



Registration of a Charge

Company Name: **BAD WOLF (HDM3) LIMITED**

Company Number: **12691295**



XAAS8OJV

Received for filing in Electronic Format on the: **13/08/2021**

Details of Charge

Date of creation: **12/08/2021**

Charge code: **1269 1295 0002**

Persons entitled: **MUFG UNION BANK, N.A.**

Brief description:

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: **LEE & THOMPSON LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12691295

Charge code: 1269 1295 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 12th August 2021 and created by BAD WOLF (HDM3) LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th August 2021 .

Given at Companies House, Cardiff on 16th August 2021

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**

DATED 12 August 2021

- 1. MUFG UNION BANK, N.A.**
- 2. BAD WOLF (HDM3) LTD**

CHARGE

OVER THE TELEVISION PROGRAMME PROVISIONALLY ENTITLED

"HIS DARK MATERIALS (SEASON 3)"

LEE&THOMPSON

80 Charlotte Street
London
W1T 4DF

Tel: +44 (0)20 3073 7600
www.leeandthompson.com

PARTIES:

- (1) **MUFG UNION BANK, N.A.**, of 1901 Avenue Of Stars, Los Angeles, CA 90067, USA (**Lender**) (contact: Bryan LaCour; email: Bryan.Lacour@unionbank.com); and
- (2) **BAD WOLF (HDM3) LTD**, (Company Number: 12691295), of Wolf Studios, Wales Trident Industrial Park, Glass Avenue, Cardiff, Wales, CF24 5EN (**Borrower**) (contact: Hannah Wylie; e-mail: Hannah.Wylie@bad-wolf.com).

RECITALS:

- (A) The Lender has agreed to provide the Borrower with finance in relation to the Programme (as defined below) pursuant to a loan agreement (**Loan Agreement**) dated on or about the date hereof (including an amount to cover the Lender's facility fee, legal fees and estimated interest relating to this facility) for the production and completion of the Programme.
- (B) The Borrower has agreed to execute this Charge as security for the repayment of the advances provided under the Loan Agreement, together with interest thereon and all other sums from time to time owing to the Lender from the Borrower.




OPERATIVE PROVISIONS:

1 Interpretation


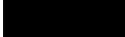
- 1.1 In this Charge, the following expressions shall have the following meanings unless the context otherwise requires:

Administrator	an Administrator appointed in accordance with Paragraph 14 of Schedule B1 of the Insolvency Act 1986 pursuant to this Charge which, by virtue of that section, is a qualifying floating charge;
Ancillary Rights	all ancillary rights in the Programme which are owned or controlled at any time by the Borrower, including all commercial tie-ups, sponsorship, branding, inter-active, computer assisted (including computer and video games), screenplay publication, novel publication, merchandising, music publishing and soundtrack rights in the Programme (as all terms are customarily understood in the motion picture and television industry of the United Kingdom of Great Britain and Northern Ireland) but excluding the Future Production Rights;
Assigned Agreements	those agreements referred to in clause 3.1.1.3 assigned by way of security to the Lender by the Borrower pursuant to clause 3.1.1.3;
BBC	The British Broadcasting Corporation;
BBC Licence Agreement	the licence agreement dated 17 May 2021 between the BBC and the Parent in relation to the Programme;

Borrower	includes persons deriving title under the Borrower or entitled to redeem this security;
Canadian PSC	Bad Wolf (Milton) Productions III, Inc.;
Canadian Tax Credit	collectively: <ol style="list-style-type: none"> 1. the Canadian film or video production services tax credit (Federal Production Services Tax Credit) to be received from the Refundable Income Tax Credit Program jointly administered by the Canadian Audio-Visual Certification Office of Heritage Canada and Canada Revenue Agency; and 2. the Quebec production services tax credit (Quebec Production Services Tax Credit) to be received from the Refundable Tax Credit Program jointly administered by Société de Développement des Entreprises Culturelles and the Ministère du Revenu, Gouvernement du Québec;
Canadian Tax Credit Amount	the actual amount of the Canadian Tax Credit received by the Canadian PSC;
Canadian Tax Credit Collateral	the Canadian Tax Credit Amount and the right to claim the Canadian Tax Credit;
Charge	this charge and any and all schedules, annexures and exhibits attached to it or incorporated by reference;
Charged Assets	to the extent of the Borrower's right in and title to such assets, the Tax Credit Collateral, the Programme, the Rights, the Production Services Agreement and all property and assets charged or to be charged under this Charge in favour of the Lender in relation to the Programme and all other property and assets which at any time are or are required to be charged in favour of the Lender under this Charge;
Event of Default	those events defined as events of default under the Loan Agreement;
Future Production Rights	the right to make a prequel, sequel, remake, spin-off or other similar derivative work based on the Programme or the screenplay or the Source Material;
HBO	Home Box Office, Inc of 2500 Broadway, Suite 400, Santa Monica, CA 90404;
HBO Licence Agreement	the agreement dated with effect from 21 December 2020 between HBO and the Parent in relation to the Programme;

IPA	the interparty agreement of even date hereof between the Borrower, the BBC, HBO and the Lender, inter alia, in relation to the financing of the Programme;
Loan Agreement	the loan agreement referred to in Recital (A) ;
Lender	includes persons deriving title under the Lender;
Materials	the materials required to be delivered to HBO pursuant the HBO Licence Agreement and to the BBC pursuant to the BBC Licence Agreement, together with all physical or digital properties or materials of every kind or nature of, or relating to, the Programme whether now in existence or hereafter made and all versions thereof, including, without limitation, exposed film, developed film, positives, negatives, prints, answer prints, special effects, pre-print materials, soundtracks, sound recordings, scripts, musical scores, digital files, digital material, positive sound and visual material, audio and video tapes and discs of all types and gauges, cut-outs, trims, sketches, designs and any and all other physical properties of every kind or nature of or relating to the Programme in whatever state of completion, and all duplicates, drafts, versions, variations and copies of each thereof;
Parent	Bad Wolf Ltd (Company number 09686683) of Wolf Studios Wales, Trident Industrial Park, Glass Avenue, Cardiff, United Kingdom, CF24 5EN;
Production Account	<p>the account in the name of the Borrower in respect of the production of the Programme, with the following details:</p> <p>Account Name: Bad Wolf (HDM3) Ltd Bank Name: Barclays Bank UK Plc Sort Code:  Account Number:  IBAN: ;</p>
Production Services Agreement	the production services agreement in relation to the Programme between the Borrower and the Parent dated on or before the date hereof;
Programme	the third season of the television series provisionally entitled " <i>His Dark Materials</i> " consisting of 8 of episodes each with a slot length of 60 minutes;
Receiver	any receiver or manager or administrative receiver appointed by the Lender either solely or jointly (and if more than one on the basis that they may act jointly and severally) under or by virtue of this Charge or any other security interest of the Lender or the Lender's statutory powers;

Rights	<p>the following rights for the full period of copyright and thereafter (so far as is possible) in perpetuity:</p> <ol style="list-style-type: none"> 1. all rights to distribute, lease, license, sell or otherwise exploit or deal with the Programme in all media (whether now known or hereafter invented or devised), including, without limitation, the rights in the Programme; 2. all rights to exhibit and broadcast the Programme; 3. the Ancillary Rights; 4. all such other rights in and to the Programme or any material on which it is based or which is incorporated in the Programme as are needed for the full exploitation of the rights described in 1, 2 and 3 above; 5. all necessary rights to the music and musical compositions contained in the Programme and all rights to the music and musical compositions created for the Programme, including the lyrics and all rights to exploit the same and to produce, publish, reproduce or synchronise all or any of the same with the Programme; and 6. all rights to distribute, lease, license, sell or otherwise exploit or deal with any of the rights referred to above;
Rights Documents	all those documents pursuant to which the Borrower acquires any of the Rights;
Secured Amounts	all monies or liabilities which shall for the time being (and whether on or at any time after demand) be due or owing to the Lender in relation to the Programme, whether incurred by the Borrower or any other party, whether due actually or contingently and whether due solely or jointly with any other person and whether as principal or surety, including interest, discount, commission or other lawful charges and expenses (including, without limitation, all costs and expenses incurred pursuant to Clauses 13 and 17 in this Charge) which the Lender may in the course of its business charge in respect of any of the matters aforesaid or for keeping the Borrower's account and so that interest shall be computed and compounded according to the usual mode of the Lender as well after as before any demand made or judgement obtained hereunder;
Source Material	to the extent of the Borrower's right in and title to the following, all underlying literary, dramatic, lyrical, musical, artistic and other material including, without limitation, the format, screenplay, music, all titles, trademarks, designs, and logos used in or in connection with the Programme to enable it to be produced and exploited;

Tax Credit Collateral	the UK Tax Credit Collateral and the Canadian Tax Credit Collateral;
UK Tax Credit	the enhanced tax deduction with a payable cash element in respect of surrendered losses to which the Borrower may be entitled in respect of the production costs of the Programme, as set out in the UK Tax Credit Legislation;
UK Tax Credit Account	<p>the tax credit account in the name of the Borrower where the Borrower shall direct that all the UK Tax Credit Proceeds be paid with the following details:</p> <p>Bank: Barclays Bank Plc</p> <p>Account name: HDM Season 3 Tax Credit Repayment Account</p> <p>Account Number: </p> <p>Sort Code: </p>
UK Tax Credit Collateral	the UK Tax Credit Proceeds, the Borrower's interest in the UK Tax Credit Account and the right to claim and be paid the UK Tax Credit Proceeds;
UK Tax Credit Legislation	<p>all legislation and guidance notes relating to the UK Tax Credit relating to the Programme including:</p> <ol style="list-style-type: none"> 1. Part 15A of the Corporation Tax Act 2009 (as inserted by the Finance (No. 2) Act 2013); and 2. the Cultural Test (Television Programmes) (Amendment) Regulations 2015; <p>all as the same may be amended, supplemented and enacted into law; and</p>
UK Tax Credit Proceeds	the maximum payable cash element in respect of surrendered losses, if any, receivable in respect of the UK Tax Credit for the Programme.

- 1.2 For the purposes of this Charge, all capitalised expressions not otherwise defined herein shall have the meanings ascribed to them in the Loan Agreement and, if not defined in the Loan Agreement, the IPA;
- 1.3 Any reference in this Charge to any statute, statutory provision, document or agreement shall be construed as including a reference to that statute, statutory provision, document or agreement as from time to time amended, modified, novated, extended, replaced or re-enacted, whether before or after the date of this Charge, and to all statutory instruments, orders and regulations for the time being made pursuant to such statutes or statutory provisions or deriving validity from them.
- 1.4 Expressions used herein that are defined in The Copyright, Designs and Patents Act 1988, shall, unless the context otherwise requires, have the meaning attributed thereto in that Act.

- 1.5 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa and words denoting any one gender shall include all genders and words denoting persons shall include corporate entities, unincorporated associations and partnerships.
- 1.6 The clause headings in this Charge are for convenience and reference purpose only and shall not be deemed to govern or act in the interpretation of any provision of this Charge in any way.
- 1.7 This Charge is intended to be executed and to take effect as a Deed by the Borrower.

2 **Covenant to Pay**

- 2.1 In consideration of the Lender entering into the Loan Agreement and making the funds available to the Borrower in accordance with the terms thereof, the Borrower covenants to pay and discharge to the Lender the Secured Amounts in accordance with the terms of the Loan Agreement.

3 **Charge and Security Assignment**

- 3.1 As continuing security for the payment to the Lender of the Secured Amounts and for the performance of the obligations of the Borrower under the Loan Agreement and this Charge, the Borrower, with full title guarantee:

- 3.1.1 assigns absolutely to the Lender throughout the world (and insofar as necessary by way of present assignment of future copyright pursuant to s.91 of the Copyright Designs and Patents Act 1988) all of the Borrower's right, title and interest in and to:

3.1.1.1 all copyright and allied and ancillary rights in and to the Programme and any other films, audio-visual and/or sound recordings made in the course of production of the Programme or pursuant to any right acquired in connection with or arising from the production of the Programme;

3.1.1.2 the Rights (subject to and with the benefit of the Assigned Agreements);

3.1.1.3 the Rights Documents, the Production Services Agreement (all such agreements together being referred to as **Assigned Agreements**) and all of the Borrower's right, title, benefit and interest to and in the same including, without limitation, any and all sums of money whatever payable to or on account of the Borrower pursuant to the Assigned Agreements;

3.1.1.4 any other agreements for the provision of any goods, services, facilities or finance for the Programme, and

3.1.1.5 the benefit of all policies of insurance now or in the future taken out in respect of the Programme and/or the Rights; and

3.1.1.6 the benefit of all revenues accruing to it or to its order or on its behalf in respect of the exhibition, distribution and exploitation of the Programme and/or the Rights;

3.1.1.7 the Tax Credit Collateral;

but excluding always the Future Production Rights but including any proceeds derived therefrom;

- 3.1.2 charges by way of first fixed charge to the Lender the Borrower's right, title and interest (whether now owned or hereafter acquired) in and to the following:
- 3.1.2.1 all of those assets detailed at Clause 3.1.1 above to the extent that they are not effectively assigned pursuant to that clause;
 - 3.1.2.2 the Programme (as both presently existing and to be created or acquired by the Borrower, either separately or jointly with any or all of the other entity;
 - 3.1.2.3 the Materials;
 - 3.1.2.4 the proceeds of all policies of insurance now or in the future taken out by the Borrower in respect of the Programme and/or the Rights;
 - 3.1.2.5 all sums from time to time standing to the credit of the Borrower in the Production Account;
 - 3.1.2.6 any other assets of the Borrower in relation to the Programme; and
 - 3.1.2.7 the proceeds of any or all of the foregoing;
- but excluding always the Future Production Rights but including any proceeds derived therefrom;
- 3.1.3 charges by way of a first floating charge all of its present and future assets and undertakings including, but not limited to any and all of the Borrower's rights and interest detailed in sub-clause 3.1.2 above if and to the extent that the first fixed charge may fail for any reason to operate as a fixed charge or fail to be assigned (whether at law or in equity) by way of security to the Lender (including, for the avoidance of doubt, any proceeds derived from the Future Production Rights) and the Tax Credit Collateral. Paragraph 14 of Schedule B1 of the Insolvency Act 1986 incorporated by Schedule 16 of the Enterprise Act 2002 shall apply to any floating charge created pursuant to this Charge so that this Charge is a qualifying floating charge.
- 3.2 The Borrower will hold in trust for the Lender the Borrower's entire interest and benefit in and to the Charged Assets and all other assets intended to be subject to a security interest under this Deed including, without limitation, any part of the Charged Assets which cannot be charged or assigned by the Borrower together with, without limitation, all proceeds, money and other rights and benefits to which the Borrower is beneficially entitled in respect of such Charged Assets.
- 3.3 This Charge shall remain in force as a continuing security to the Lender notwithstanding any settlement of account or any other act, event or matter whatever, except only for the execution by the Lender of an absolute and unconditional release, or the execution by or on behalf of the Lender of a receipt for all, and not part only, of the Secured Amounts and/or the obligations of the Borrower under the Loan Agreement and this Charge or the obligations of the other Chargors under this Charge, and this Charge shall not prejudice or affect any other security which the Lender may now or at any time hereafter hold in respect of the Secured Amounts or any of them or any part thereof respectively.

3.4 Notwithstanding the provisions of Clause 3.1.2.5 hereof, the Borrower may draw from the Production Account from time to time any and all monies required to satisfy the proper costs of production of the Programme in accordance with the Cashflow and the Budget unless and until an Event of Default occurs.

3.5 The Lender hereby grants to the Borrower an exclusive licence to undertake and complete the production, post-production, completion and delivery of the Programme, subject in all respects to the security hereby created, and the Borrower hereby agrees that the Lender may terminate such licence if the security created under this Agreement becomes enforceable for any reason whatsoever.

4 Conversion of Floating Charge and Automatic Crystallisation

4.1 The Lender may at any time, by notice in writing to the Borrower, convert the floating charge created under this Charge into a fixed charge in relation to the assets specified in such notice.

4.2 Upon the occurrence of any Event of Default the floating charge created under this Charge will (in addition to the circumstances in which the same will occur under the general law) immediately and automatically, without any requirement for notice by the Lender, convert into a fixed charge over all the assets of the Borrower that are the subject of the floating charge **PROVIDED THAT** solely for the purposes of this clause, the obtaining of a moratorium under Schedule A1 or Part A1 of the Insolvency Act 1986 or any action with a view to obtaining such a moratorium shall not cause the floating charge to automatically crystallise.

5 Enforcement

5.1 The Charge created under this Agreement shall become enforceable at any time after the occurrence of an Event of Default.

5.2 On or at any time after this Charge has become enforceable (and without prejudice to the statutory power of sale conferred by the Law of Property Act 1925 which is applicable to this Charge), the Lender shall be entitled to sell the Charged Assets or any part or parts of them or otherwise exploit them or turn them to account for such price and in such manner as the Lender in its absolute discretion may think fit.

5.3 The Lender shall, on receipt of any proceeds resulting from any of the acts of enforcement referred to in Clause 5.2, apply the same in or towards repayment of any part of the Secured Amounts as the Lender decides. The Lender shall be entitled to the repayment of all costs, fees and charges it may incur as a consequence of the enforcement of this Charge.

5.4 If, on enforcement of this Charge, there shall remain any sum of money after all Secured Amounts have been paid in full, such sum of money shall be made available to the Borrower or other person entitled thereto.

5.5 The Law of Property Act 1925 Section 103 and the restrictions contained in Sections 93, 103 and 109 of that Act shall not apply to the security created by this Charge.

5.6 In addition to the foregoing provisions of this Clause, the Lender may, at any time after an Event of Default is declared, appoint in writing a Receiver or Receivers, or an Administrator pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986, in respect of the Charged Assets or any part of them on such terms as to remuneration and otherwise as it shall think fit, and may from time to time remove any Receiver and appoint another in his or their stead, **PROVIDED**

THAT, solely for the purposes of this clause, the obtaining of a moratorium under Part A1 or Schedule A1 of the Insolvency Act 1986 or any action with a view to obtaining such a moratorium, shall not of itself (but without prejudice to the Lender's rights should other Events of Default then exist) entitle the Lender to appoint a Receiver.

5.7 If a Receiver is appointed, such Receiver shall be the agent of the Borrower and have all the powers set out in Schedules 1 and B1 to the Insolvency Act 1986 and, in addition, shall have the power to:

- 5.7.1 take possession of, get in, realise and/or enforce the Charged Assets;
- 5.7.2 take any steps that may be necessary or desirable to effect compliance with any or all of the agreements charged or assigned pursuant to this Charge and to carry on, manage or concur in carrying on and managing the business of the Borrower or any part of the same in relation to the Programme, and, for any of those purposes, to raise or borrow from the Lender or otherwise any money that may be required upon the security of the whole or any part of the Charged Assets;
- 5.7.3 institute proceedings and sue in the name of the Borrower and appoint managers, agents and employees at such salaries as the Receiver may determine;
- 5.7.4 assign, sell, lease or license or concur in assigning, selling, leasing or licensing the interest of the Borrower in the Charged Assets or otherwise deal therewith and on such terms in the interest of the Lender as the Receiver thinks fit;
- 5.7.5 appoint and discharge managers, advisers, officers, agents, contractors, workmen and employees for any of the aforesaid purposes for such remuneration and on such other terms as the Lender or the Receiver shall think fit;
- 5.7.6 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 the Receiver lawfully may or can do; and
- 5.7.7 make any arrangement or compromise and enter into any contract or do any other act or make any omission which the Receiver shall think expedient in the interest of the Lender and to do any other act or thing which a Receiver appointed under the Law of Property Act 1925 or the Insolvency Act 1986 would have power to do subject to the provisions of this Charge, **PROVIDED ALWAYS THAT** nothing contained in this Charge shall make the Lender liable to such Receiver as aforesaid in respect of the Receiver's remuneration, costs, charges or expenses or otherwise for which, together with the Receiver's acts, contracts, defaults and omissions, the Borrower shall alone be liable.

5.8 At any time after the security created hereunder becomes enforceable, the Lender or a Receiver may (but shall not be obliged to) do all such things and incur all such expenditure as the Lender or such Receiver shall in its sole discretion consider necessary or desirable to remedy such default or protect or realise the Charged Assets or its interests under this Charge and, in particular (but without limitation), may enter upon the Borrower's property and may pay any monies which may be payable in respect of any of the Charged Assets, and any monies expended in so doing by the Lender or the Receiver shall be deemed an expense properly incurred and paid by the Lender, and the Borrower shall reimburse the same on demand to the Lender.

- 5.9 If an Administrator is appointed such Administrator will have all the powers conferred on them by statute including all the powers set out at Schedule 1 of the Insolvency Act 1986.

6 Covenants and Warranties

- 6.1 The Borrower warrants, undertakes and agrees with the Lender as follows:

- 6.1.1 That it is the sole, absolute legal owner of the Charged Assets and that none of the Charged Assets are the subject of any mortgage, charge, lien, pledge, encumbrance or security interest other than any such arising in favour of the Lender or as set out in the IPA;
- 6.1.2 that the execution of this Charge by the Borrower will not violate, conflict with or cause a breach of any agreement, instrument or mortgage previously executed by the Borrower;
- 6.1.3 not, without the prior written consent of the Lender, to sell, transfer, dispose of or part with possession or control of or attempt to sell, transfer or dispose of the Charged Assets or any part of them or any interest in them, nor directly or indirectly create or permit to exist or be created any mortgage, charge, lien, pledge, encumbrance or security interest upon or in the Charged Assets or any part of them;
- 6.1.4 immediately to notify the Lender of any material loss, theft, damage or destruction to the Materials and/or breach of the Rights or any part of them;
- 6.1.5 to give the Lender such information concerning the location, condition, use and operation of the Materials as the Lender may reasonably require, and to permit any persons designated by the Lender at all reasonable times to inspect and examine the Materials and the records maintained in connection with them;
- 6.1.6 that each of the Assigned Agreements to which it is a party constitutes valid and binding obligations on the parties thereto and are in full force and effect and have not been varied or modified in any way or cancelled and no party to any such agreement is in default;
- 6.1.7 that it will in a timely manner perform its obligations under the Assigned Agreements to which it is a party and will comply with all laws and regulations from time to time relating to the Assigned Agreements or affecting their enforceability;
- 6.1.8 that it will do or permit to be done each and every act or thing which the Lender may from time to time reasonably require for the purpose of enforcing the Lender's rights under this Charge and the Assigned Agreements to which it is a party and will allow its name to be used as and when required by the Lender for that purpose;
- 6.1.9 that it shall procure that all sums charged or assigned to the Lender hereunder shall be paid to the Lender or as the Lender may direct from time to time.

- 6.2 The Lender shall not be obliged to make any enquiry as to the nature or sufficiency of any payment made under any of the Assigned Agreements or to make any claim or take any other action to collect any money or to enforce any rights and benefits assigned to the Lender or to which the Lender may at any time be entitled under this Charge.

7 Set-Off

- 7.1 In addition, and without any prejudice, to any lien or right to which the Lender may be entitled by law, the Lender may at any time and without prior notice, set off the whole or any part of the Secured Amounts against any deposit or credit balance on any account of the Borrower with the Lender (whether or not that deposit or balance is due to Borrower).
- 7.2 Despite any term to the contrary in relation to any deposit or credit balance on any account of the Borrower with the Lender, that deposit or balance will not be repayable to the Borrower before all the Secured Amounts have been discharged, but the Lender may without prejudice to this Charge permit the Borrower to make withdrawals from time to time.

8 Grant of Time or Indulgence

- 8.1 The security created by this Charge shall not be affected or prejudiced in any way by the Lender giving time or granting any indulgence to the Borrower or accepting any composition from or compounding with or making any other arrangement with the Borrower or any other person, firm or company in respect of the Secured Amounts and the Lender may enforce the security created by this Charge and any other security it may hold in respect of such Secured Amounts against the Borrower in any order which it may in its absolute discretion think fit.

9 Assignment

- 9.1 The Lender shall be entitled to assign, participate, transfer, charge, sub-charge or otherwise grant security over or deal in all or any of its rights, title and interest in this Charge to any third party in which event it shall remain binding on the Borrower.

10 Protection of Third Parties

- 10.1 No purchaser, mortgagee or other third party dealing with the Lender and/or any Receiver shall be concerned to enquire whether any of the powers which they have exercised or purported to exercise has arisen or become exercisable or whether the Secured Amounts 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 or other person and the position of such a person shall not be prejudiced by reference to any of those matters.
- 10.2 The receipt of the Lender or any Receiver shall be an absolute and conclusive discharge to any such purchaser, mortgagee or third party, and shall relieve such person of any obligation to see to the application of any sums paid to or by the direction of the Lender or any Receiver.

11 Protection of the Lender and Receiver

- 11.1 Neither the Lender nor the Receiver shall be liable to the Borrower in respect of any loss or damage which arises out of the exercise or the attempted or purported exercise of or the failure to exercise any of their respective powers.
- 11.2 Without prejudice to the generality of Clause 11.1, entry into possession of the Programme or the Rights or any part of them shall not render the Lender or any Receiver liable to account as mortgagee in possession, and if and whenever the Lender or any Receiver enters into possession of the Programme or the Rights or any part of them they may at any time go out of such possession.

12 Power of Attorney

- 12.1 The Borrower hereby irrevocably and by way of security appoints the Lender and, if any Receiver has been appointed, the Lender and Receiver jointly and severally, its Attorney and Attorneys in its name and on its behalf and as its act and deed to sign, execute and do all acts, things and documents which the Borrower is obliged or which a Receiver is empowered to execute or do under this Charge.
- 12.2 This appointment shall operate as a general power of attorney 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, discharge and re-assignment provided under Clause 19 hereof.
- 12.3 The Borrower hereby covenants with the Lender that, on request, it will ratify and confirm all documents, acts and things and all transactions entered into by the Lender or by the Borrower at the instance of the Lender in the exercise or purported exercise of the aforesaid powers.

13 Indemnity

- 13.1 The Borrower shall, on demand, pay to the Lender all those expenses (including legal and out-of-pocket expenses) incurred by it in connection with the negotiation, preparation or completion of this Charge and all expenses (including legal and out-of-pocket expenses) incurred by it in connection with any variation or consent or approval relating to this Charge or in connection with the preservation, enforcement or the attempted preservation or enforcement of its rights under this Charge.
- 13.2 The Borrower covenants with the Lender to fully indemnify the Lender and the Receiver at all times from and against all actions, proceedings, claims, demands, costs (including, without prejudice to the generality of the foregoing, legal costs of the Lender or the Receiver on a solicitor and own client basis), awards and damages howsoever arising which the Lender or the Receiver may incur (in the case of the Lender, whether before or after a demand has been made for payment or discharge of the Secured Amounts):
- 13.2.1 in consequence of anything done or purported to be done by the Lender or the Receiver under this Charge, the Loan Agreement or any other document relating thereto, or of any failure by the Borrower to comply with its obligations to the Lender thereunder or otherwise in connection therewith; or
- 13.2.2 in consequence of any payment in respect of the Secured Amounts (whether made by the Borrower, or any other party) being impeached or declared void for any reason whatsoever.
- 13.3 The amounts payable under Clauses 13.1 and 13.2 shall carry interest in accordance with the terms of the Loan Agreement from the date on which they were paid or incurred by the Lender or the Receiver (as the case may be), and such amounts and interest may be debited by the Lender to any account of the Borrower at the Lender, but shall in any event form part of the Secured Amounts and accordingly be secured on the Charged Assets.

14 Further Assurance

- 14.1 The Borrower shall on demand do all acts and execute all such documents as the Lender may reasonably specify for perfecting any security created or intended to be created by this Charge

or which the Lender or the Receiver may specify with a view to facilitating the exercise, or the proposed exercise, of any of their powers.

15 Other Security

- 15.1 This security is in addition to, and shall not be merged in or in any way prejudice or be prejudiced by, any other security, interest, document or right which the Lender may now or at any time hereafter hold or have as regards the Borrower or any other person in respect of the Secured Amounts.

16 Waivers, Remedies Cumulative

- 16.1 The powers which this Charge confers on the Lender are cumulative and without prejudice to its powers under general law, and may be exercised as often as the Lender deems appropriate. The rights of the Lender and the Receiver (whether arising under this Charge 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 Lender or the Receiver any of these 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 Lender or the Receiver or on its or their behalf shall in any way preclude either the Lender or the Receiver from exercising any such right or constitute a suspension or variation of any such right.

17 Lender's Costs and Expenses

- 17.1 All costs, charges and expenses incurred hereunder by the Lender and all other monies paid by the Lender in relation to an actions or proceedings for or in relation to the protection or enforcement of the security constituted under this Charge or for obtaining payment of the Secured Amounts (and so that any taxation of the Lender's costs, charges and expenses shall be on the basis of solicitor and own client) shall be recoverable from the Borrower as a debt and may be debited to any account of the Borrower and shall bear interest accordingly and shall be charged on the Charged Assets, and the charge hereby conferred shall be in addition to (and without prejudice to) any and every other remedy, lien or security which the Lender may have or, but for the said charge, would have for the Secured Amounts or any part thereof.

18 Power of Sale

- 18.1 The power of sale conferred on mortgagees by the Law of Property Act 1925 shall apply to the security hereby created, but without the restrictions contained in the said Act as to giving notice or otherwise, and the statutory power of sale shall, as between the Lender and a purchaser or other person dealing with the Lender or a Receiver, arise on and be exercisable at any time after the execution of this Charge, provided that the Lender shall not exercise the said power of sale until payment of the Secured Amounts has been demanded or the Receiver has been appointed, but this proviso shall not affect such a purchaser or other person or put him upon enquiry whether such demand or appointment has been made.

19 Discharge and Re-Assignment

- 19.1 Upon repayment in full to the Lender of the Secured Amounts, the Lender will, at the request of the Borrower, discharge this Charge and re-assign the Borrower's rights in and to the assets assigned pursuant to Clause 3 hereof, including, without limitation, the Assigned Agreements.

20 Notices

- 20.1 All notices, demands or other communications given, made or required to be served under this Charge shall be in writing and may be served by personal delivery, email or by first class post on the parties at their addresses as set out in this Charge or such other address as may be notified hereunder by that party from time to time for this purpose and shall be effectual notwithstanding any change of address not so notified. Unless the contrary is provided notices shall be deemed to have been served if sent by personal delivery, at the time of delivery and, if sent within the UK by first class post within 2 business days after posting and within 5 business days where sent by first class post abroad. Where notices are sent by email they will be deemed sent at the time the email is sent provided the sender is not in receipt of a notification of failure of delivery and has complied with any instructions received in an automatic "out of office" or similar bounce back.

21 Invalidity of Any Provision

- 21.1 If at any time any one or more of the provisions of this Charge becomes invalid, illegal or unenforceable in any respect under any law or for any other reason whatsoever, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

22 Counterparts

- 22.1 This Charge may be entered into in any number of counterparts each of which when so executed and delivered shall be an original. A counterpart signature page of this agreement executed by a party and sent by facsimile or transmitted electronically in either Tagged Image Format Files (**TIFF**) or Portable Document Format (**PDF**) shall be treated as an original, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment but, for the avoidance of doubt, this Charge shall not be binding upon the parties until it has been signed by all the parties.

23 Governing Law

- 23.1 This Charge and any related dispute or claim (whether contractual or non-contractual) shall be governed by and construed in accordance with the laws of England and Wales. Each party irrevocably submits for all purposes in connection with this Charge (including any disputes or claims) to the exclusive jurisdiction of the English courts.

EXECUTION PAGE

THIS AGREEMENT has been executed as a deed by the Borrower on the date stated on the front page

Executed and delivered as a deed by
BAD WOLF (HDM3) LTD
acting by a duly authorised director



Director

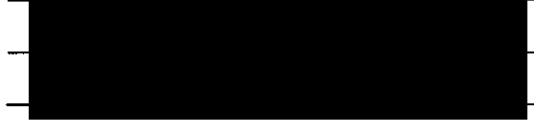
in the presence of



Witness

Name and address of Witness (Print):

HANNAH RAUSOLD



Executed and delivered by
MUFG UNION BANK, N.A.
acting by a duly authorised signatory

Authorised Signatory

EXECUTION PAGE

THIS AGREEMENT has been executed as a deed by the Borrower on the date stated on the front page

Executed and delivered as a deed by
BAD WOLF (HDM3) LTD
acting by a duly authorised director

Director

in the presence of

Witness

Name and address of Witness (Print):

Executed and delivered by
MUFG UNION BANK, N.A.
acting by a duly authorised signatory



Authorised Signatory