



**Registration of a Charge**

Company Name: **MERMAN-DREAMLAND LIMITED**

Company Number: **14088282**



XBVZ70MO

Received for filing in Electronic Format on the: **25/01/2023**

**Details of Charge**

Date of creation: **13/01/2023**

Charge code: **1408 8282 0001**

Persons entitled: **COUTTS & COMPANY**

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: **R. EVAGORA**



## **CERTIFICATE OF THE REGISTRATION OF A CHARGE**

Company number: 14088282

Charge code: 1408 8282 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 13th January 2023 and created by MERMAN-DREAMLAND LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th January 2023 .

Given at Companies House, Cardiff on 26th January 2023

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 13 JANUARY 2023

(1) MERMAN-DREAMLAND LIMITED

(2) COUTTS & COMPANY

CHARGE AND DEED OF ASSIGNMENT IN RESPECT OF THE TELEVISION PROGRAMME  
PROVISIONALLY ENTITLED "DREAMLAND"

ReedSmith

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**THIS CHARGE AND DEED OF ASSIGNMENT****IS DATED 13 JANUARY 2023****BETWEEN:**

1. **MERMAN-DREAMLAND LIMITED** a company incorporated under the laws of England and Wales (Company No.14088282) (the '**Borrower**'), whose registered office is 202 Blackfriars Road, London, England, SE1 8NJ (Attention: Jackie Sidey; email: [REDACTED])
2. **COUTTS & COMPANY** (the '**Bank**') of 440 Strand, London WC2R 0QS (attention: Stephen Lansdown and Judith Chan; email: [REDACTED]).

**RECITALS**

- A. The Borrower will produce, complete and deliver the Programme that will qualify for the Tax Credit.
- B. Pursuant to the Loan Agreement, the Bank has agreed to make available a loan facility to the Borrower (the "**Facility**").
- C. To induce the Bank to make available the Facility, the Borrower has agreed to execute this Charge and Deed of Assignment and has determined that it is in its best interests to do so.

**OPERATIVE PROVISIONS****1. Interpretation**

- 1.1 In this Charge and Deed of Assignment capitalised terms shall have the meanings set out in Schedule 1 and in the list of parties above (as applicable).
- 1.2 In this Charge and Deed of Assignment (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 Charge and Deed of Assignment; (f) references to a "Clause" are references to a clause of this Charge and Deed of Assignment; (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); (j) notwithstanding the foregoing, wherever in this Charge and Deed of Assignment the word "Programme" is used and the soundtrack is not expressly referred to, such word shall be deemed and construed to include the soundtrack of the Programme; (k) '**including**' means including, without limitation.

**2. Consideration**

This Charge and Deed of Assignment is executed in consideration of the Bank agreeing to make available the Facility to the Borrower.

**3. Covenant to pay**

The Borrower hereby covenants with the Bank that it will duly and punctually perform, pay and discharge the Secured Liabilities as and when they fall due.

#### 4. Charges

4.1 The Borrower, as owner with full title guarantee and as security for the payment, satisfaction and discharge of the Secured Liabilities, charges in favour of the Bank (subject only to the Bank's obligation to release specified in Clause 23.1.1 (*Release and re-assignment*)) by way of first fixed charge, all of the Borrower's right, title and interest (whether now owned or hereafter acquired or created, whether vested or contingent, statutory or otherwise and wherever subsisting throughout the world) in and to the following but excluding the Sky Rights (notwithstanding anything to the contrary contained in this Charge and Deed of Assignment):

4.1.1 all copies made or to be made of the Programme; and

4.1.2 any other films and any sound recordings made in the course of the production of the Programme or pursuant to any right acquired in connection with, or arising from, the production of the Programme; and

4.1.3 all copies made or to be made of the Scripts and musical scores of the Programme and any sketches and designs produced in connection with the Programme; and

4.1.4 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 Programme; and

4.1.5 any agreements for the provision of any goods, services, facilities or finance for the Programme and the benefit of any insurance policy taken out for or in connection with the production or exploitation of the Programme; and

4.1.6 the benefit of all revenues accruing to the Borrower or the Borrower's order or on the Borrower's behalf in respect of the exhibition, distribution and exploitation of the Programme and/or the Programme Rights and/or the Rights; and

4.1.7 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

4.1.8 all other rights and properties, including physical properties acquired or to be acquired by the Borrower in connection with the Programme; and

4.1.9 the Tax Credit Collateral to the extent not assigned pursuant to Clause 5 (*Assignment and trust*); and

4.1.10 the proceeds of any or all of the foregoing.

4.2 The Borrower, as owner with full title guarantee and as security for the payment, satisfaction and discharge of the Secured Liabilities, charges in favour of the Bank by way of first floating charge all of the Borrower's undertaking, rights and assets relating to the Progr, whether now owned or hereafter acquired or created, whether vested or contingent, statutory or otherwise and wherever subsisting throughout the world (including any assets expressed to be charged or assigned pursuant to Clauses 4.1 (*Charges*) and 5 (*Assignment and trust*)) 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 Bank) but excluding the Sky Rights (notwithstanding anything to the contrary contained in this Charge and Deed of Assignment). Paragraph 14, schedule B1 Insolvency Act 1986 (incorporated by schedule 16 Enterprise Act 2002) shall apply to any floating charge created pursuant to this Charge and Deed of Assignment, which floating charge is accordingly a qualifying floating charge for such purposes..

#### 5. Assignment and trust

5.1 The Borrower, as owner with full title guarantee and as security for the payment, satisfaction and discharge of the Secured Liabilities, hereby grants and assigns (and where such assignment is of copyright, by way of present assignment of present and future copyright) and agrees to assign absolutely to the Bank (subject only to the right of re-assignment in favour of the Borrower specified in Clause 23.1.2 (*Release and re-assignment*)), all of the Borrower's right, title and interest (whether now owned or hereafter acquired or created, whether vested or contingent, statutory or otherwise and wherever subsisting throughout the world) in and to the

following but excluding the Sky Rights (notwithstanding anything to the contrary contained in this Charge and Deed of Assignment)::

5.1.1 the Programme Rights and the Rights; and

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

5.1.3 all Ancillary Rights; and

5.1.4 the benefit of all revenues accruing to the Borrower or to the Borrower's order or on the Borrower's behalf in respect of the exhibition, distribution and exploitation of the Programme and/or of the Programme Rights and/or of the Ancillary Rights and/or the Rights; and

5.1.5 all those rights of the Borrower in relation to all music composed and sketches and designs made for or used in the production of the Programme including the following -

(a) the right to adapt the same for the purpose of and to reproduce the same in the form of the Programme and any such other films or programmes as are mentioned in Clause 5.1.2 (*Assignment and trust*); 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 Programme and any such films as aforesaid; and

(c) such rights as the Borrower may own to broadcast the same by radio and television and to include it in cable programmes whether by live performance of living persons or by performances of the Programme; and

5.1.6 the benefit of all agreements entered into or to be entered into by the Borrower (or its agent) or the benefit of which has been assigned or licensed to the Borrower relating to the Programme (including the Relevant Agreements to which the Borrower is a party) 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; and

5.1.7 the benefit of any policy of insurance taken out and maintained by the Borrower in connection with the Programme and any and all sums paid or payable thereunder; and

5.1.8 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

5.1.9 the Tax Credit Collateral; and

5.1.10 the proceeds of any or all of the foregoing.

5.2 The Borrower shall hold on trust for the Bank (which trust the Borrower hereby declares) the Borrower's entire interest and benefit in and to the Collateral or any part of it which cannot be charged or assigned by the Borrower together with all proceeds, money and other rights and benefits to which the Borrower is beneficially entitled in respect of such Collateral.

## **6. Warranty and negative pledge**

6.1 The Borrower represents, warrants and undertakes that there are and shall be no charges or other security interests, encumbrance or arrangements having the effect of conferring security interests created by the Borrower or permitted by the Borrower over the Collateral or over any other of the Borrower's property, other than security interests granted in favour of the Bank or with the Bank's prior written consent. Notwithstanding anything to the contrary contained herein, if the Borrower charges or otherwise encumbers any of the Collateral in any manner contemplated by this Clause 6.1 (*Warranty and negative pledge*) the charges created in favour of the Bank shall rank in priority to such other charges or encumbrances whether they be fixed, floating or otherwise.

6.2 The Borrower hereby warrants and undertakes with the Bank that: (a) it is or will be absolutely entitled to the those properties (subject to this Charge and Deed of Assignment) and to the benefit of the agreements (subject to the terms of such agreements) referred to in Clause 4 (*Charges*) or Clause 5 (*Assignment and trust*); (b) it has full power, right and title to assign and/or charge the Collateral; (c) it is duly incorporated and validly existing and in good standing under the laws of England and Wales; and (d) it has taken all action necessary to authorise the execution, performance and delivery of this Charge and Deed of Assignment.

## **7. Licence**

7.1 The Bank hereby grants to the Borrower an exclusive licence of all relevant assets subject to the security created under or pursuant to this Charge and Deed of Assignment throughout the world, revocable only in accordance with Clause 7.2 (*Licence*), to produce, distribute and exploit the Programme in accordance with the Loan Agreement, the Interparty Agreement, the PSA and the Sky Agreement.

7.2 The Bank may terminate the licence granted pursuant to Clause 7.1 (*Licence*) upon the happening of an Event of Default that (if capable of being cured) has not been cured in accordance with any cure periods in the Loan Agreement after notice of such Event of Default to the Borrower.

## **8. Default**

On the happening of any Event of Default (if not capable of being cured) which 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 (*Charges*) shall automatically be converted with immediate effect into a fixed charge, the obligation of the Bank 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.

## **9. Exercise of rights**

9.1 The Bank may at any time after the security hereby created shall have become enforceable -

9.1.1 without prejudice to any other powers the Bank 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 Bank may have by law and, in addition, all of the powers set out in Clause 9.2 (*Exercise of rights*); and

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

9.1.3 appoint an administrator of the Borrower.

9.2 If a Receiver is appointed he shall be the agent of the Borrower 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 –

9.2.1 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 Borrower or otherwise in relation to the Collateral as he or the Bank shall think fit;

9.2.2 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 Borrower relating in any way to the Collateral or any part of it;

9.2.3 to assign, sell, lease, license (including, but not in limitation, by appointing a replacement sales agent or distributor to distribute and exploit the Programme and the Programme Rights in place of the Borrower), 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 Bank or he shall think fit and to carry any such transactions into effect in the name of and on behalf of the Borrower or otherwise;

9.2.4 to take any steps that may be necessary or desirable to effect compliance with all or any of the agreements hereby charged;

9.2.5 to exercise all the powers of the Borrower including to carry on manage or concur in carrying on and managing the business of the Borrower in relation to the Programme or any part of it and the Borrower acknowledges that it shall not seek to prevent the Receiver from so carrying on or managing its business;

9.2.6 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;

9.2.7 to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising the Collateral;

9.2.8 to appoint and discharge advisers, managers, agents, employees, contractors and workmen in relation to the business of the Borrower relating to the Programme at such salaries and for such periods as the Receiver may determine;

9.2.9 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 Bank;

9.2.10 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 Bank for maintaining the value of the Collateral in every such case as the Bank or he shall think fit;

9.2.11 to make calls conditionally or unconditionally on the shareholders of the Borrower in respect of the uncalled capital of the Borrower (with the same powers for the purpose of enforcing payment of any calls so made as are by the Articles of Association of the Borrower conferred upon the Borrower or the directors of the Borrower (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 Borrower or otherwise and to the exclusion of any other person's power in that behalf);

9.2.12 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;

9.2.13 to manage, develop, reconstruct, improve, amalgamate or diversify or concur in managing, developing, reconstructing, improving, amalgamating or diversifying the business of the Borrower in relation to the Programme;

9.2.14 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

9.2.15 to exercise all such other power and authority in relation to the Collateral as the Bank shall think fit and so that the Bank 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 of the Collateral and to use the name of the Borrower for any such purposes,

**PROVIDED ALWAYS THAT** nothing herein contained shall make the Bank 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 Borrower alone shall be liable.

9.3 In addition, but without prejudice, to the foregoing remedies if the security hereby created shall become enforceable the Bank shall (without prejudice to the statutory power of sale conferred by the Law of Property Act 1925 which is applicable to this Charge and Deed of Assignment) be entitled to sell the Collateral or any part or parts of it or otherwise exploit or turn to account the Collateral for such price and in such manner as the Bank in its absolute discretion may think fit, without notice to the Borrower or any other formality, all of which are hereby waived by the Borrower. The Bank 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.



9.4 The restrictions contained in sections 93, 103 and 109 of the Law of Property Act 1925 shall not apply to the security hereby created.

9.5 The Bank or the Receiver may enforce the security created by this Charge and Deed of Assignment in any order that the Bank or the Receiver in their or its absolute discretion think(s) fit.

9.6 The Bank may appoint more than one Receiver and in such event any reference in this Charge and Deed of Assignment 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.

9.7 The Bank shall not nor shall the Receiver by reason of the Bank or the Receiver entering into possession of the Collateral or any part of it 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 Borrower shall have any right or action or claim against the Bank on the grounds that a better price could or might have been obtained on any such realisation, sale or disposal. The Bank and the Receiver shall be entitled to all the rights, powers, privileges and immunities conferred by statute on mortgagees and receivers.

9.8 If the Borrower shall without the express written agreement of the Bank thereto create or permit to arise or subsist any encumbrance (other than the Security Interests) affecting the Collateral of which the Bank shall receive notice, actual or constructive, the Bank may open a new account for the Borrower in respect of the Programme and if the Bank 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 Borrower to the Bank 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 Borrower to the Bank at the said time until such payments may be indefeasibly so applied by the Bank (but this Clause shall not prejudice any security which apart from this Clause the Bank would have had but for the discharge by the Borrower of liabilities or obligations incurred after that time).

9.9 The Bank may at any time without prior notice transfer, where the Bank has more than one account for the Borrower 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 Borrower with the Bank and/or in any event set off any monies or other assets which the Bank may at any time hold for the account of the Borrower against the Borrower's liability under this Charge and Deed of Assignment and without prejudice to any other right of set-off or similar right to which the Bank may be entitled in law.

9.10 All moneys received, recovered or realised by the Bank under this Charge and Deed of Assignment may at the sole discretion of the Bank be credited by the Bank 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 Borrower and the Bank from time to time (as the Bank shall be entitled to do in their discretion) in or towards the payment of the Secured Liabilities.

9.11 The proceeds of any Collateral obtained or disposed of pursuant to this Charge and Deed of Assignment shall be applied as follows –

9.11.1 firstly, in payment of any and all expenses and fees (including, but not limited to, reasonable solicitor's fees) incurred by the Bank in obtaining, taking possession of, removing, insuring, storing and disposing of the Collateral and any and all amounts incurred by the Bank in connection therewith (including in connection with any proceedings brought in connection with any administration of the Borrower);

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

9.11.3 thirdly, any surplus then remaining shall be paid to, or to the order of, the Borrower.

## **10. Indemnity and interest**

10.1 The Borrower indemnifies the Bank, the Receiver and any administrator appointed by the Bank in respect of, and agrees to keep the Bank, the Receiver and any administrator appointed by the Bank 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 Bank, the Receiver or any administrator appointed by the Bank pursuant hereto and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted by the Borrower in any way relating to the Collateral and the Bank, the Receiver and any administrator appointed by the Bank may retain and pay all sums in respect of the same out of any moneys received under the powers hereby conferred.

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

## **11. Warranties, representations and covenants**

11.1 The Borrower hereby covenants and undertakes with the Bank that it will comply at all times with the terms (express or implied) of this Charge and Deed of Assignment 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 Bank and until the Bank has no obligation, actual or contingent, to make further sums available under the Loan Agreement –

11.1.1 remain liable under the contracts and agreements (including 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 Bank shall not be under any obligations or liability under or in respect of any of such contracts and agreements;

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

11.1.3 duly perform its obligations under the said agreements, notify the Bank of any material default by itself and institute and maintain all such proceedings (subject to the terms of this Charge and Deed of Assignment) as may be necessary or expedient to preserve or protect the interest of the Bank and itself in the said agreements;

11.1.4 not exercise any right or power conferred on it by or available to it under the said agreements (including the right of termination) if to do so might adversely affect the position of the Bank unless and until requested to do so by the Bank. Thereupon it will exercise such right or power as the Bank may direct;

11.1.5 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 Bank;

11.1.6 not assign or otherwise dispose of any of its rights under the said agreements save pursuant to this Charge and Deed of Assignment ;

11.1.7 do all such things as are necessary to maintain its corporate existence in good standing (including the filing of all necessary returns); and

11.1.8 upon the request of the Bank give written notice (in such form and to such persons as the Bank may require) as is necessary to perfect the security hereby created.

11.2 The Borrower further warrants, represents, covenants and undertakes with the Bank that until the Secured Liabilities have been indefeasibly paid, satisfied or discharged (as applicable) to the Bank:

11.2.1 it shall not exercise any right or power conferred on it or available to it in relation to the copyright in the Programme that might adversely affect the interests of the Bank unless and until requested to do so by the Bank: thereupon it will exercise such right or power as the Bank may direct; and

11.2.2 it shall not assign or otherwise dispose of any of its copyright in the Programme save pursuant to the PSA.

11.3 The Borrower hereby repeats in favour of the Bank the warranties, representations, undertakings and covenants set out in the Loan Agreement as if the same were set forth and incorporated herein.

## **12. Nature of security**

Subject to Clause 23 (*Release and re-assignment*), this Charge and Deed of Assignment shall be a continuing security to the Bank 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 Borrower 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 Bank may now or at any time hereafter hold or have as regards the Borrower 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 Bank 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 Bank 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 Bank shall release and discharge this Charge and Deed of Assignment in accordance with Clause 23 (*Release and re-assignment*),. The rights granted to the Bank hereunder are in addition to, and in no way limit or restrict, the rights granted to the Bank in the Loan Agreement or any other agreement. The exercise by the Bank of its rights under this Charge and Deed of Assignment shall in no way affect or be in substitution for such other legal or equitable rights and remedies as the Bank may have against the Borrower or any third party.

## **13. Grant of time or indulgence**

The security created by this Charge and Deed of Assignment shall not be affected or prejudiced in any way by the Bank giving time or granting any indulgence 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 Liabilities or otherwise.

## **14. Protection of third parties**

14.1 No purchaser from the Bank and/or the Receiver or other person dealing with the Bank and/or the Receiver shall be concerned to enquire whether any of the powers which the Bank 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.

14.2 The receipt of the Bank 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 Bank or the Receiver.

## **15. Waivers, remedies cumulative**

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

**16. Governing law**

This Charge and Deed of Assignment and any dispute or claim 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.

**17. Further assurance**

17.1 The Borrower agrees to execute all further documents reasonably required by the Bank to give effect to or perfect the security hereby created.

17.2 Without limiting the generality of Clause 17.1 (*Further assurance*) in the event that any of the agreements relating to the Programme are executed by the Borrower after the date of this Charge and Deed of Assignment, the Borrower will, at the request of the Bank and the expense of the Borrower, execute supplementary charges and deeds of assignment in substantially the same form as this Charge and Deed of Assignment and execute all further documents reasonably required by the Bank to give effect to such security.

**18. Notice of default**

The Borrower shall give written notice to the Bank at the address set out against the name of such party at the beginning of this Charge and Deed of Assignment or as shall be notified from time to time to the Borrower hereafter of the occurrence of any Event of Default as soon as such occurrence becomes known to the Borrower.

**19. Power of attorney**

19.1 The Borrower hereby irrevocably appoints the Bank and, if any Receiver or an administrator has been appointed, each of the Bank, the Receiver and any administrator appointed by the Bank to be an attorney of it in its name and on its behalf to sign, execute and deliver all deeds and documents and to do all acts and things which the Bank, the Receiver or an administrator appointed by the Bank 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 Borrower hereby acknowledges that such appointment shall be irrevocable (until this Charge and Deed of Assignment is released and reassigned under Clause 23 (*Release and re-assignment*)).

19.2 This appointment shall operate as a power of attorney for the purposes of Clause 19.1 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 Charge and Deed of Assignment pursuant to Clause 23.1 (*Release and re-assignment*), but subject to Clause 23.2 (*Release and re-assignment*),.

19.3 The Borrower hereby covenants with the Bank that on request it will ratify and confirm all documents, acts and things and all transactions entered into by the Bank, the Receiver or an administrator appointed by the Bank or by the Borrower at the instance of the Bank, the Receiver or an administrator appointed by the Bank in the exercise or purported exercise of the aforesaid powers.

**20. Invalidity of any provision**

If at any time any one or more of the provisions of this Charge and Deed of Assignment 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.

**21. 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.

**22. Assignment**

The Bank 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 Charge and Deed of Assignment.

### **23. Release and reassignment**

23.1 Upon unconditional and indefeasible payment, satisfaction and discharge to the Bank of the Secured Liabilities in full, the Bank will, at the written request of the Borrower and at the expense of the Borrower –

23.1.1 release the Collateral charged pursuant to Clause 4 (*Charges*);

23.1.2 re-assign to the Borrower or any third party continuing to have a security interest in the Collateral, the Collateral assigned pursuant to Clause 5 (*Assignment and trust*) (but not any sums by then paid to the Bank and retained to satisfy the Secured Liabilities); and

23.1.3 execute such documents and do such things as the Borrower shall reasonably require to give effect to Clauses 23.1.1 and 23.1.2 (*Release and re-assignment*).

23.2 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 Charge and Deed of Assignment (and the liability of the Borrower in respect thereof) shall continue or shall be reinstated as if there had been no such discharge or arrangement. The Bank shall be entitled to concede or compromise any claim that any such payment, security or other disposition is liable to avoidance or repayment.

### **24. Notices**

#### **24.1 Manner of giving notices**

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

24.1.1 delivering it by hand;

24.1.2 sending it by mail, postage prepaid; or

24.1.3 sending it by email,

to the other party at the addresses given in Clause 24.4 or 24.5 (*Notices to the Bank*).

#### **24.2 Notices sent by hand or by post**

Any notice or other information delivered by hand as provided by Clause 24.1.1 (*Manner of giving notices*) 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 24.1.2 (*Manner of giving notices*) 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.

#### **24.3 Notices sent by email**

Any notice or other information sent by email shall be deemed to have been duly given on the date the recipient acknowledges receipt.

#### **24.4 Notices to the Bank**

Any notice or other communication required to be given to the Bank under this Charge and Deed of Assignment shall be sent to the Bank to the person and at the address detailed at the top of this Charge and Deed of Assignment or such other address and/or for such other attention as may be notified by the Bank.

#### **24.5 Notices to the Borrower**

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

24.6 Notice on a business day

Any notice or other communication received or deemed given on a day that 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.

**25. Counterparts**

This Deed may be entered into in any number of counterparts each of which when so executed and delivered shall be an original.

**SCHEDULE 1: DEFINITIONS**

<i>Term</i>	<i>Meaning</i>
<b>Accounts;</b>	the Production Account, the Coutts Repayment Account and all other bank accounts opened by the Borrower from time to time in connection with the Programme
<b>Ancillary Rights</b>	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), the right to make a prequel, sequel, remake, spin-off or other similar derivative work based on the Programme or the script for it, 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)
<b>Collateral</b>	the Borrower's right, title and interest in and to the property charged pursuant to Clause 4 ( <i>Charges</i> ) and the property assigned pursuant to Clause 5 ( <i>Assignment and trust</i> )
<b>Coutts Repayment Account</b>	the account at Coutts & Company. with account name: Coutts & Co re Merman-Dreamland Limited Repayment Account or such other account of the Borrower at the Bank as may be notified to the Borrower
<b>Event of Default</b>	the meaning given to it in the Loan Agreement
<b>Facility</b>	the loan facility to be made available by the Bank to the Borrower in accordance with the terms of the Loan Agreement
<b>Interparty Agreement</b>	the Interparty Agreement dated on or about the date of this Agreement between the Borrower, the Parent, the Bank and Sky
<b>Loan Agreement</b>	the loan agreement dated on or about the date of this Charge and Deed of Assignment between the Borrower and the Bank in relation to the Programme, pursuant to which the Bank agreed to make available certain funds to the Borrower in connection with the production of the Programme
<b>Parent</b>	Merman Television Limited a company incorporated under the laws of England and Wales (Company No. 06076082)
<b>Production Account</b>	the production account for the Programme in the name of the Borrower held at Coutts & Company, 440 Strand, London WC2R 0QS
<b>Programme</b>	the television programme provisionally entitled "Dreamland", which is a live action comedy drama comprising six episodes with a running time of up to 30 minutes within a slot length of 30 minutes
<b>Programme Rights</b>	the necessary rights in all underlying material (including the Scripts and all music for the Programme) to enable the Programme to be produced and exploited
<b>PSA</b>	the production services agreement relating to the Programme between the Parent and the Borrower dated on or before the date of this Deed
<b>Rate</b>	the interest rate set out in clause 5 of the Loan Agreement
<b>Receiver</b>	a receiver or administrative receiver (where such an administrative receiver may be appointed) of the Collateral
<b>Relevant Agreements</b>	this Charge and Deed of Assignment, the Loan Agreement, the Interparty Agreement, the PSA, the Sky Agreement, and any other agreement relating to the Programme to which the Borrower is a party
<b>Rights</b>	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 Programme in all media

	(whether now known or hereafter invented or devised) (b) all rights to exhibit and broadcast the Programme; (c) the Ancillary Rights; (d) 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 (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
<b>Scripts;</b>	the scripts for the Programme
<b>Secured Liabilities</b>	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 Bank by the Borrower in relation to the Programme whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor), including any money and liabilities of the Borrower owed to a third party which have been assigned or novated or otherwise vested in the Bank and whether pursuant to the Loan Agreement or otherwise
<b>Security Interests</b>	security interests granted pursuant to this Charge and Deed of Assignment
<b>Sky</b>	Sky Studios Limited, a company incorporated under the laws of England Wales (Company No. 04377175)
<b>Sky Agreement</b>	the agreement relating to the Programme between the Parent and Sky
<b>Sky Rights</b>	the rights to broadcast and exploit the Programme granted to Sky pursuant to the Sky Agreement
<b>Tax Credit</b>	the enhanced tax deduction with a payable cash element in respect of surrendered losses to which Borrower may be entitled in respect of the production costs of the Programme as set out in the Tax Credit Legislation
<b>Tax Credit Collateral</b>	the Tax Credit Proceeds, the right to claim and be paid the Tax Credit Proceeds, any interest of the Borrower in any account into which the Tax Credit Proceeds are paid or are required by the Bank to be paid and all proceeds standing to the credit of such account and benefits derived from it, and all other rights in connection with the Tax Credit
<b>Tax Credit Legislation</b>	legislation and guidance notes relating to the Tax Credit including: (a) Part 15A of the Corporation Tax Act 2009 (as inserted by the Finance (No. 2) Act 2013); (b) The Cultural Test (Programmes and Video Games) Regulations 2013, all as the same may be amended, supplemented and enacted into law
<b>Tax Credit Proceeds</b>	the maximum payable cash element in respect of surrendered losses, if any, receivable by the Borrower in respect of the Tax Credit, including all Tax Credit Proceeds generated from contingent payments (including residual payments, royalties, deferrals, profit participations and other contingent amounts) relating to the Programme
<b>UK Qualifying Expenditure</b>	expenditure incurred on the pre-production, production and post-production of the Programme which satisfies the requirements of Part 15A of the Corporation Tax Act 2009



**EXECUTION PAGE (1) TO BORROWER CHARGE IN FAVOUR OF COUTTS ("DREAMLAND")**

**In Witness** whereof this Charge and Deed of Assignment has been entered into the day and year first before written as a deed by the Borrower and under hand by the Bank (it being agreed that the parties intend that this Charge and Deed of Assignment shall operate as a deed notwithstanding that it is signed under hand by the Bank)

Executed and unconditionally delivered as a )

deed by **MERMAN-DREAMLAND LIMITED** )

acting by a Director

Print Director Name: )

  
CLELIA MOUNTFORD

In the presence of: )

Print Witness Name: )

  
JACKIE SIDNEY

Address of Witness: )

Witness Occupation: )

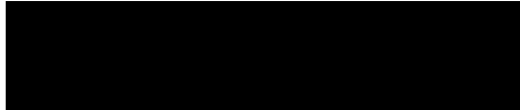
  
FINANCE DIRECTOR

**EXECUTION PAGE (2) TO BORROWER CHARGE IN FAVOUR OF COUTTS ("DREAMLAND")**

**EXECUTED** on behalf of )

**COUTTS & COMPANY** )

acting by its duly authorised signatory



\_\_\_\_\_  
Authorised Signatory