisfaction and discharge of the Secured Liabilities, assigns and agrees to assign absolutely to the Chargee (subject only to the right of re-assignment in favour of the Chargor specified in Clause 24.1.2 hereof), all of the Chargor's right, title and interest (whether now owned or hereafter acquired or created) in and to the following –

5.1.1 the Film Rights and the Rights; and

5.1.2 all that copyright in the Film and any other films and any sound recordings made in the course of the production of the Film or pursuant to any right acquired in connection with, or arising from, the production of the Film; and

- 5.1.3 the benefit of all revenues accruing to the Chargor or to the Chargor's order or on the Chargor's behalf in respect of the exhibition, distribution and exploitation of the Film and/or of the Film Rights and/or of the Rights; and
- 5.1.4 all those rights of the Chargor in relation to all music composed and sketches and designs made for or used in the production of the Film including the following -
 - (a) the right to adapt the same for the purpose of and to reproduce the same in the form of the Film and any such other films as are mentioned in Clause 5.1.2 hereof; and
 - (b) the right (except for musical performing rights if the composer is a member of the Performing Rights Society Limited) to perform the same in public by exhibition of the Film and any such films as aforesaid; and
 - (c) such rights as the Chargor may own to communicate the same to the public by any means; and
- 5.1.5 the benefit of all agreements entered into or to be entered into by the Chargor (or its agent) relating to the Film with all rights granted and all monies receivable thereunder and any interest thereon and the benefit of all subsisting undertakings, warranties, representations, covenants, agreements and acknowledgements therein contained including, but not limited to, the benefit of the Lionsgate Agreement and the Fox Agreement; and
- 5.1.6 the benefit of any policy of insurance taken out and maintained by the Chargor in connection with the Film and any and all sums paid or payable thereunder; and
- 5.1.7 the Accounts (including all monies standing to the credit of each Account, all interest accrued on each Account and all debts represented by the foregoing); and
- 5.1.8 the UK Tax Credit Collateral;
- 5.1.9 the proceeds of any or all of the foregoing.

6. **Creation of Security**

6.1 All the security created under this Deed is made:

- 6.1.1 as continuing security for the payment, performance and discharge of the Secured Liabilities;
- 6.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (UK); and
- 6.1.3 (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 (UK),

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 24.1 hereof.

6.2 The Chargor shall hold on trust for the Chargee (which trust the Chargor hereby declares) the Chargor's entire interest and benefit in and to the Collateral or any part thereof which cannot be charged or assigned by the Chargor together with all proceeds, money and other rights and benefits to which the Chargor is beneficially entitled in respect of such Collateral, until such time as the Collateral is released and/or re-assigned, pursuant to Clause 24.

7. **Warranty and Negative Pledge**

7.1 The Chargor represents, warrants and undertakes that there are not (and the Chargor shall not grant) any charges or other security interests, encumbrance or arrangements having the effect of conferring security interests created by the Chargor or permitted by the Chargor to arise over the Collateral or over any other of the Chargor's property otherwise than in favour of the Chargee or with the Chargee's prior written consent. Notwithstanding anything to the contrary contained herein, if the Chargor charges or otherwise encumbers any of the Collateral in any manner contemplated by this Clause 7.1 the charges created in favour of the Chargee shall rank in priority to such other charges or encumbrances whether they be fixed, floating or otherwise and the terms of this Deed shall prevail in the event of any conflict between the terms of this Deed and the terms of any other instrument purporting to charge or otherwise encumber any of the Collateral in any manner contemplated by this Clause 7.1.

7.2 The Chargor hereby warrants and undertakes with the Chargee that it is or will be absolutely entitled to the benefit of those properties and of the agreements referred to in Clauses 4 and 5 hereof to which it is a party (subject to the terms of such agreements) and has full power, right and title to assign and/or charge the Collateral and is duly incorporated and validly existing and in good standing under the laws of England and Wales and has taken all action necessary to authorise the execution, performance and delivery of this Deed.

8. **Licence**

8.1 The Chargee hereby grants to the Chargor an exclusive licence save only in respect of the exclusive licence granted to each other Security Party) of the Film Rights and/or Rights subject to the security created under or pursuant to this Deed, revocable only in accordance with Clause 8.2, to produce, complete, deliver and distribute the Film in accordance with the Relevant Agreements.

8.2 The licence granted pursuant to Clause 8.1 above shall immediately terminate upon the happening of an Event of Default.

9. **Default**

On the happening of any Event of Default which (if capable of being cured) has not been cured within any cure periods provided in the Loan Agreement or at any time thereafter, the floating charge created by Clause 4.2 shall automatically be converted with immediate effect into a fixed charge, the obligation of the Chargee to advance monies under the Loan Agreement shall immediately terminate, the security hereby created shall become enforceable and the Secured Liabilities shall immediately become due and payable.

10. **Exercise of Rights**

10.1 The Chargee may at any time after the security hereby created shall have become enforceable -

10.1.1 without prejudice to any other powers the Chargee may have by law, 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 the Chargee may have by law and, in addition, all of the powers set out in Clause 10.2 below; and

10.1.2 in writing appoint a Receiver over the whole or any part of the Collateral upon customary terms as to remuneration or such reasonable variation thereof and otherwise as the Chargee shall think fit and may from time to time remove any Receiver so appointed and appoint another in his stead; and

10.1.3 appoint an administrator of the Chargor.

10.2 If a Receiver is appointed he shall be the agent of the Chargor and, without prejudice to any other powers the Receiver may have by law, he shall have all the powers set out in the Law of Property Act 1925 and in Schedule 1 to the Insolvency Act 1986 and in addition shall have power -

- 10.2.1 to take possession of, get in or realise the Collateral and to take, enforce, defend or abandon any actions, suits and proceedings in the name of the Chargor or otherwise in relation to the Collateral as he or the Chargee shall think fit;
- 10.2.2 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 relating in any way to the Collateral or any part thereof;
- 10.2.3 to assign, sell, lease, license (including, but without limitation, by appointing a sales agent or distributor to distribute and exploit the Film Rights and/or the Rights in place of the Chargor), grant options to sell, deal with or manage or concur in assigning, selling, leasing, licensing, granting options to sell, dealing with or managing and to vary, terminate or accept surrenders of leases, licences or tenancies of any of the Collateral in such manner and generally on such terms and conditions as the Chargee or he shall think fit and to carry any such transactions into effect in the name of and on behalf of the Chargor or otherwise;
- 10.2.4 to take any steps that may be necessary or desirable to effect compliance with all or any of the agreements hereby charged;
- 10.2.5 to exercise all the powers of the Chargor including to carry on manage or concur in carrying on and managing the business of the Chargor or any part thereof and the Chargor acknowledges that it shall not seek to prevent the Receiver from so carrying on or managing its business;
- 10.2.6 to raise or borrow any money that may be required upon the security of the whole or any part of the Collateral or without such security;
- 10.2.7 to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Collateral;
- 10.2.8 to appoint and discharge advisers, managers, agents, employees, contractors and workmen in relation to the business of the Chargor at such salaries and for such periods as the Receiver may determine;
- 10.2.9 to make any arrangement or compromise, pay any compensation or incur any obligation and enter into any contracts in relation to the Collateral which the Receiver shall think expedient in the interests of the Chargee;
- 10.2.10 to make, effect and do all maintenance, repairs, developments, reconstructions, improvements, furnishings, equipment, insurances, alterations or additions to or in respect of the Collateral in the interests of the Chargee for maintaining the value of the Collateral in every such case as the Chargee or he shall think fit;
- 10.2.11 to make calls conditionally or unconditionally on the shareholders of the Chargor in respect of the uncalled capital of the Chargor (with the same powers for the purpose of enforcing payment of any calls so made as are by the Articles of Association of the Chargor conferred upon the Chargor or the directors of the Chargor (as the case may be) in respect of calls authorised to be made by them and to make the same in the name of the directors or in that of the Chargor or otherwise and to the exclusion of any other person's power in that behalf);
- 10.2.12 to promote the formation of companies with a view to purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Collateral, to arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Collateral on such terms and conditions whether or not including payment by instalments secured or unsecured as the Receiver shall think fit;
- 10.2.13 to manage, develop, reconstruct, improve, amalgamate or diversify or concur in managing, developing, reconstructing, improving, amalgamating or diversifying the business of the Chargor;

- 10.2.14 to do all such other acts and things as may be considered to be incidental or conducive to any of the matters or powers aforesaid and which he lawfully may or can do; and
- 10.2.15 to exercise all such other power and authority in relation to the Collateral as the Chargee shall think fit and so that the Chargee may in relation to all or any part of the Collateral exercise and confer any powers and authorities which it could exercise and confer if it were the absolute beneficial owner thereof 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.

- 10.3 In addition, but without prejudice, to the foregoing remedies if the security hereby created shall become enforceable the Chargee shall (without prejudice to the statutory power of sale conferred by the Law of Property Act 1925 which is applicable to this Deed) be entitled to sell the Collateral or any part or parts thereof or otherwise exploit or turn to account the Collateral for such price and in such manner as the Chargee in its absolute discretion may think fit, without notice to the Chargor or any other formality, all of which are hereby waived by the Chargor. 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.
- 10.4 The restrictions contained in sections 93, 103 and 109 of the Law of Property Act 1925 shall not apply to the security hereby created.
- 10.5 The Chargee or the Receiver may enforce the security created by this Deed in any order which the Chargee or the Receiver in their or its absolute discretion think(s) fit.
- 10.6 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 and so that the rights, powers, duties and discretion vested in the Receivers so appointed may be exercised by them all jointly or severally by each of them.
- 10.7 The Chargee shall not nor shall the Receiver by reason of the Chargee or the Receiver entering into possession of the Collateral 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 and no Chargor shall have any right or 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.
- 10.8 If the Chargor shall without the express written agreement of the Chargee thereto create or permit to arise or subsist any encumbrance (other than the Security Interests) affecting the Collateral of which the Chargee shall receive notice, actual or constructive, the Chargee may open a new account for the Chargor and if the Chargee does not in fact open such new account it shall nevertheless be treated as if it had done so at the time when it received such notice and as from that time all payments made by or on behalf of the Chargor to the Chargee shall be credited or be treated as having been credited to the new account, and such payments shall not operate to reduce the amount due from the Chargor to the Chargee at the said time until such payments may be indefeasibly so applied by the Chargee (but this Clause shall not prejudice any security which apart from this Clause the Chargee would have had but for the discharge by the Chargor of liabilities or obligations incurred after that time).
- 10.9 The Chargee may at any time without prior notice transfer, where the Chargee has more than one account for the Chargor in its books, 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 the accounts for the time being of the Chargor with the Chargee and/or in any event set off any monies or other assets which the Chargee may at any time hold for the account of the Chargor against the Chargor's liability under this Deed and without prejudice to any other right of set-off or similar right to which the Chargee may be entitled in law.

10.10 All moneys received, recovered or realised by the Chargee under this Deed may at the sole discretion of the Chargee be credited by the Chargee to any suspense or impersonal account pending the application from time to time of such moneys and accrued interest thereon at the rate if any agreed in writing between the Chargor and the Chargee from time to time (as the Chargee shall be entitled to do in their discretion) in or towards the payment of the Secured Liabilities.

10.11 The proceeds of any Collateral obtained or disposed of pursuant to this Deed shall be applied as follows –

10.11.1 firstly, in payment of any and all expenses and fees (including, but not limited to, reasonable solicitor's fees) incurred by the Chargee in obtaining, taking possession of, removing, insuring, storing and disposing of the Collateral and any and all amounts incurred by the Chargee in connection therewith (including without limitation in connection with any proceedings brought in connection with any administration of the Chargor);

10.11.2 secondly, in payment and discharge of the Secured Liabilities; and

10.11.3 thirdly, any surplus then remaining shall be paid to the Chargor.

11. Indemnity and Interest

11.1 The Chargor indemnifies the Chargee, the Receiver and any administrator appointed by the Chargee, at any point during which an Event of Default is continuing, in respect of, and agrees to keep the Chargee, the Receiver and any administrator appointed by the Chargee indemnified from and against, all liabilities and expenses properly incurred in the execution or purported execution of any of the powers, authorities or discretion vested in the Chargee, the Receiver or any administrator appointed by the Chargee pursuant hereto and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted by the Chargor in any way relating to the Collateral and the Chargee, the Receiver and any administrator appointed by the Chargee may retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred.

11.2 Any sums which are payable by the Chargor under this Deed and which are paid by the Chargee or the Receiver or any administrator appointed by the Chargee, shall be repaid by the Chargor on demand together with interest at the Rate from the time of the same having been paid or incurred by the Chargee or, as the case may be, the Receiver or any administrator appointed by the Chargee to the time that payment is made in full by the Chargor (as well after as before judgment or demand therefor), and the payment of any such sum by the Chargee or the Receiver or any administrator appointed by the Chargee shall not constitute the Chargee or the Receiver or any administrator appointed by the Chargee a mortgagee in possession of the Collateral in respect of which such payment is made.

12. Warranties, Representations and Covenants

12.1 The Chargor hereby covenants and undertakes with the Chargee that it will comply at all times with the terms (express or implied) of this Deed and further covenants and undertakes that it shall so long as the Secured Liabilities have not been indefeasibly paid, satisfied or discharged (as applicable) to the Chargee and until the Chargee has no obligation, actual or contingent, to make further sums available under the Loan Agreement –

12.1.1 remain liable under the contracts and agreements (including, without limitation, all Relevant Agreements to which it is a party) charged or assigned or to be charged or assigned hereunder to perform all the obligations assumed by it thereunder and the Chargee shall not be under any obligations or liability under or in respect of any of such contracts and agreements;

12.1.2 not require the Chargee to enforce any term of any of the said contracts and agreements against any party (it being acknowledged that in no circumstances shall the Chargee have any obligation so to enforce);

12.1.3 duly perform its obligations under the said agreements, notify the Chargee of any material default by itself and institute and maintain all such proceedings (subject to the terms hereof) as may be

- necessary or expedient to preserve or protect the interest of the Chargee and itself in the said agreements;
- 12.1.4 not exercise any right or power conferred on it by or available to it under the said agreements (including, without limitation, the right of termination) if to do so might adversely affect the position of the Chargee unless and until requested to do so by the Chargee. Thereupon it will exercise such right or power as the Chargee may direct;
 - 12.1.5 not accept or make any claim that the said agreements have been frustrated or have ceased to be in full force if to do so might adversely affect the position of the Chargee;
 - 12.1.6 not assign or otherwise dispose of any of its rights under the said agreements;
 - 12.1.7 do all such things as are necessary to maintain its corporate existence in good standing (including without limitation the filing of all necessary returns);
 - 12.1.8 upon the request of the Chargee give written notice (in such form and to such persons as the Chargee may require) of the security hereby created; and
 - 12.1.9 it will not materially amend, modify, terminate, supplement or cancel any of the Relevant Agreements to which it is a party without first obtaining the prior written consent (such consent not to be unreasonably withheld or delayed) of the Chargee if such amendment, modification, termination, supplementation or cancellation shall have a material adverse effect on the Chargor and/or the Chargee.
- 12.2 The Chargor further warrants, represents, covenants and undertakes with the Chargee that until the Secured Liabilities have been indefeasibly paid, satisfied or discharged (as applicable) to the Chargee –
- 12.2.1 it shall not exercise any right or power conferred on it by or available to it in relation to the copyright in the Film that might adversely affect the interests of the Chargee without the Chargee's prior written consent. Thereupon it will exercise such right or power as the Chargee may direct. Notwithstanding the foregoing, at any time prior to an Event of Default, the Chargor will have the right to edit the Film, make alterations, modifications, additions, replacements and improvements, including, without limitation, such alterations and modifications required by any distributor, including for censorship, television timing, television versions or dubbing and subtitling as are commonly required by distributors; and
 - 12.2.2 it shall not assign or otherwise dispose of any of its copyright in the Film save pursuant to the Security Agreements, or to any of the other Security Parties.
- 12.3 The Chargor represents and warrants to the Chargee that it is the sole absolute legal and beneficial owner of the Accounts.
- 12.4 The Chargor hereby makes the representations and warranties set out in Schedule 2 and covenants in respect of those matters set out in Schedule 3.
- 12.5 The Chargor covenants that it will, at the written request of the Chargee, deposit with the Chargee (to be held at the risk of the Chargor):
- 12.5.1 all deeds and documents of title relating to the assets of the Chargor described in Clause 4.1.1, 4.1.2 and 4.1.3 and to any subordinate interest in any of them and the insurance policies relating to them;
 - 12.5.2 all certificates and documents of title relating to the assets of the Chargor described in Clause **Error! Reference source not found.** and such deeds of transfer in blank and other documents as the Chargee may from time to time require for perfecting the title of the Chargee to the

Securities (duly executed by or signed on behalf of the registered holder) or for vesting or enabling it to vest the same in itself or its nominees or in any purchaser; and

12.5.3 all such other documents relating to the assets of the Chargor described in Clause 4.1 and 4.2 as the Chargee may from time to time require.

12.6 The Chargor further covenants and undertakes to the Chargee that the Film will be made in such a way that: (a) it will satisfy the Cultural Test (and in particular be awarded at least 18 (eighteen) points in relation thereto) and be a British Film; (b) the Chargor will be entitled to receive the UK Tax Credit in respect of the Film; and (c) the UK Tax Credit Amount shall be not less than the UK Tax Credit Estimated Value. In addition, the Chargor undertakes, represents and warrants that it will, at all times prior to first drawdown of "Tranche B" by the Borrower under the Loan Agreement:

12.6.1 provide the Chargee and its advisers with all information and documentation, including but not limited to statements of account regarding Core Expenditure on a weekly basis during production and post production of the Film and copies of any correspondence and paperwork from the BFI and HMRC in relation to the UK Tax Credit;

12.6.2 be the "film production company" for the Film within the meaning of section 1182 of the Corporation Tax Act 2009 and this will be its sole business activity and in particular that the Chargor will be the company responsible for the pre-production, principal photography and post-production and delivery of the Film and shall be actively engaged in the production planning and decision making during pre-production, principal photography and post-production of the Film and shall directly negotiate, contract and pay for rights, goods and services in relation to the Film and that it is or will be the first owner of copyright in the Film together with the director of the Film;

12.6.3 be and remain a limited company within the charge of United Kingdom corporation tax;

12.6.4 ensure that no more than 10% (ten per cent) of the completed Film shall include footage from any other film unless otherwise permitted pursuant to the UK Tax Credit Legislation;

12.6.5 ensure that the Film is intended for exhibition to the paying public at the commercial cinema at the end of each accounting period of the Film during which film making activities are carried on in relation to the Film and that it is intended at the end of each such accounting period that a significant proportion of the earnings of the Film should be obtained by such exhibition and the Chargor shall if requested to do so reconfirm the same to HMRC at the end of each relevant accounting period;

12.6.6 ensure that all information provided to the Auditor in respect of the Film is true, accurate and complete in all respects and has been prepared in accordance with applicable law;

12.6.7 complete and submit all applications to the BFI or any other relevant authority necessary to procure the Film's qualification as a British Film as expeditiously as possible, including the submission of an interim application prior to the date of this Deed and a final application as soon as possible thereafter, each with all required supporting documentation accompanied by a statutory declaration as to the truth of the particulars contained in such application and a report from such accountants as the Chargee shall approve, in each case complying with the UK Tax Credit Legislation, and to respond to any queries raised by the competent authority as accurately, completely and in as timely a manner as possible and follow any direction given to it by the Chargee in respect of the same;

12.6.8 act in accordance with the instructions of the Chargee in relation to any procedure for appealing any refusal by the BFI or other competent authority to certify the Film as a British Film following either the interim or final application;

12.6.9 make a claim for 100% (one hundred per cent) of the UK Tax Credit in relation to the Film as a cash payment to be paid to the Tax Credit Account and complete and submit its corporation tax return

and any other documents necessary to make the application for the UK Tax Credit as expeditiously as possible and subsequent applications shall be made within 10 (ten) weeks from the relevant accounting reference date;

- 12.6.10 respond to any queries raised by HMRC in relation to the Chargor or the UK Tax Credit as accurately, completely and in as timely a manner as possible and co-operate with any investigation into the Chargor's tax affairs and shall provide copies of the corporation tax return and all correspondence or other communication received from or sent to HMRC, the BFI, Companies House or any other relevant authority to the Chargee;
- 12.6.11 act in accordance with the instructions of the Chargee in connection with any and all responses, applications and communications sent to the BFI, HMRC and Companies House which are material to the UK Tax Credit or any of the matters in this Clause 12.6 and to obtain the approval of the Chargee (such approval not to be unreasonably withheld or delayed) prior to such response, application or communication being made;
- 12.6.12 ensure that all financial statements supplied in relation to the UK Tax Credit or pursuant to this Clause 12.6: (a) comply with applicable law and generally accepted accounting principles and standards (GAAP); (b) are prepared in accordance with suitable accounting policies that are applied consistently; (c) reflect judgments and estimates that are reasonable and prudent; (d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and (e) are prepared on a "going concern" basis unless it is inappropriate to presume that Chargor will continue in business;
- 12.6.13 make adequate provision in the Budget of the Film for all tax liabilities, including but not limited to VAT, PAYE, income tax in respect of foreign entertainers, national insurance contributions and withholding tax;
- 12.6.14 make all the correct deductions and filings of returns in relation to National Insurance, PAYE and other tax and such deductions as are required to be made in respect of foreign artists;
- 12.6.15 ensure that all payments of (a) income tax accountable through the "pay as you earn" system; (b) class 1 national insurance contributions; (c) tax due in respect of foreign entertainers pursuant to Section 555 Income and Corporation Taxes Act 1988; and (d) VAT, which are required to be made by law in respect of any payments made or benefits given by the Chargor are correctly accounted for within the time periods prescribed by law and arrange a so-called "PAYE/NIC Review" and a "VAT Review" during the final stages of post-production of the Film and will provide full reports of such PAYE/NIC Review and VAT Review to the Chargee showing that the has no outstanding income tax, national insurance or VAT obligations which will reduce or otherwise detrimentally affect the UK Tax Credit Amount;
- 12.6.16 ensure that HMRC has no cause to make any withholding from or set off against the UK Tax Credit Amount as a result of any act or omission on the part of Chargor;
- 12.6.17 shall surrender the maximum amount of enhanced and ordinary losses arising as a result of the Core Expenditure so as to achieve the maximum cash rebate to be received in relation to the UK Tax Credit as opposed to a credit against the corporation tax liability of Chargor and prior to receipt of the full amount of the UK Tax Credit Amount procure that Chargor shall not surrender or otherwise make available (whether by way of group relief, consortium relief or otherwise) to any other person or entity any expenditure or loss that may accrue to it for tax purposes unless instructed to do so by the Chargee;
- 12.6.18 not do anything, or omit to do anything, which in the opinion of the Chargee may prejudice the qualification of the Film as a British Film or adversely affect the Chargor's right to qualify for, apply for or receive the UK Tax Credit or reduce the amount of the UK Tax Credit Amount;

- 12.6.19 assign to the Chargee its right benefit and interest in its right to receive the UK Tax Credit, including all rights of action accrued in respect of the same and that it shall not revoke the direction to HMRC to pay the full amount of the UK Tax Credit Amount to the UK Tax Credit Repayment Account or the sweep instructions from Chargor requiring the Chargee holding such account to transfer the UK Tax Credit Amount to an account nominated by the Chargee and shall, to the extent that the same is either lawful or possible, procure that the UK Tax Credit Amount available for the Film shall be paid directly to the Chargee;
- 12.6.20 ensure that UK Qualifying Expenditure shall: (i) equal at least 25% (twenty-five percent) of the Core Expenditure in connection with the Film; and (ii) be no less than the UK Tax Credit Estimated Value and that it will not increase the budgeted expenditure that is not UK Qualifying Expenditure without the prior written approval of the Chargee;
- 12.6.21 ensure that all expenditure in connection with the production, completion and delivery of the Film is incurred by Chargor on or before completion of the Film and there are no so-called "deferments" other than any deferments notified to the Chargee and the Auditor in writing;
- 12.6.22 do everything in its power and control to ensure that it complies with all requirements of the UK Tax Credit Legislation;
- 12.6.23 actively protect, maintain and enforce such rights as it may have to qualify for, apply for and receive the UK Tax Credit;
- 12.6.24 not create or permit to exist any encumbrance over the UK Tax Credit Collateral (save for any security in favour of the Chargee or otherwise approved by the Chargee in writing);
- 12.6.25 operate its business and prepare its statutory accounts in a manner consistent with the obtaining of the UK Tax Credit;
- 12.6.26 keep in safe custody full, complete, accurate and faithful books of account and records in the English language relating to the expenditure by it on the production, completion and delivery of the Film and shall make all such books of account and records and all other information in its possession or control that may be reasonably necessary or of reasonable assistance to enable the Chargee to verify the amount of the UK Tax Credit Amount or to verify the performance by Chargor of all its obligations relating to the UK Tax Credit available to the Chargee and the Auditor on demand;
- 12.6.27 notify the Chargee forthwith upon the payment of any part of the UK Tax Credit Amount;
- 12.6.28 notify the Chargee within 3 (three) business days in writing in the event that HMRC has issued an enquiry into the tax return of Chargor and will ensure that such enquiry is dealt with promptly and Chargor shall provide notice to the Chargee on receiving the determination of the amount of the UK Tax Credit Amount from HMRC;
- 12.6.29 procure that Chargor's first accounting reference date shall be as early as practicable but no later than one week after completion of principal photography of the Film and, unless the Chargee notifies Chargor to the contrary, the second accounting reference date of Chargor shall be one year running from the end of the first accounting period referred to in this Clause 12.5.30;
- 12.6.30 comply promptly with any request by the Chargee in writing that Chargor alters its accounting reference date to such other date or dates as the Chargee may specify (in its absolute discretion) in order to accommodate any reasonable requirements relating to payment and receipt of the UK Tax Credit and shall not change Chargor's accounting reference date without the prior written permission of the Chargee;

- 12.6.31 pay the Auditor to perform the audits, preparation of statutory accounts and preparation and filing of tax returns as requested by the Chargee and Chargor confirms that the costs of so remunerating the Auditor are included in the Budget;
- 12.6.32 provide to the Chargee the audited accounts of Chargor in respect of each of the Chargor's accounting reference dates as expeditiously as possible and following written notice from the Chargee, permit any accountant appointed by the Chargee to examine and take copies of all books, accounts and records relating to the Film during business hours;
- 12.6.33 instruct HMRC pursuant to Irrevocable payment instructions in the form of HMRC Form CT600 or such other form satisfactory to the Chargee to pay 100% (one hundred percent) of the UK Tax Credit Amount directly to the UK Tax Credit Repayment Account; and
- 12.6.34 ensure that it has (and will have) no income save for any budgeted production fee payable to the Chargor and any other sums payable to the Chargor pursuant to any document to which the Chargee is also a signatory and (subject to the terms of this Charge and Deed and Assignment) the UK Tax Credit Amount.

13. **Nature of Security**

Subject to Clause 24, this Deed shall be a continuing security to the Chargee notwithstanding any settlement of account or other act, omission, matter or thing whatsoever which but for this provision might operate to release or otherwise exonerate the Chargor from its obligations hereunder or affect such obligations or release or diminish the security conferred hereunder. Such security is in addition to, and shall not be merged into, or in any way prejudice any other security interest, charge document or right which the Chargee may now or at any time hereafter hold or have as regards the Chargor or any other person firm or corporation in respect of the Collateral and shall not in any way be prejudiced or affected thereby or by the invalidity thereof or by the Chargee now or hereafter dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any of the same or any rights which it now or hereafter has or by the Chargee giving time for payment or indulgence or compounding with any other person liable and this security shall remain in full force and effect as a continuing security unless and until the Chargee shall release and discharge this Deed in accordance with Clause 24 hereof. The rights granted to the Chargee hereunder are in addition to, and in no way limit or restrict, the rights granted to the Chargee in the Loan Agreement or any other agreement. The exercise by the Chargee of its rights under this Deed shall in no way affect or be in substitution for such other legal or equitable rights and remedies as the Chargee may have against the Chargor or any third party.

14. **Grant of Time or Indulgence**

The security created by this Deed shall not be affected or prejudiced in any way by the Chargee giving time or granting any indulgence or accepting any composition from or compounding with or making any other arrangement with the Chargor or any other person firm or company in respect of the Secured Liabilities or otherwise.

15. **Protection of Third Parties**

- 15.1 No purchaser from the Chargee and/or the Receiver or other person dealing with the Chargee and/or the Receiver shall be concerned to enquire whether any of the powers which the Chargee or the Receiver have exercised or purported to exercise have arisen or become exercisable or whether the Secured Liabilities remain outstanding or as to the propriety or validity of the exercise or purported exercise of any such power and the title of a purchaser and the position of such a person shall not be prejudiced by reference to any of those matters.
- 15.2 The receipt of the Chargee or the Receiver shall be an absolute and conclusive discharge to a purchaser and shall relieve such person of any obligation to see to the application of any sums paid to or by the direction of the Chargee or the Receiver.

16. **Waivers, Remedies Cumulative**

The powers which this Deed confers on the Chargee are cumulative and without prejudice to its powers under general law and may be exercised as often as the Chargee deems appropriate. The rights of the Chargee and the Receiver (whether arising under this Deed or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing; and in particular any failure to exercise or any delay in exercising on the part of the Chargee or the Receiver any of such rights shall not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any such right shall not preclude any other or further exercise of that or any other such right; and no act or course of conduct or negotiation on the part of either the Chargee or the Receiver or on its or their behalf shall in any way preclude either the Chargee or the Receiver from exercising any such right or constitute a suspension or variation of any such right.

17. **Governing Law**

This Deed and any non-contractual obligations arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and the parties hereto submit to the non-exclusive jurisdiction of the English courts.

18. **Further Assurance**

18.1 The Chargor agrees to execute all further documents reasonably required by the Chargee to give effect to or perfect the security hereby created.

18.2 Without limiting the generality of Clause 18 hereof in the event that any of the agreements relating to the Film are executed by the Chargor after the date of this Deed, the Chargor will, at the request of the Chargee and the expense of the Chargor, execute supplementary charges and deeds of assignment on terms no more onerous as those set out in this Deed and execute all further documents reasonably required by the Chargee to give effect to such security.

19. **Notice of Default**

The Chargor shall give written notice to the Chargee at the address set out against such party at the beginning of this Deed or as shall be notified from time to time to the Chargor hereafter of the occurrence of any Event of Default as soon as such occurrence becomes actually known to the Chargor.

20. **Power of Attorney**

20.1 The Chargor hereby irrevocably appoints the Chargee and, if any Receiver or an administrator has been appointed, each of the Chargee, the Receiver and any administrator appointed by the Chargee to be an attorney of it in its name and on its behalf to sign, execute and deliver all deeds and documents and do all acts and things which the Chargee, the Receiver or an administrator appointed by the Chargee may reasonably require or reasonably deem appropriate for the purpose of exercising any of its powers or for the perfection, protection or realisation of any security hereby constituted. The Chargor hereby acknowledges that such appointment shall be irrevocable (until this Deed is released and reassigned under Clause 24).

20.2 This appointment shall operate as a power of attorney for the purposes of Clause 20.1 only made under Section 10 of the Powers of Attorney Act 1971 such appointment constituting a power coupled with an interest under English law. This power of attorney shall terminate without further notice on the release and discharge of this Deed pursuant to Clause 24.1 hereof but subject to Clause 24.2 hereof.

20.3 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, the Receiver or an administrator appointed by the Chargee or by the Chargor at the instance of the Chargee, the Receiver or an administrator appointed by the Chargee in the exercise or purported exercise of the aforesaid powers.

21. **Invalidity of any Provision**

If at any time any one or more of the provisions of this Deed becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

22. **No Partnership**

Nothing herein shall constitute a partnership or a joint venture between the parties and no party is or shall hold itself out as the agent or partner of the other.

23. **Assignment**

The Chargee shall be entitled to assign, participate, transfer, charge, sub-charge or otherwise grant security over or deal in all or any of its right, title and interest in this Deed to any Affiliate, and otherwise only with the prior written consent of the Chargor.

24. **Release and Reassignment**

24.1 Upon unconditional and indefeasible payment, satisfaction and discharge to the Chargee of the Secured Liabilities in full, the Chargee will, at the written request of the Chargor and at the expense of the Chargor (if any)–

24.1.1 release the Collateral charged pursuant to Clause 4 hereof;

24.1.2 re-assign to the Chargor or any third party continuing to have a security interest in the Collateral, the Collateral assigned pursuant to Clause 5 hereof (but not any sums by then paid to the Chargee and retained to satisfy the Secured Liabilities in respect thereof); and

24.1.3 execute such documents and do such things as the Chargor shall reasonably require to give effect to Clauses 24.1.1 and 24.1.2 hereof.

24.2 Where any release and discharge (whether in respect of the Secured Liabilities 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 repaid on bankruptcy, liquidation or otherwise, the security constituted by this Deed (and the liability of the Chargor in respect thereof) shall continue or shall be reinstated as if there had been no such discharge or arrangement. The Chargee shall be entitled to concede or compromise any claim that any such payment, security or other disposition is liable to avoidance or repayment.

25. **Priority of Agreements**

25.1 In the event of any conflict between this Deed and the Coutts Debenture, the terms of this Deed shall prevail.

25.2 For the avoidance of doubt, there shall be no double recovery by the Chargee pursuant to the Coutts Debenture and this Deed.

26. **Notices**

26.1 **Manner of giving notices**

Any notice or other information required or authorised by this Deed to be given by either party shall be given by:

26.1.1 delivering it by hand;

26.1.2 sending it by mail, postage prepaid; or

26.1.3 sending it by facsimile transmission,

to the other party at the addresses given in Clause 26.4 or 26.5.

26.2 Notices sent by hand or by post

Any notice or other information delivered by hand as provided by Clause 26.1.1 shall be deemed given on the date delivered (if delivered during the business hours of the recipient, or (if not) at the start of the next business day thereafter. Any notice or other information sent by post in the manner as provided by Clause 26.1.2 which is not returned to the sender as undelivered shall be deemed to have been given on the seventh day after the envelope containing it was so posted.

26.3 Notices sent by fax

Any notice or other information sent by facsimile transmission shall be deemed to have been duly given: (a) at the time of transmission if the facsimile is received during business hours at the place of receipt; or (b) at the start of the next business day if the facsimile is received outside business hours at the place of receipt provided in either case that a satisfactory transmission report is received when the facsimile is sent.

26.4 Notices to the Chargee

Any notice or other communication required to be given to the Chargee under this Deed shall be sent to the Chargee to the person and at the address detailed at the top of this Deed or such other address, facsimile number and/or for such other attention as may be notified by the Chargee to the Chargor in accordance with this Clause.

26.5 Notices to the Chargor

Any notice or other communication required to be given to the Chargor under this Deed shall be sent to the Chargor to the person and at the address detailed at the top of this Deed or such other address, facsimile number and/or for such other attention as may be notified by the Chargor to the Chargee in accordance with this Clause and a copy of such notice shall be sent to Harbottle & Lewis LLP, Hanover House, 14 Hanover Square, London, W1S 1HP, facsimile number [REDACTED] marked for the attention of Jonathan Berger.

26.6 Notice on a business day

Any notice or other communication received or deemed given on a day which is not a business day or after business hours in the place of receipt shall be deemed received and given on the next business day.

SCHEDULE 1

DEFINITIONS

Account means any account of the Chargor from time to time;

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company;

Ancillary Rights means all the ancillary rights in the Film including soundtrack album rights, music publishing rights, all interactive and computer assisted rights, all sponsorship, commercial tie-up and other merchandising rights of whatsoever kind or nature in the Film, all prequel, sequel, remake and television spin-off rights in and to the Film, all as such terms are customarily understood in the motion picture and television industries of the United Kingdom and/or United States of America;

Approved Cashflow means the cashflow schedule for the Film approved by the Chargee and attached to the Loan Agreement as Schedule 3;

Approved Production Budget means the production budget for the Film approved by the Chargee and attached to the Loan Agreement as Schedule 4;

Auditor means Saffery Champness LLP or such other auditor as may approved by the Chargee;

Borrower means Marv Films Limited (Company No. 05587621);

British Film means a film which qualifies as a "British Film" as defined in the Films Act 1985 (as modified by the Films (Definition of "British Film") (No. 2) Order 2006);

Collateral means, the property, assets and interests (whether present or future) which are the subject of any security created by this Deed including the Chargor's right, title and interest in and to the property charged pursuant to Clauses 4.1 and 4.2 hereof, the property assigned pursuant to Clause 5 hereof and all income generated thereby, all proceeds of sale thereof and any present and future property, assets and interests of that type;

Commissioning Distributor means Marv Distribution Limited (Company No. 09389989);

Core Expenditure has the meaning ascribed to the term in section 1184(1) of the Corporation Tax Act 2009 (as the same may be amended);

Coutts Debenture means the further debenture between the Chargee and the Chargor dated on or around the date of this Deed;

Debt means any amounts outstanding or due or payable under the Loan Agreement or this Deed;

Debts means all present and future book and other debts and rights to money and income liquidated and unliquidated owing to the Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but not including cash at a bank;

Director means Dexter Fletcher;

Distribution Agreements means any distribution agreement entered into in respect of Film including, but not limited to, the Fox Agreement and the Lionsgate Agreement;

the Distribution Income means all amounts receivable by the Chargor pursuant to the Distribution Agreements or any replacement thereof and any other distribution income payable to the Chargor in relation to the Film;

the E&O Insurance means errors and omissions insurance with cover of US\$1,000,000 per occurrence and US\$3,000,000 in the aggregate for a minimum period of three (3) years commencing on or prior to the first day of principal photography of the Film;

Encumbrance means any mortgage, charge, assignment by way 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 has the meaning ascribed to it in the Loan Agreement;

Facility means the loan facility made available by the Chargee pursuant and subject to the terms of the Loan Agreement;

Film means the feature film currently entitled "Eddie the Eagle";

Film Rights means the necessary rights in all underlying material (including without limitation the Screenplay and all music for the Film) to enable the Film to be produced and exploited;

Fox Distribution Agreement any distribution agreement agreed or to be agreed in relation to the Film between the Chargor and Twentieth Century Fox, a division of Twentieth Century Fox Film Corporation;

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary;

Intellectual Property Rights means all patents (including applications, improvements, prolongations, extensions and rights to apply for them in any part of the world) designs (whether registered or unregistered), copyrights, design rights, trade marks and service marks (whether registered or unregistered), utility models, trade names, business names, domain names and brand names, knowhow, formulae, confidential information, trade secrets, computer software programs and systems and any similar rights existing in any country (including the benefit of any licences or consents relating to any of the above) and all fees, royalties or other rights derived from them or incidental to them in any part of the world;

Investment means any present and future: (a) stock, share, bond or any form of loan capital of or in any legal entity; (b) unit in any unit trust or similar scheme; or (c) warrant or other right to acquire any such investment, owned by the Chargor and any income, offer, right or benefit in respect of any such investment;

Lionsgate Distribution Agreement the distribution agreement agreed or to be agreed in relation to the Film between the Chargor and Lions Gate International (UK) Limited;

Loan Agreement means the loan agreement dated on or about the date of this Deed entered into by the Borrower and the Chargee;

Maturity Date means 31 January 2016;

the Permitted Security Interests means the security interests created in favour of the Chargee (including without limitation pursuant to this Deed) or otherwise approved by the Chargee in writing;

Production Insurances means the production insurances for the Film which the Borrower has undertaken to procure pursuant to the terms of the Loan Agreement;

Rate means the rate of interest set out in Clause 5.5 of the Loan Agreement;

Receiver means a receiver or administrative receiver (where such an administrative receiver may be appointed) of the Collateral;

Relevant Agreements means this Deed, the Loan Agreement, any document referred to as a "Condition Precedent" or "Condition Subsequent" in a Loan Agreement;

Relevant Party means any party to a Relevant Agreement other than the Chargee;

Repayment Income means any repayment income expressed to be payable by the Borrower to the Chargee pursuant to the terms of the Loan Agreement;

Rights means the following throughout the world for the full period of copyright and thereafter (so far as is possible) in perpetuity (a) all rights to distribute, lease, licence, sell or otherwise exploit or deal with the Film in all media (whether now known or hereafter invented or devised) (b) all rights to exhibit and broadcast the Film; (c) the Ancillary Rights; (d) all such other rights in and to the Film or any material on which it is based or which is incorporated in the Film as are needed for the full exploitation of the rights described in (a), (b) and (c) above; and (e) all rights to distribute, lease, licence, sell or otherwise exploit or deal with any of the rights referred to above;

Rights Agreements means those agreements pursuant to which the Chargor is entitled to the Rights and any other underlying literary material and any agreements with any production services companies;

Screenplay means the final screenplay for the Film written by Sean Macaulay;

Secured Liabilities means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Chargee by the Chargor or any other Relevant Party whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor), including any money and liabilities of the Chargor owed to a third party which have been assigned or novated or otherwise vested in the Chargee and whether pursuant to the Loan Agreement, the Relevant Agreements or otherwise;

Security Parties means the Chargor, the Borrower, the Commissioning Distributor and Marv Eddie Limited;

Subsidiary means a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006;

Tax Credit Proceeds means the maximum payable cash element in respect of surrendered losses, if any, receivable by the Chargor in respect of the UK Tax Credit, including all Tax Credit Proceeds generated from contingent payments (including residual payments, royalties, deferments, profit participations and other contingent amounts) relating to the Film;

Taxes/Tax means all taxes, levies, imposts, duties, charges, fees, deductions and withholdings and any restrictions or conditions resulting in a charge;

Tax Statute means any primary or secondary statute, instrument, enactment, order, law, by-law or regulation making any provision for or in relation to Tax;

UK Qualifying Expenditure means expenditure incurred on the pre-production, production and post-production of the Film which satisfies the requirements of Part 15 of the Corporation Tax Act 2009 (as amended from time to time);

UK Tax Credit means the payable cash element constituting a tax credit pursuant to Part 15 of the Corporation Tax Act 2009 receivable by the Chargor in respect of UK Qualifying Expenditure;

UK Tax Credit Amount means the UK Tax Credit payable in respect of the Film;

UK Tax Credit Collateral means the UK Tax Credit Amount, the right to claim and be paid the UK Tax Credit Amount, the UK Tax Credit Repayment Account and all proceeds standing to the credit of such account and benefits derived from it, and all other rights in connection with the UK Tax Credit;

UK Tax Credit Estimated Value means £2,900,000;

UK Tax Credit Repayment Account means the account opened by the Chargor for the benefit of the Chargee and charged solely in favour of the Chargee and into which the UK Tax Credit Amount is to be paid;

UK Tax Liability means any liability of the Chargor to make a payment of or increased payment of or in respect of Tax; and

UK Tax Relief includes any loss, relief, allowance, credit, deduction, set-off or right to repayment for Tax including, without limitation, any deduction in computing income profits or gains for the purposes of any Tax.

SCHEDULE 2

1. Representations and Warranties

The Chargor represents and warrants to the Chargee (and shall be deemed to repeat such representations and warranties in accordance with the facts and circumstances then subsisting on each day hereafter on which any sum is advanced to the Borrower pursuant to the Loan Agreement and on each day following the Maturity Date until such time as the Debt has been paid or repaid in full to the Chargee) that –

1.1 Incorporation and Good Standing

the Chargor is duly incorporated and validly existing and in good standing under the laws of England and Wales and is not deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986;

1.2 Ownership and Control

the Chargor is owned and controlled 100% by the Borrower;

1.3 Relevant Agreements

1.3.1 the Chargor has the power and authority to enter into and perform the obligations contained in the Relevant Agreements to which it is a party;

1.3.2 the Relevant Agreements to which the Chargor is party are, or will be when executed or delivered, legal, valid, binding, direct obligations of the Chargor enforceable (subject to the laws of equity) in accordance with their respective terms;

1.3.3 all of the Chargor's requirements (if any) for any Relevant Agreement to which the Chargor is a party becoming effective have been, or will be when executed or delivered, fulfilled or waived;

1.3.4 neither the signature, execution, acceptance nor performance by the Chargor of those of the Relevant Agreements to which the Chargor is a party will (i) contravene any law regulation or similar enactment, or any judgment, injunction or award of any court or authority, or any provision of any existing contract or its constitutional documents or any limitation on the powers of its directors or other officers; or (ii) cause any Event of Default to occur; or (iii) give rise to the creation or imposition of any Encumbrance in relation to the Film except pursuant to the Permitted Security Interests;

1.3.5 the Chargor has obtained all authorisations, approvals, consents, licences, exemptions, filings, registrations, notarisations and other matters, official or otherwise, required or advisable in connection with the entry into by, the performance by, and the validity and enforceability against the Chargor, of the Relevant Agreements (to which it is a party) and such authorisations, approvals, consents, licences, exemptions, filings, registrations, notarisations and other matters are in full force and effect;

1.3.6 no litigation, arbitration or administrative proceedings before or of any court, arbitrator or authority are presently pending or, to the best of the knowledge and belief of the Chargor, threatened against the Chargor or any of its assets which might materially and adversely affect the ability of the Chargor to perform its obligations under those of the Relevant Agreements to which it is a party;

1.3.7 to the best of the knowledge and belief of the Chargor, none of the Relevant Parties is in breach of any of the Relevant Agreements or in default under any of the Relevant Agreements;

1.3.8 to the best of the knowledge and belief of the Chargor, there is no reason why the other Relevant Parties should not fully perform all their obligations under, and comply with the terms of, the Relevant Agreements;

- 1.3.9 it will not amend, modify, terminate, supplement or cancel any of the Relevant Agreements to which it is a party without first obtaining the prior written consent (such consent not to be unreasonably withheld or delayed) of the Chargee if such amendment, modification, termination, supplementation or cancellation shall have a material adverse effect on the Chargor and/or the Chargee;
- 1.3.10 the Chargor shall not, and shall ensure that the Borrower shall not, incur any financial obligations which could jeopardise the timely repayment of the Debt or the rights of the Chargee under the Loan Agreement and the other Relevant Agreements;
- 1.3.11 the Borrower has entered, or will enter as soon as practicable hereafter and prior to Delivery, into all agreements necessary for the production of the Film, and all fees and payments of whatever nature arising in connection with the foregoing required to procure the production of the Film have been or will be paid out of funds allocated for such purpose in the Approved Production Budget;

1.4 Security

- 1.4.1 Subject to the Permitted Security Interests, the Chargor is the absolute owner with full title guarantee of its interest in the Collateral to the exclusion of all others;
- 1.4.2 to the best of the knowledge and belief of the Chargor, no party (save the Chargee) has or is in the process of effecting or perfecting any charge or lien or any other security over the Collateral;

1.5 Rights

- 1.5.1 the Director and the Chargor are the only authors of the Film within the meaning of Section 9(2)(a) of the Copyright, Designs and Patents Act 1988 (as amended by the Copyright and Related Rights Regulations 1996), and each such author was, and will be, at all times during the making of the Film a "qualifying person" within the meaning of Section 154 of that Act;
- 1.5.2 the Chargor is or shall be entitled to grant the rights to the Film granted or to be granted by it pursuant to those of the Relevant Agreements to which it is a party free from encumbrances;
- 1.5.3 the Chargor has no actual or constructive notice of any defect in its rights in the Film including in relation to all third party contributors;
- 1.5.4 to the best of the Chargor's knowledge and belief, having made due and 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;
- 1.5.5 all payments under the Rights Agreements that are due and owing necessary to secure the rights in the Screenplay, the Film and any copyright material upon which the Film is based or which are incorporated into the Film have been or will prior to first drawdown under the Loan Agreement have been paid in full (other than in respect of music rights in the Film);
- 1.5.6 other than in respect of the performing rights in any music and sound recordings vested in the Performing Right Society Limited and Phonographic Performance Limited or any similar collection society or agency in any other country or as otherwise agreed by the Chargee in writing in advance, it will secure irrevocable assignments and/or licences entitling the Chargor and persons deriving title through it without further payment to record reproduce broadcast transmit perform and exploit by sale hire or otherwise the Film in all and any media now known or hereafter devised throughout the world for the duration of copyright (including reversion extensions and renewals if any) including but without limitation synchronisation licences and mechanical payments in respect of any musical compositions and musical recordings incorporated in the Film and licences in respect of library (if any) and other Film material incorporated in the Film; and
- 1.5.7 it will pay (or will procure that Borrower pays) in full for all other necessary consents grants waivers and rights to enable it and persons deriving title through it without further payment including in relation to residuals or other contingent compensation to make the Film and to exploit it in all media throughout the world in perpetuity without infringing any rights of privacy or personal proprietary or other rights

(including without limitation rights of copyright moral rights rental and lending rights or any similar such rights) of any third party or being in breach of the Copyright, Designs and Patents Act 1988 including in respect of all third party contributions to the Film;

1.6 Defamation and Litigation

to the best of the Chargor's knowledge and belief, having made due and diligent enquiry:

1.6.1 nothing contained in the Film (i) is or shall be obscene, libellous or defamatory; or (ii) 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;

1.6.2 there is no claim or litigation pending or threatened action that might adversely affect the production, completion, delivery, distribution and exploitation of the Film;

1.7 Guilds

the Film is not subject to the rules of any agreement with a US guild or other non-UK union other than the Directors Guild of America;

1.8 Participations and Deferments

no party rendering services or supplying goods in connection with the Film is entitled to be paid anything (other than the amount budgeted for such party in the Approved Production Budget) by the Chargor or Borrower or out of the Distribution Income or the Tax Credit Proceeds prior to the indefeasible repayment in full of the Debt and the Chargee has no further obligation to make any advances under the Loan Agreement;

1.9 Taxation

1.9.1 the Chargor has complied with all taxation laws in all jurisdictions in which it is subject to taxation and has paid all Taxes due and payable by it;

1.9.2 no claims are asserted against the Chargor with respect to Taxes;

1.9.3 all amounts payable by the Chargor under this Deed may be made free and clear of, and without deduction for, or on account of, any Tax, and the Chargor is not obliged to make any payment to a third party in respect of any amount payable by it under this Deed;

1.9.4 other than the Companies House registration fees for this Deed which shall be added to the Debt, to the best of the Chargor's knowledge and belief having made due and diligent enquiry, no stamp or registration duty or similar charges or taxes are payable by the Chargor in England in respect of this this Deed or any of the Relevant Agreements;

1.9.5 the Chargor has at all times submitted and will submit to all relevant Tax Authorities by the requisite dates every computation, return and all information for the purpose of Tax however required and each such computation, return and information has been and will be true, complete and accurate and has left and will leave no material matter unresolved regarding the Tax affairs of the Chargor and is not likely to be the subject of any dispute with any Tax Authority;

1.9.6 the Chargor has discharged and will discharge every UK Tax Liability due from the Chargor directly or indirectly in connection with any taxable event occurring on or before the date of this Deed and there is no UK Tax Liability or potential UK Tax Liability in respect of which the date for payment has been postponed by agreement with the relevant Tax Authority or by virtue of any right under any Tax Statute or the practice of any Tax Authority;

1.9.7 the Chargor has properly made and will make all deductions, withholdings and retentions required to be made in respect of any actual or deemed payment made or benefit provided on or before the date of this Deed and has accounted for and will continue to account for all such deductions, withholdings and

retentions to each relevant Tax Authority and have complied and will comply with all its obligations under any Tax Statute in connection with the same;

- 1.9.8 neither the Chargor nor any director or officer of the Chargor (in his or her capacity as such) has at the date of this Deed any liability or potential liability for any interest, fine, penalty or surcharge in connection with Tax;
- 1.9.9 no UK Tax Relief claimed in connection with the Film prior to the date of this Deed is likely to be disallowed, lost, reduced or modified or be the subject of any dispute with any Tax Authority;
- 1.9.10 to the best of the Chargor's knowledge and belief, having made due and diligent enquiry, every claim, election and disclaimer taken into account for the purposes of the Chargor's accounts has been and will be duly submitted by Chargor within the requisite periods and either has been accepted as valid or its validity has not been and is not likely to be questioned or challenged by the relevant Tax Authority;
- 1.9.11 to the best of the Chargor's knowledge and belief, having made due and diligent enquiry, the Chargor has maintained and has in its possession and under its control all records and documentation that it is required by any Tax Statute to maintain and preserve and the Chargor has complete and accurate records and/or information to calculate its future UK Tax Liability or UK Tax Relief including, without limitation, arising upon the disposal of any asset owned by the Chargor at the date of this Deed;
- 1.9.12 to the best of the Chargor's knowledge and belief, having made due and diligent enquiry, it is not likely to be subject to any non-routine investigation or non-routine audit or visit by any Tax Authority;
- 1.9.13 no claims are asserted against the Chargor in respect of Taxes;

1.10 Pari Passu Ranking

Any payment by the Chargor under this Deed would rank on its liquidation at least pari passu with all its other present and future unsecured obligations (other than obligations in respect of employees' remuneration, Taxes and similar obligations but only to extent that the laws of the Chargor's jurisdiction of incorporation provide for such obligations to rank ahead of the Chargor's obligations under this Deed);

1.11 Disclosure

- 1.11.1 the Chargor has fully disclosed all facts and information relating to the Chargor and the production, financing and exploitation of the Film (including without limitation the identity of all laboratories, sound studios and facilities houses holding or about to hold physical materials relating to the Film) which the Chargor knows or ought having exercised due diligence to know are material to the Chargee in the context of the transaction contemplated by this Deed and the Chargor has exercised due diligence in enquiring about any such facts and information which might be material to the Chargee in such context;
- 1.11.2 the Chargor has not received any information and does not know of any information which would or might, in the Chargor's reasonable opinion, affect the Chargee's decision to make the Facility available to the Borrower and the Chargor covenants that if any such facts or information are received or discovered by the Chargor after the date of this Deed the Chargor will forthwith notify the Chargee; and
- 1.11.3 all facts and information supplied by the Chargor and affecting the capacity of the Borrower to repay all amounts due under the Facility and the Chargor to meet the Secured Liabilities are true and accurate in all respects and all facts and information contained in any of the Relevant Agreements or contained in any other documents supplied to the Chargee pursuant to Clauses 8 or 9 of the Loan Agreement are, to the best of the Chargor's knowledge and belief, true and accurate in all respects;

1.12 Comi

the Chargor's centre of main interests is, and will remain so long as any of the Debt is outstanding, in the United Kingdom.

1.13 Approved Production Budget

- 1.13.1 the Chargor acknowledges that: (i) it has approved the Approved Production Budget and the Approved Cashflow; (ii) the Approved Production Budget includes all financing costs and legal fees (to the best of the Chargor's knowledge and belief having made due and diligent enquiry); (iii) the quantum of producer fees has been assessed by the Auditor and deemed reasonable as far as HMRC is concerned; and (iv) agrees that no changes will be made to the Approved Production Budget and/or Approved Cashflow without the prior written consent of the Chargee;
- 1.13.2 the Chargor shall apply all sums received into the Production Account to pay the cost of producing the Film in all respects in accordance with the provisions of the Approved Production Budget and the Approved Cashflow;
- 1.13.3 the Chargor will procure that the Borrower informs the Chargee immediately of any proposed material departure from the Approved Production Budget and/or the Approved Cashflow, and will provide the Chargee with all relevant information relating thereto;
- 1.13.4 the Chargor shall not close or authorise or procure the closure of the Production Account without the prior written consent of the Chargee;

1.14 Reporting

the Chargor shall send to the Chargee duplicates of any material notification, material information or material documentation supplied to the Chargor under any Relevant Agreement;

SCHEDULE 3

1. Covenants

The Chargor covenants for the benefit of the Chargee (and shall be deemed to repeat such covenants on each day hereafter on which any sum is advanced to the Borrower pursuant to the Loan Agreement and on each day following the Maturity Date until such time as the Debt has been paid or repaid to the Lender) that –

1.1 Use of Facility

it will procure that the Facility will be used solely to defray the cost of producing the Film in accordance with the Approved Production Budget and the Approved Cashflow;

1.2 Payments to Third Parties

the Chargor has not agreed, and will not agree, that any person is entitled to be paid any Repayment Income prior to the Debt being repaid in full and the Chargee having no further obligation to make any advances under the Loan Agreement;

1.3 Production and Delivery

the Chargor will produce or procure the production of the Film in accordance with first class technical Film industry standards and will procure the production and, on or before the Delivery Date, deliver (or procure the delivery of) the Film in accordance with the Distribution Agreements (including the specifications in the Distribution Agreements relating to technical quality, delivery items or otherwise); and the Chargor will procure that delivery is effected to each Distributor of such material and on such dates as required to trigger payment of the relevant distribution advance under the Distribution Agreements and the Chargor will promptly send all necessary invoices to ensure prompt payment of the amounts payable by such Distributor to the Chargor in connection with the Film. To the extent necessary, the Chargor agrees to fund any costs of the Film as set out in the Approved Production Budget necessary to complete and deliver the Film in accordance with the Relevant Agreements in excess of the amounts funded by the Chargee pursuant to the Loan Agreement;

1.4 The Relevant Agreements

1.4.1 save for the assignments and charges contemplated by the Permitted Security Interests and save in respect of any assignment to another Security Party, the Chargor shall not at any time prior to the indefeasible repayment in full of the Debt without the prior written consent of the Chargee assign, novate, discount, pledge, charge, terminate or otherwise dispose of or deal with or permit third party rights to arise over or agree to any material alteration of any or all of the Relevant Agreements;

1.4.2 the Chargor will, and will use its reasonable endeavours to procure that the Relevant Parties will, promptly and fully comply with their respective obligations under the Relevant Agreements to which it is a party and will observe keep and perform all the terms and conditions of the Relevant Agreements to which it is a party;

1.5 Further Agreements

the Chargor will (i) make available any of the agreements, documents or information referred to in schedule 2 Part I(a) of the Loan Agreement on demand by the Chargee (and whether or not the Chargee shall have permitted drawdown before all such agreements, documents or information were supplied to it) and (ii) on or after drawdown of Tranche B, make available any of the agreements, documents or information referred to in Schedule 2 Part 2 of the Loan Agreement on demand by the Chargee (and whether or not the Chargee shall have permitted drawdown before all such agreements, documents or information were supplied to it); that the Chargor shall at the request of the Chargee, make copies available to the Chargee of all agreements to be entered into after the date hereof for the provision of services or facilities employed in the production, completion and delivery of the Film and pay due regard to any comments made with respect thereto by the Chargee, while the Debt (or any part of the Debt) remains outstanding;

1.6 No Disposal or Charging

- 1.6.1 the Chargor has not prior to the date of this Deed sold, transferred or in any way disposed of all or any of the Collateral or created or permitted to subsist any Encumbrance or other possessory interest which might affect the Collateral other than pursuant to the performance of the Chargor's obligations under this Deed, the Relevant Agreements or pursuant to the Permitted Security Interests;
- 1.6.2 while any part of the Debt is outstanding under the Loan Agreement, the Chargor will not at any time without the prior written consent of the Chargee: (i) sell, transfer or in any way dispose of the Collateral except pursuant to the Relevant Agreements or to another Security Party; or (ii) sell, transfer or in any way dispose of all or any of its other undertaking or assets if such sale, transfer or disposition could materially adversely affect the rights of the Chargee under the Loan Agreement and/or this Deed;

1.7 Information

- 1.7.1 the Chargor shall, until the Debt has been paid or repaid to the Chargee, keep full, complete, accurate and faithful books of account and records in the English language relating to the production, completion, delivery, distribution and exploitation of the Film and the Chargor shall ensure that the Chargee, at the expense of the Chargor, no more than once per twelve month period or at any point whilst an Event of Default is continuing, either directly or through an appointed representative, may inspect all such books of account and records as aforesaid and take copies or extracts of such books and records and/or to cause such books and records to be audited;
- 1.7.2 the Chargor will promptly deliver to the Chargee such information relating to the Film as the Chargee shall reasonably require and that all information supplied to the Chargee pursuant to this Deed shall be in, or shall be accompanied by a translation into, the English language, if in a foreign language;
- 1.7.3 until the Debt has been repaid in full, the Chargor shall as soon as practicable (and in any event within 120 days after the close of its financial year which is intended to be 31 December, and which close of financial year date cannot be amended without the Chargee's prior written consent), provide the Chargee with its audited financial statements for that year; and all financial statements required under this clause shall be prepared in accordance with accounting principles generally accepted in the United Kingdom of Great Britain and Northern Ireland consistently applied and shall fairly represent the financial condition of the Chargor;
- 1.7.4 the Chargor will use reasonable efforts promptly during the principal photography of the Film (and in any event within five (5) business days of preparation or receipt thereof as the case may be) to deliver to the Chargee weekly statements of account relating to the Production Account and expenditure on the Film, full statements of actual weekly costs compared with budget costs, a weekly estimate of the cost to complete production of the Film and monthly thereafter (to the extent that such documents are not supplied to the Chargee by another Security Party);
- 1.7.5 the Chargor will furnish to the Chargee on demand such financial and other information in relation to its activities as the Chargee may at any time reasonably request;

1.8 Maintenance of Insurance

- 1.8.1 the Chargor will obtain and maintain or procure the maintenance of the Production Insurances and the E&O Insurance for their respective terms by no later than the date of this Deed and shall ensure that the Production Insurances and the E&O Insurance are maintained in accordance with the terms set out in the Loan Agreement;
- 1.8.2 the Chargor shall not do anything nor allow anything to be done that prejudices the Production Insurances or the E&O Insurance or results in any of the Production Insurances or the E&O Insurance being or becoming void, voidable, prejudiced cancelled, avoided or made subject to average;

- 1.8.3 at the request of the Chargee if the Debt has not been repaid the Chargor shall renew (or procure the renewal of) such of the Production Insurances and the E&O Insurance as the Chargee shall require at least fourteen (14) days before the same expire, and the Chargor shall ensure that its insurance broker shall promptly confirm in writing to the Chargee when each such renewal has been effected;
- 1.8.4 the Chargor shall promptly pay or procure payment of all premiums, calls, contributions or other sums payable in respect of the Production Insurances and the E&O Insurance and produce all relevant receipts when so required by the Chargee failing which the Chargee may pay such premiums (and any premiums in connection with the extension of such policies) itself and the amount of the premiums and all costs, charges and expenses relating to that payment shall be deemed an "Expense" under this Deed; and
- 1.8.5 the Chargor shall, upon becoming aware of the happening of any event giving rise to a claim under any insurances, forthwith give notice to the appropriate insurers and to the Chargee;
- 1.8.6 prior to the date hereof, and on the occasion of each renewal of the insurance policies required pursuant to this Paragraph 1.8, the Chargor shall procure that its insurance brokers issue to the Chargor a letter confirming the subsistence of the insurances in accordance with the terms hereof which the Chargor shall provide to the Chargee;

1.9 Insurance Proceeds

to the extent payable to, or to the order of the Chargor, and to the extent the same are not required to meet the costs of completion and delivery of the Film, any insurance proceeds shall be paid in accordance with the provisions of the Loan Agreement;

1.10 Audit of Relevant Parties

the Chargor will upon written demand by the Chargee exercise such of its right (to the extent such right exists) to audit and inspect the books of account of any of the Relevant Parties in relation to the Film as the Chargee may specify in such demand (in accordance with the applicable terms of the Borrower's right to audit and inspect);

1.11 Money Laundering Regulations

the Chargor shall provide to the Chargee upon request any documents, certificates and/or references as the Chargee believes necessary in order to evidence and satisfy compliance with the Money Laundering Regulations 2007 and any other relevant money laundering legislation;

1.12 Maintenance of Good Standing

the Chargor will do all such things as are necessary to maintain its corporate existence in good standing, including the filing of all necessary returns and accounts;

1.13 Restrictions

until the Debt has been repaid in full, the Chargor undertakes not to carry out the following transactions or operations, without obtaining the prior written consent from the Chargee (except as specified in the Loan Agreement):

- 1.13.1 substantially change the nature of its operations or business;
- 1.13.2 materially modify the Approved Production Budget or the Approved Cashflow;
- 1.13.3 change the "controlling" ownership of the Chargor;
- 1.13.4 merge with another company, dissolve or wind up the Chargor;

- 1.13.5 create or permit the existence of security in relation to the Film or the Charged Property other pursuant to the Permitted Security Interests;
- 1.13.6 declare or pay dividends on its shares, purchase or redeem its shares or otherwise reduce its capital so as to affect the Chargor's ability meet the Secured Liabilities;
- 1.13.7 grant loans to its officers, directors or shareholders so as to prejudice the Chargor's ability to meet the Secured Liabilities; and/or
- 1.13.8 grant a loan or an investment or provide financial assistance to a third party by way of a guarantee or otherwise so as to affect the Chargor's ability to meet the Secured Liabilities;

1.14 Notice of Events of Default

the Chargor will notify the Chargee forthwith upon becoming actually aware of the occurrence or threatened occurrence of an Event of Default;

1.15 Confidentiality

the Chargor shall not disclose the terms of the Loan Agreement to third parties without the Chargee's prior written consent other than (a) to its professional advisers, auditors or affiliated companies; or (b) to the extent required by any regulatory or governmental body to which the Chargor is subject or required by law or court order; and

1.16 Information in English

all information supplied to the Chargee pursuant to this Deed shall be in, or shall be accompanied by a translation into, the English language.

EXECUTION PAGE TO DEED OF DEBENTURE - "EDDIE THE EAGLE"

In Witness whereof this Deed has been entered into the day and year first before written

EXECUTED and unconditionally Delivered as a)
deed by)
MARV EAGLE PRODUCTIONS LIMITED)
acting by a director) Director
in the presence of)



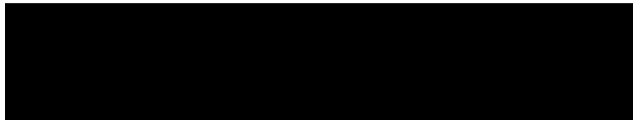
Witness' Signature



Name

KATE MCCULLAGH

Address



Occupation

SOLICITOR

Signed

for and on behalf of COUTTS & CO

by

.....

EXECUTION PAGE TO DEED OF DEBENTURE - "EDDIE THE EAGLE"

In Witness whereof this Deed has been entered into the day and year first before written

EXECUTED and unconditionally Delivered as a)
deed by)
MARV EAGLE PRODUCTIONS LIMITED)
acting by a director) Director
in the presence of)

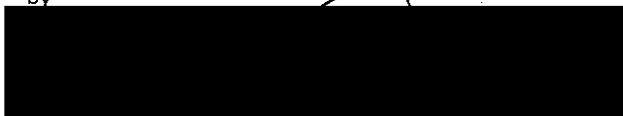
Witness' Signature

Name

Address

Occupation

Signed
for and on behalf of **COUTTS & CO**
by

A large black rectangular redaction box covering the signature of the representative of Coutts & Co.