

MR01

Particulars of a charge



Companies House

A fee is payable with this form.
Please see 'How to pay' on the
last page

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Please go to www.companieshouse.gov.uk

TUESDAY



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28/05/2013

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COMPANIES HOUSE

☒ **What this form is for**
You may use this form to register
a charge created or evidenced by
an instrument

☐ **What this form is NOT**
You may not use this for
register a charge where
instrument Use form MR08

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



You **must** enclose a certified copy of the instrument with this form. This will be scanned and placed on the public record

1 Company details

Company number 8 4 8 7 4 0 8

Company name in full Patrick's Day Films Limited

2

For official use

→ Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

2 Charge creation date

Charge creation date 0 9 0 5 2 0 1 3

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

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

Name Bord Scannán na hÉireann/Irish Film Board

Name

Name

Name

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

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

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Description

Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security

Continuation page

Please use a continuation page if you need to enter more details

Description

An assignment by way of security and first fixed and floating charge over all of the Company's right, title and interest (whether now owned or in the future acquired) in and to the motion picture provisionally entitled "Patrick's Day" ("the Film") and all collateral, allied, ancillary and subsidiary rights in the Film as further described in the deed of charge dated 9 May 2013 between the Company and Bord Scannán na hÉireann/Insh Film Board

5

Fixed charge or fixed security

Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box

☒ Yes

☐ No

6

Floating charge

Is the instrument expressed to contain a floating charge? Please tick the appropriate box

☒ Yes Continue

☐ No Go to **Section 7**

Is the floating charge expressed to cover all the property and undertaking of the company?

☒ Yes

7

Negative Pledge

Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box

☒ Yes

☐ No

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Trustee statement ^①

You may tick the box if the company named in Section 1 is acting as trustee of the property or undertaking which is the subject of the charge

☐

^① This statement may be filed after the registration of the charge (use form MR06)

9

Signature

Please sign the form here

Signature

Signature

X



X

This form must be signed by a person with an interest in the charge

SOLICITOR ON BEHALF OF IRISH FILM BOARD

MR01

Particulars of a charge

Presenter information

We will send the certificate to the address entered below. All details given here will be available on the public record. You do not have to show any details here but, if none are given, we will send the certificate to the company's Registered Office address.

Contact name **Brian Gormley**

Company name **Philip Lee Solicitors**

Address **7/8 Wilton Terrace**

Post town

County/Region **Dublin 2**

Postcode

Country **Ireland**

DX **n/a**

Telephone **+353 1 2373700**

Certificate

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

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

Important information

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

How to pay

A fee of £13 is payable to Companies House in respect of each mortgage or charge filed on paper.

Make cheques or postal orders payable to 'Companies House'

Where to send

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

For companies registered in England and Wales.
The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

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

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

Further information

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

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



FILE COPY

CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 8487408

Charge code: 0848 7408 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 9th May 2013 and created by PATRICK'S DAY FILMS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th May 2013.

Given at Companies House, Cardiff on 30th May 2013



Po



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Date *9th May* ~~April~~ 2013

Patrick's Day Films Limited

Chargor

Bord Scannán na hÉireann/Irish Film Board

Lender

**Guarantee, Charge and Deed of Assignment
relating to "Patrick's Day"**

We hereby certify that this document
is a true copy of the original

Dated this day *21st May 2013* of

**PHILIP LEE
Solicitors
7/8 Wilton Terrace
Dublin 2**

*PHILIP LEE
Solicitors*

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THIS AGREEMENT is made this 9th day of MAY 2013

BETWEEN

- (1) **PATRICK'S DAY FILMS LIMITED** a company incorporated in England and Wales with company number 8487408 and having its registered office at 77 High Street, Bagshot, Surrey GU19 5AH (the "**Chargor**"), and
- (2) **BORD SCANNÁN NA hÉIREANN/IRISH FILM BOARD** having its principal office at Queensgate, 23 Dock Road, Galway, Ireland (the "**Lender**")

INTRODUCTION

- (A) The Lender has agreed to make available certain sums to the Borrower in connection with the production of the Film
- (B) The Chargor has agreed to execute this Deed to guarantee the obligations and liabilities of the Borrower and as security for the performance and the discharge of the Secured Obligations by the Chargor and the Borrower

IT IS AGREED as follows

1. Definitions

- 1.1 In this Deed, except where a different interpretation is necessary in the context, the following words and expressions set out below shall have the following meanings

<i>Expression</i>	<i>Meaning</i>
"Associated Companies"	companies which are "associates" within the meaning of section 435 Insolvency Act 1986
"Borrower"	means Ignition Film Productions Limited, a company registered in Ireland with company number 371543 and having its registered office at Ardmore Studios, Herbert Road, Bray, Co Wicklow

“Charged Assets”

the property, assets, agreements and rights outlined in Clauses 5.1 to 5.3 (inclusive) of this Deed whether present or future and all other property, assets, agreements and rights that at any time are or are required to be charged or assigned in favour of or to the Lender under this Deed

“Debt”

all sums due to the Lender in connection with the Film including sums due pursuant to the Loan Agreement and all other agreements or charges entered into by the Chargor, the Borrower, and/or the Irish Production Company with the Lender in relation to the Film so that any interest, fees, expenses (including any expenses or fees incurred in the preservation or enforcement of the security contained in this Deed) and costs and any value added tax on any interest, fees, expenses and costs or any other sum that is owed to the Lender and is not paid when due shall be added to and deemed part of the Debt

“Distribution Agreements”

all or any distribution agreements pursuant to which the Chargor (itself or acting by the Sales Agent) has granted or will after this Deed grant distribution rights in the Film

“Distributors”

the licensees pursuant to the Distribution Agreements

“Encumbrance”

any mortgage, charge (fixed or floating), pledge, hypothecation, or lien and any other arrangement or interest (whether by way of assignment, trust, title retention or otherwise) which has the effect of creating security or payment priority (including, without limitation, the deposit of monies or property with a person with the intention of affording such person a right of set-off, counterclaim or lien) and any other agreement having substantially the same economic effect as any of the foregoing

"Event"	any intermediate payment or settlement of account in respect of the Secured Obligations or other act, omission or matter that might operate to release the Chargor from this Deed or diminish the security granted under this Deed
"Event of Default"	any event of default set out in the Loan Agreement
"Film"	the motion picture provisionally entitled " <i>Patrick's Day</i> "
"Guarantee"	the guarantee and indemnity given by the Chargor in favour of the Lender under Clause 3 and the Schedule
"Insolvency"	as regards any person <ul style="list-style-type: none"> (a) being unable or admitting its inability to pay its debts as they fall due, (b) suspending or threatening to suspend making payments on any of its debts, (c) commencing negotiations, due to actual or anticipated financial difficulties, with any of its creditors with a view to rescheduling any of its indebtedness, (d) the value of its assets being less than its liabilities (taking into account contingent and prospective liabilities), or (e) a moratorium being declared in respect of any of its indebtedness
"Insolvency Proceeding"	as regards any person, any action, legal proceeding or other procedure or step taken in relation to

- (a) the suspension of payments by it, a moratorium of any of its indebtedness or the winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement or scheme of arrangement) of that person,
- (b) a composition, compromise, assignment or arrangement with any of that person's creditors,
- (c) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager, trustee or other similar officer in respect of that person or any of its assets, or
- (d) any analogous procedure or step in any jurisdiction

"Intercreditor Agreement"	the intercreditor agreement relating to the Film between among others, the Chargor, the Borrower, and the Lender dated on or about the date of this Deed
"Irish Production Company"	Paddy Films Limited with registered office at 47 Herbert Lane, Dublin 2
"Loan Agreement"	the production loan agreement dated on or about the date of this Deed between the Borrower and the Lender
"Mortgage and Assignment of Copyright"	a mortgage and assignment of copyright in a form acceptable to the Lender in its sole discretion
"Notice of Charge"	a notice of charge in relation to the Production Account in a form acceptable to the Lender in its sole discretion

"Obligations"

all present and future obligations, debts, monies, obligations and liabilities of any nature from time to time due or owing or incurred by the Borrower to the Lender in connection with the Film whether actual or contingent whether owed or incurred jointly and/or severally with another and as principal or as surety or in any other capacity or of any nature (including, without limitation, the Debt, interest, fees and expenses) and the obligations and liabilities of the Borrower to the Lender pursuant to the Loan Agreement and the other Relevant Agreements,

"Proceedings and Disputes"

any suits, actions, claims or proceedings and any disputes which may arise out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed or any other non-contractual obligation arising out of or in connection with this Deed)

"Production Account"

the following bank accounts with [TBC] in the name of the Chargor

[TBC]

"Receiver"

any person or persons appointed under Clause 8.1 or pursuant to any applicable law to be a receiver or a receiver and manager of the Charged Assets or any of them

"Relevant Agreements"

this Deed, the Loan Agreement, the Sales Agency Agreement, the Intercreditor Agreement, and the Distribution Agreements

"Sales Agency Agreement"

any agreement between the Chargor and a sales agent relating to the Film

"Sales Agent"	the sales agent appointed in relation to the Film with the prior written consent of the Lender or any replacement sales agent
"Screenplay"	the original screenplay for the Film written by Terry McMahon together with any other revisions, rewrites and amendments to the screenplay and all other versions of the screenplay whether now or after the date of this Deed
"Secured Obligations"	all of the Chargor's present and future obligations and liabilities to the Lender under each Relevant Agreement to which it is a party, including (without limitation) those set out in Clause 3

2. Interpretation

- 2 1 All references to the Borrower, the Chargor and the Lender shall be deemed to include their respective successors in title, transferees and permitted assigns
- 2 2 References to this Deed or any other deed, agreement or document shall be to this Deed or, as the case may be, such other deed, agreement or document as may have been or may be from time to time amended, varied, altered, modified, supplemented or novated
- 2 3 The expression "**copyright**" means the entire copyright and related rights subsisting under the laws of England and Wales and all analogous rights subsisting under the laws of each and every jurisdiction throughout the world
- 2 4 The clause, paragraph and Schedule headings and the table of contents used in this Deed are inserted for ease of reference only and shall not affect construction
- 2 5 The Schedule to this Deed is incorporated into this Deed. References in this Deed and the Schedule to the parties, the Introduction, Schedule and clauses are references respectively to the parties, the Introduction and Schedule to and clauses of this Deed
- 2 6 References to "**writing**" or "**written**" includes any other non-transitory form of visible reproduction of words

- 2 7 References to any English legal term or legal concept shall in respect of any jurisdiction other than England be deemed to include that which most approximates in that jurisdiction to such English legal term or legal concept
- 2 8 References to **"persons"** shall include individuals, firms, bodies corporate, unincorporated associations and partnerships, in each case whether or not having a separate legal personality
- 2 9 References to the word **"include"** or **"including"** (or any similar term) are not to be construed as implying any limitation and general words introduced by the word **"other"** (or any similar term) shall not be given a restrictive meaning by reason of the fact that they are preceded or followed by words indicating a particular class of acts, matters or things
- 2 10 Except where the context specifically requires otherwise, words importing one gender shall be treated as importing any gender, words importing individuals shall be treated as importing corporations and vice versa, words importing the singular shall be treated as importing the plural and vice versa, and words importing the whole shall be treated as including a reference to any part
- 2 11 If any condition or covenant contained in this Deed requires a party to it not to do an act or thing it shall be a breach of any such condition or covenant to permit or suffer such act or thing to be done
- 2 12 References to **"statutory provisions"**, **"enactments"** or **"EC Directives"** shall include references to any amendment, modification, extension, consolidation, replacement or re-enactment of any such provision, enactment or EC Directive (whether before or after the date of this Deed), to any previous enactment which has been replaced or amended and to any regulation, instrument or order or other subordinate legislation made under such provision, enactment or EC Directive, except where expressly stated to the contrary

3. Guarantee and indemnity

- 3 1 In consideration of the Lender making or continuing to make available financial facilities to the Borrower, the Chargor irrevocably and unconditionally
- (a) guarantees to the Lender to discharge, perform and pay on demand from time to time the Obligations, and
 - (b) undertakes with the Lender that it will on demand make good any default by the Borrower in the payment, performance or discharge of the Obligations as if it

instead of the Borrower were expressed to be the principal obligor in respect of such Obligations

3 2 As an additional and independent obligation the Chargor irrevocably and unconditionally agrees with the Lender that if, for any reason, any Obligation guaranteed by it is or becomes unenforceable, invalid or illegal it will, as an independent and primary obligation, indemnify the Lender immediately on demand against any cost, loss or liability it incurs as a result of the Borrower not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it to the Lender under the Relevant Agreements on the date when it would have been due.

3 3 The Chargor acknowledges that the entry by the Lender into the Loan Agreement and the agreement by the Lender to make available the amounts pursuant to the Loan Agreement to the Borrower will be of commercial benefit to it as it will enable the Film to be financed and produced

3 4 The guarantee and indemnity contained in Clauses 3 1 and 3 2 are given subject to, and with the benefit of, the provisions set out in the Schedule (Terms of Guarantee and Indemnity)

4. Covenant to pay

4 1 The Chargor covenants with the Lender that it will on demand pay or discharge to the Lender, when falling due, all of the Secured Obligations

4 2 All sums due and payable by the Chargor under this Deed shall be made in full without set-off or counter-claim and free and clear of and (subject as provided in the next sentence) without deduction for or on account of any future or present taxes If

(a) the Chargor is required by any law to make any deduction or withholding from any sum payable by the Chargor to the Lender under this Deed, or

(b) the Lender is required by law to make any payment, on account of tax (other than tax on its overall net income) or otherwise, on or in relation to any amount received or receivable by the Lender under this Deed, then the sum payable by the Chargor in respect of which such deduction, withholding or payment is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction, withholding or payment (and after taking account of any deduction, withholding or payment which is required to be made as a result of the increase), the Lender receives and retains a net sum equal to

the sum which it would have received and so retained had no such deduction, withholding or payment been made

5. Charge and security assignment

Charge

5 1 The Chargor by way of continuing security for payment, performance and discharge of the Secured Obligations charges in favour of the Lender with full title guarantee by way of first fixed charge all of its right, title and interest (whether now owned or in the future acquired) in and to the following in relation to the Film and all collateral, allied, ancillary and subsidiary rights in the Film and all properties and things of value pertaining to the Film and all products and proceeds of the Film whether now in existence or in the future made, acquired or produced throughout the world

- (a) all pre-print elements capable of producing prints or additional pre-print elements including, without limitation, master negatives, negatives, duplicate negatives, colour reversals, intermediates, fine grain master prints, lavenders, colour separations, matrices, interpositives and internegatives, any digital materials and all other forms of pre-print elements which may be necessary or desirable to produce prints or other copies or additional pre-print elements whether now known or in the future devised,
- (b) all positive prints, negatives, prints, exposed film, developed film, answer prints, special effects materials, film, video tapes, discs, cut-outs, trims and digital materials,
- (c) all soundtrack elements including master magnetic tracks, audio and video tapes and discs of all types and gauges, all other optical sound track recordings and music cue sheets,
- (d) any and all documents, receipts or books and records (including, without limitation, documents or receipts of any kind or nature issued by any pledgeholder, warehouseman or bailee) with respect to the Film and any element of the Film,
- (e) all machinery, electrical and electronic components, equipment, fixtures, furniture, office machinery, vehicles, trailers, implements and other tangible personal property of every kind and description relating to the Film (including, without limitation, all wardrobe, props, mikes, scenery, sound stages, movable,

permanent or vehicular dressing rooms, sets, lighting equipment, cameras and other photographic, sound recording and editing equipment, projectors, film developing equipment and machinery) and all substitution or replacement goods of like type now owned or in the future acquired by the Chargor, and all additions and accessions to such equipment and all rents, proceeds and products of such equipment including, without limitation, the rights to insurance covering such equipment,

- (f) all present and future deposit and other accounts of the Chargor including, without limitation, the Production Account, and any other accounts in connection with the production of the Film maintained with any bank in connection with the production of the Film or other financial institution in any jurisdiction and any extension or renewal of such accounts and all certificates and instruments, if any, from time to time representing or evidencing such accounts from time to time opened by the Chargor and any and all monies (including interest) from time to time standing to the credit of each of them,
- (g) all cash, cash equivalents and other funds of the Chargor including, without limitation, the Chargor's deposits in all bank accounts, and all drafts, cheques, certificates of deposit, notes, bills of exchange, negotiable instruments and other writings which evidence a right to the payment of money and are not themselves security agreements and are of a type which is in the ordinary course of business transferred by delivery with any necessary endorsement or assignment whether now owned or in the future acquired,
- (h) all versions of all physical properties of every kind or nature of or relating to the Film not otherwise included in this Clause including, without limitation, all versions of all physical properties relating to the development, production, completion, delivery, exhibition, distribution or other exploitation of the Film, or any part of such physical properties in whatever state of completion, and all duplicates, drafts, versions, variations and copies of such physical properties and any and all documents, instruments, goods and artwork which may arise in connection with the creation, production, completion, delivery, financing, ownership, possession or exploitation of the Film,
- (i) all insurance and insurance policies now or in the future issued and the proceeds of such insurance and insurance policies obtained in connection with the Film and the insurable properties of the Film and any person or persons engaged in the development, production, completion, delivery or exploitation of the Film,

- (j) in so far as not effectively assigned pursuant to Clause 5.2, those properties, assets, agreements and rights referred to in Clause 5.2, and
- (k) the proceeds of any and/or all of the above

Assignment

5.2 The Chargor by way of further continuing security for payment, performance and discharge of the Secured Obligations assigns absolutely to the Lender with full title guarantee (and in so far as necessary by way of present assignment of future copyright pursuant to section 91 Copyright, Designs and Patents Act 1988) all of its right, title and interest in and to the following throughout the world for the full period of copyright and all renewals and extensions of the full period of copyright and after the full period of copyright in perpetuity

- (a) all literary property and material and ancillary rights in relation to the Film, including, without limitation, the Screenplay, any underlying literary property, and any other literary material on which the Film is based or from which it is adapted or inspired or which has been used or included in the Film including, without limitation, all scripts, stories, treatments, novels, outlines, books, manuscripts or other properties or materials of any kind or nature in whatever state of completion and all drafts, versions and variations of such material, and the copyrights in such material,
- (b) the entire copyright of the Film or any part or component of the Film and all rights and interests in copyright and renewals, reversions, revivals, reinstatements and extensions of copyrights (both domestic and foreign) whether presently in existence or in future created and the right (but not the obligation) to register any claim under copyright and to renew and extend such rights and the right (but not the obligation) to sue in the name of the Chargor for past, present and future infringements of copyright,
- (c) all rights of every kind and nature to the music and musical compositions of the Film including the lyrics and all copyrights in such music and all rights to exploit, produce, publish, reproduce, perform, record, copy and synchronise all or any such music,
- (d) all rights to produce, distribute, lease, license, sell, exhibit, broadcast, transmit, reproduce, market, lease, sub-lease or otherwise deal with the Film and any and all rights in the Film in perpetuity by all methods and means and in all media

whether now known or in the future conceived, devised or created throughout the universe,

- (e) all contracts and contract rights, agreements for personal services, book debts and all personal property of the Chargor relating to the Film or to any literary property and ancillary rights and any other elements of the Film referred to in this Clause,
- (f) all remake, serial, series, prequel or re-issue rights in the Film including audio and video rights and all other rights arising out of or in connection with or inspired by the Film or any components of the Film,
- (g) all ancillary, publishing, spin-off, commercial exploitation and merchandising rights of every kind and nature in the Film and/or arising out of or in connection with or inspired by the Film, the title of the Film and/or the characters appearing in the Film, including but not limited to commercial tie-ups and sponsorships,
- (h) all the Chargor's rights, interests and benefits in and to the Distribution Agreements, the Sales Agency Agreement, and other Relevant Agreements together with the benefit of the proceeds of such agreements,
- (i) all rent, revenues, income, compensation, products, increases, proceeds and profits or other property obtained or to be obtained from the production, release, sale, distribution, subdistribution, lease, sublease, marketing, licensing, sublicensing, exhibition, broadcast, transmission, reproduction, publication, ownership, exploitation or other uses or disposition of the Film (or any rights in the Film or part of the Film), in any and all media in any manner, including, without limitation, the properties of the Film and of any collateral, allied, ancillary, merchandising and subsidiary rights in and to the Film and amounts recovered as damages by reason of unfair competition, the infringement of copyright, breach of any contract or infringement of any rights,
- (j) the title of the Film and all of the Chargor's rights to the exclusive use of such title including rights protected pursuant to registered or unregistered trade mark, service mark, unfair competition, passing off and/or other laws, rules or principles of law or equity,
- (k) all inventions, processes, formulae, licences, patents, patent rights, trade marks, trade mark rights, service marks, service mark rights, trade names, trade name rights, logos, indicia, corporate and company names, business, source or

business identifiers and renewals and extensions of the above, domestic and foreign, whether now owned or in the future acquired in respect of the Film, and the accompanying goodwill and other like business property rights, and the rights (but not the obligation) to register claims under such trade marks or patents and to renew and extend such trade marks or patents and the right (but not the obligation) to sue in the name of the Chargor or in the name of the Lender for past, present or future infringement of trade mark or patent,

- (l) all rights and benefits of every kind and nature, present and future, in and to all Relevant Agreements and all other agreements to which the Chargor is a party in connection with the Film, and
- (m) all other rights and properties acquired or to be acquired by the Chargor in connection with the Film and the proceeds of any and/or all of the above

- 5 3 The Chargor by way of continuing security for the payment, performance and discharge of the Secured Obligations additionally charges with full title guarantee to the Lender by way of first floating charge all its present and future business, undertaking, rights and assets including but not limited to the stock in trade and cash in the bank or otherwise now or at any time during the continuance of this Deed, belonging to the Chargor including but not limited to the properties, assets, agreements and rights described at Clauses 5 1 and 5 2 to the extent they are not for the time being effectively charged by way of a fixed charge to the Lender or effectively assigned by way of security to the Lender and the Chargor agrees not to part with, sell or dispose of the whole or part of its business, undertaking, rights and assets (except by way of sale in the ordinary course of its business and for the purpose of carrying on its business and without prejudice to the above-mentioned legal mortgage and assignments) or any part of such assets or undertaking
- 5 4 The Chargor shall hold on trust for the Lender absolutely the Chargor's entire interest and benefit in and to the Charged Assets or any part of the Charged Assets which cannot be charged or assigned by the Chargor together with, without limitation, all proceeds, money and other rights and benefits to which the Chargor is beneficially entitled in respect of such Charged Assets
- 5 5 The Chargor warrants and represents to the Lender that the Chargor is the owner of and absolutely entitled to the Charged Assets and that, to the extent of its interest in the Charged Assets, it is the owner of the Charged Assets free from Encumbrances (save for those permitted by this Charge and the Intercreditor Agreement) and has full power, title and authority to charge and/or assign the Charged Assets and undertakes that it shall not

without the Lender's prior written consent create or permit to arise or to subsist any Encumbrance upon the whole or any part of the Charged Assets other than those referred to in the Intercreditor Agreement and the Chargor warrants and represents that it has taken all corporate action necessary to authorise its execution of this Deed and performance of its obligations under this Deed

- 5.6 Notwithstanding anything contained in this Deed, subject to the terms of the Intercreditor Agreement, if the Chargor charges, pledges or otherwise encumbers any of the Charged Assets, the charges created in this Deed in favour of the Lender shall rank in priority to such other Encumbrances
- 5.7 The security created by this Deed is continuing security and shall remain in force notwithstanding any intermediate payment or settlement of account or other act, omission or matter which might operate to release the Chargor from its obligations under this Deed or affect such obligations or release or diminish the security under this Deed and is in addition to and shall not merge into or otherwise prejudice or affect any guarantee, Encumbrance, interest or other right or remedy now or in the future held by or available to the Lender as regards the Chargor or any other person, firm or corporation in respect of the Charged Assets and shall not be in any way prejudiced or affected thereby or by the invalidity thereof or by the Lender now or in the future dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any of the same or any right which the Lender may now or in the future have or giving time for payment or indulgence or compounding with any other person
- 5.8 The Chargor shall when required by the Lender and at the expense of the Chargor (whether before or after this Deed shall have become enforceable) execute, and procure the execution of and do all such mortgages, charges, transfers, assignments, assurances, documents, acts and things (including but not limited to executing and delivering the Mortgage and Assignment of Copyright and the Notice of Charge) in such form and otherwise as the Lender may require under the laws of any jurisdiction for improving or perfecting the security intended to be by this Deed constituted, for further charging and/or assigning the Charged Assets in order to secure further the payment, performance and discharge of the Secured Obligations, for converting any floating charge forming part of this Deed into a fixed charge, for protecting the Lender's interest in the Charged Assets or for effecting or facilitating the realisation of the Lender's interest or the exercise by the Lender of any and all of its powers, authorities and discretions by this Deed or by statute conferred on it or any Receiver and shall from time to time when so required by the Lender produce to or deposit with the Lender during the continuance of this Deed all deeds and documents of title relating to the Charged Assets or any of them

- 5 9 The covenants implied by sections 2(1) and 3(1) Law of Property (Miscellaneous Provisions) Act 1994 shall apply to the assignment created by this Deed provided that the operation of such covenants shall be extended by the omission of the words following "third parties" in section 3(1)(b)
- 5 10 Paragraph 14, Schedule B1 Insolvency Act 1986 shall apply to any floating charge created pursuant to this Deed
- 5 11 The Lender shall not be entitled to convert any floating charge created pursuant to this Deed into a fixed charge as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and Schedule A1 to the Insolvency Act 1986

6. Production Licence

The Lender grants to the Chargor an exclusive licence in and to the Charged Assets throughout the universe for the sole purpose of the production, delivery, promotion and exploitation of the Film and all allied and ancillary rights therein, for the full period of copyright in the Film together with all renewals, revivals, extensions thereof and thereafter so far as permitted in perpetuity This licence will terminate immediately on the occurrence of an Event of Default

7. Events of Default

- 7 1 The security created by this Deed shall become enforceable and the floating charge created by Clause 5 3 shall automatically crystallise and be converted with immediate effect into a fixed charge in each case at any time after the happening of any event of default as set out in clause 9 of Schedule 1 to the Loan Agreement
- 7 2 Subject to Clause 5 11, at any time, without prejudice to the provisions of Clauses 7 1 and 7 3, the Lender may, by notice in writing to the Chargor, convert the floating charge created by this Deed into a fixed charge in relation to the assets specified in such notice and the Lender shall, subject to the occurrence of an Event of Default, be entitled (but not bound) to take possession of or appoint a Receiver of such assets
- 7 3 If the Chargor charges, pledges or otherwise encumbers (whether by way of fixed or floating security) any of the property, assets or income comprising the property covered by the floating charge referred to at Clause 5 3 save as permitted under this Deed or attempts so to do without the prior consent in writing of the Lender or if any creditor or other person levies any distress, execution, sequestration or other process against any of

the said property, assets or income then, in the absence of any notice or other action by the Lender pursuant to Clause 7 2, the floating charge created shall automatically without any requirement for notice by the Lender operate as a fixed charge immediately upon the occurrence of such an event

8. Enforcement

8 1 At any time after the Lender shall have demanded payment or repayment of any part of the Debt, discharge of a Secured Obligation or upon the happening of any Event of Default or if requested by the Chargor, the Lender may without prejudice to any other rights it may have and without prior notice to the Chargor

- (a) sell, call in, collect, convert into money or otherwise deal with or dispose of the Charged Assets or any part of the Charged Assets on an instalment basis or otherwise and generally in such manner and upon such terms whatever as the Lender may in its sole discretion think fit,
- (b) exercise any and all powers which a Receiver could exercise if appointed pursuant to Clause 8 2 below,
- (c) subject to section 72A of and paragraph 43 of Schedule A1 to the Insolvency Act 1986, appoint in writing any person or persons to be a Receiver of all or any part of the Charged Assets, from time to time determine the terms as to remuneration and otherwise of the Receiver and remove the Receiver and appoint another in his place,
- (d) appoint any person or persons to be an administrator of the Chargor in accordance with schedule B1 to the Insolvency Act 1986, and
- (e) exercise in relation to the Charged Assets all the rights and remedies of a secured party under the Uniform Commercial Codes in effect in the state of New York and California at that time

8 2 The Receiver shall be the agent of the Chargor (which shall alone be personally liable for the Receiver's acts, defaults and remuneration) and in particular by way of addition to but without prejudice to any other powers he or the Lender may have by law the Receiver shall have all the powers set out in Schedule 1 Insolvency Act 1986 and in addition shall have power

- (a) to enter upon any premises necessary to take possession of, collect, get in or realise all or any part of the Charged Assets whether accrued before or after the date of his appointment and to take, prosecute, enforce, defend or abandon any actions, claims, suits and proceedings in the name of the Chargor or otherwise in relation to the Charged Assets and to submit to arbitration, negotiate, compromise and settle any such applications, claims, disputes, actions, suits or proceedings and in addition to take or defend proceedings for the compulsory winding-up of any Chargor and proceedings for directions under section 35(1) Insolvency Act 1986 as the Lender or he shall think fit,
- (b) to exercise all the powers of the Chargor and in particular but without limitation to carry on or concur in carrying on the whole or any part of the business of the Chargor insofar as and in such manner as he shall in his absolute discretion think fit including the power to enter into any contract or arrangement and to perform, repudiate or vary any contract to which any Chargor is a party,
- (c) to raise money or borrow from the Lender or others without security or on the security of the Charged Assets or any part of the Charged Assets upon such terms as the Lender or he shall in his absolute discretion think fit,
- (d) to assign, sell, lease, license, convey, 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, grant, terminate or accept surrenders of leases, licences, rights of user or tenancies (in each case with or without consideration) of any of the Charged Assets in such manner and generally on such terms and conditions as the Lender or he shall think fit and to carry any such transactions into effect in the name of and on behalf of any Chargor or otherwise without the need to observe the restrictions imposed by section 103 Law of Property Act 1925 or any need to observe all or any of the restrictions or other provisions of sections 99 and 100 of that Act,
- (e) to make any arrangement or compromise between the Chargor and any other person or pay any compensation or incur any obligation which the Lender or he shall think fit,
- (f) to make, effect and do all maintenance, repairs, developments, reconstructions, improvements, decoration, modification, refurbishment, furnishings, equipment, insurances, alterations or additions to or in respect of the Charged Assets in the interest of the Lender for maintaining the value of the Charged Assets in every such case as the Lender or he shall think fit,

- (g) to make or to require the directors of the Chargor to make calls conditionally or unconditionally on the holders of the Chargor's share capital in respect of any such capital of the Chargor which remains uncalled with the same powers for the purpose of enforcing payment of any calls so made and any previous unpaid calls as are by the Articles of Association of the Chargor conferred upon its directors in respect of calls authorised to be made by them and to make such calls in the name of the directors or in that of the Chargor or otherwise and to the exclusion of the directors' power in that regard,
- (h) to promote, procure the formation or otherwise acquire the share capital of companies with a view to those companies purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Charged Assets or carrying on any business in succession to the Chargor or any subsidiary of the Chargor, to arrange for such companies to trade or cease to trade and to purchase, lease, license or otherwise acquire all or any of the Charged Assets on such terms and conditions whether or not including payment by instalments secured or unsecured as the Lender or he shall think fit,
- (i) to manage, develop, reconstruct, improve, amalgamate or diversify or concur in managing, developing, reconstructing, improving, amalgamating or diversifying the business of any Chargor,
- (j) to appoint, employ, discharge, dismiss or vary the terms of employment or engagement of managers, advisers, officers, financiers, contractors, workmen and employees of the Chargor for any of the purposes described in this Clause for such remuneration and on such other terms as the Lender or he shall in their absolute discretion think fit,
- (k) to redeem, discharge or compromise any security,
- (l) to enter into bonds, covenants, guarantees, commitments, indemnities and other obligations or liabilities as he shall think fit and make all payments needed to effect, maintain or satisfy such obligations or liabilities and to effect, maintain or renew insurances and to obtain bonds and performance guarantees,
- (m) to do all such other acts and things or refrain from doing any act or thing (including electing to charge value added tax or to treat supplies made by the Chargor as taxable supplies for the purposes of value added tax) as may seem to him to be incidental or conducive to any of the functions, discretions, matters or powers described in this Clause and which he lawfully may or can do, and

- (n) to exercise all such other power and authority as the Lender shall think fit to confer and so that the Lender may in relation to such part of the Charged Assets as is the subject of a first legal mortgage or charge or assignment under this Deed confer any powers and authorities which it could give if it had full title guarantee to such Charged Assets
- 8 3 The statutory powers of sale and of appointing a Receiver shall be exercisable without the restrictions contained in sections 103 and 109 Law of Property Act 1925 or otherwise No purchaser, mortgagee or other third party dealing with the Lender or any Receiver shall be concerned to enquire whether the security created under this Deed has become enforceable or to see to the application of any money paid to the Chargor or such Receiver or otherwise as to the propriety or regularity of any other dealing by the Lender or the Receiver and, in the absence of bad faith on the part of such third party, such dealing shall be deemed to be within the powers conferred under this Deed and to be valid and effectual accordingly
- 8 4 The power to appoint a Receiver contained in this Deed shall be in addition to all statutory and other powers conferred on mortgagees and receivers under the Law of Property Act 1925 and the Receiver shall have and be entitled to exercise all powers conferred under such Act in the same way as if he had been duly appointed under such Act, such power to appoint a Receiver under this Deed or by statute conferred shall be and remain exercisable by the Lender notwithstanding any prior appointment in respect of all or any part of the Charged Assets
- 8 5 It shall be permissible for the Lender to 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 each of them may (unless otherwise stated in the instrument(s) appointing them) exercise all rights, powers and discretions conferred on Receivers by this Deed individually and to the exclusion of the other or others of them
- 8 6 As and when the security created under this Deed becomes enforceable, the Chargor declares that it will hold the Charged Assets (subject to the Chargor's rights of redemption) upon trust to convey, assign or otherwise deal with the Charged Assets in such manner and to such person as the Lender shall direct and declare that it shall be lawful for the Lender by deed to appoint a new trustee or trustees of the Charged Assets and in particular but without limitation at any time or times to appoint a new trustee or trustees of the Charged Assets in place of the Chargor

8 7 Any monies obtained by a Receiver appointed under this Deed whether by sale of any of the Charged Assets or obtained by carrying on the business or otherwise shall be applied

(a) first, in payment of all costs and expenses incurred and incidental to the powers conferred on the Receiver, and

(b) secondly, in or towards payment or discharge of the Secured Obligations and amounts owing to other parties in accordance with the Intercreditor Agreement, and

(c) thirdly, any balance shall be paid to the parties entitled to such balance pursuant to the terms of the Intercreditor Agreement

8 8 Any monies received, recovered or realised by the Lender or any Receiver under this Deed (including the proceeds of any conversion of currency) may at the discretion of the Lender or the Receiver be placed in a suspense account and kept there for so long as the Lender or the Receiver thinks fit (with interest accruing at such rate, if any, as the Lender may determine) pending application from time to time (as the Lender and the Receiver shall be entitled to do as they may think fit) in or towards discharge of the Secured Obligations

8 9 The restriction on consolidation of mortgages contained in section 93(1) Law of Property Act 1925 shall not apply to this Deed The Chargor may not without the prior written consent of the Lender

(a) redeem this Deed without at the same time redeeming every or any existing or future mortgage, charge or other security of whatever nature for the time being held by the Lender on property wherever situate now or in the future belonging to the Chargor, or

(b) redeem any such mortgage, charge or other security of whatever nature without at the same time redeeming this Deed

9. Lender's additional powers

9 1 The Lender shall have the right at its complete discretion to give time or indulgence to or compound with and to make any such other arrangement as it shall see fit with the Chargor or any other person, firm, company or other organisation without prejudice to the Chargor's liability under this Deed or the Lender's right and title to the Charged Assets

and any monies received by the Lender from any other person, firm, company or other organisation may be applied by the Lender to any account or transaction of such persons or otherwise as the Lender shall see fit

- 9 2 At any time after the security created under this Deed becomes enforceable or after any powers conferred by any Encumbrance having priority to the security created under this Deed shall have become exercisable, the Lender may redeem such or any other prior Encumbrance or procure the transfer of such Encumbrance to itself and may settle and prove the accounts of the encumbrancer and any account so settled and proved shall be conclusive and binding on the Chargor and all monies paid by the Lender to the encumbrancer in accordance with such accounts shall as from such payment be due from the Chargor to the Lender and shall bear interest, fees, costs and charges owing under this Deed
- 9 3 At any time after the security created under this Deed 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 Deed and in particular (but without limitation) may enter upon the Chargor's property and may pay any monies which may be payable in respect of any of the Charged Assets and any monies expended in so doing by the Lender or Receiver shall be deemed an expense properly incurred and paid by the Lender and the Chargor shall reimburse such monies on demand to the Lender
- 9 4 The Lender shall not, nor shall any Receiver by reason of its or another Receiver's entering into possession of the Charged Assets or any part of the Charged Assets, be liable to account as mortgagee in possession or for any default or omission of any nature 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 by this Deed or by statute and the Chargor shall not have any right or action or claim against the Lender on the grounds that a better price could or might have been obtained on any such realisation, sale or disposal
- 9 5 If there is an Event and/or if for any reason the security created under this Deed ceases to be a continuing security for the ultimate balance of all of the Secured Obligations, the Lender may open a new account for the Chargor in respect of the Film and if the Lender does not in fact open such new account it shall nevertheless be treated as if it had done so at the time the Event first occurred and/or from the time that this Deed ceased to be a continuing security for the ultimate balance of all of the Secured Obligations (whichever time is earlier) and as from that time all payments made by or on behalf of the Chargor to

the Lender (including any payment constituting the Event) 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 Lender at the said time (but this Clause shall not prejudice any security which apart from this Clause the Lender would have had but for the discharge by the Chargor's liabilities or obligations incurred after that time) The provisions of this Clause shall apply mutatis mutandis each and every time an Event occurs

10. Warranties, representations and covenants of the Chargor

10 1 The Chargor repeats in favour of the Lender the warranties and representations set out in Clause 7 of Schedule 1 to the Loan Agreement as if these warranties and representations were set forth and incorporated into this Deed

10 2 The Chargor further represents and warrants to the Lender on the date of this Deed that

- (a) the obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable obligations,
- (b) the entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with
 - (i) any law or regulation applicable to it,
 - (ii) its constitutional documents, or
 - (iii) any agreement or instrument binding upon it or any of its assets or constitute a default or termination event (however described) under any such agreement or instrument,
- (c) it has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, this Deed and the transactions contemplated by this Deed,
- (d) no limit on its powers will be exceeded as a result of giving or granting any security, guarantee or indemnity contemplated by this Deed,
- (e) it has obtained or effected all authorisations (which are in full force and effect) required or desirable

- (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed, and
 - (ii) to make this Deed admissible in evidence in England and Wales, and
- (f) no
 - (i) Insolvency Proceeding, or
 - (ii) any step relating to the expropriation, attachment, sequestration, distress or execution affecting any asset or assets of the Chargor,
 - (iii) has been taken or, to the knowledge of the Chargor, threatened in relation to it and the Chargor is not subject to any of the circumstances described in the definition of "Insolvency" in Clause 1 of this Deed

10 3 The representations and warranties in Clauses 10 1 and 10 2 will be deemed to be repeated with reference to the facts and circumstances then subsisting on each day on which additional security is given by the Chargor in accordance with this Deed or the Loan Agreement and/or any obligations are owing by the Chargor and/or the Borrower to the Lender under the Loan Agreement or by the Chargor to the Lender pursuant to this Deed

11. Undertaking for release and re-assignment

Upon repayment of all monies due to the Lender pursuant to the Loan Agreement and/or this Deed, the Lender will, at the Chargor's request and expense, release and re-assign to the Chargor, or as it may direct, the property, assets, agreements and rights, that the Chargor charged and assigned or agreed to be charged and assigned to the Lender as security and will upon written request and at the Chargor's expense execute and deliver to the Chargor all documents and instruments reasonably required or desirable to effect the said release and re-assignment

12. Power of attorney

12 1 The Chargor irrevocably and by way of security appoints the Lender, and if any Receiver has been appointed the Lender and Receiver jointly and severally, as the attorney and attorneys of the Chargor and in its name and on its behalf to sign, execute and do all acts, things and documents which the Chargor is obliged (whether pursuant to Clause 5 8

or otherwise) under this Deed or which a Receiver is empowered to execute or do under this Deed

12.2 Subject to the above this appointment shall operate as a general power of attorney made under section 10 Powers of Attorney Act 1971

12.3 The Chargor 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 Chargor at the instance of the Lender in the exercise or purported exercise of the above powers

13. Indemnity

The Chargor shall on demand indemnify and hold harmless the Lender and any Receiver from and against all actions, claims, proceedings, expenses (including professional fees and expenses), demands and liabilities now or in the future brought against or incurred by either or both of them, or against or by any person for whose act or omission either or both may be liable, resulting directly or indirectly from any breach or non-observance by the Chargor of any of the provisions of this Deed, any warranty or representation made by the Chargor being incorrect when made or any payment in respect of the provisions of this Deed (whether made by the Chargor or a third party) being set aside or declared void for any reason. The Chargor's liability to the Lender under this Clause shall form part of the Secured Obligations

14. General

14.1 Any release, re-assignment, settlement or discharge between the Chargor and the Lender shall be conditional upon no security or payment made or given to the Lender being avoided, reduced, set aside or rendered unenforceable as a result of any provision or enactment now or in the future in force relating to bankruptcy, insolvency or liquidation or for any other reason and if any such security or payment shall be avoided, reduced, set aside or rendered unenforceable the Lender shall be entitled to recover the full amount or value of any such security or payment from the Chargor and otherwise to enforce this Deed as if such release, settlement or discharge had not taken place

14.2 This Deed shall remain the property of the Lender notwithstanding any release or discharge or purported release or discharge of this Deed

14.3 The Lender will be entitled at any time or times without notice (both before and after demand) to set off any liability of the Chargor to the Lender against any liability of the

Lender to the Chargor (in either case whether actual or contingent, present or future and irrespective of the currency or place of payment) and may for such purposes convert or exchange any currency as it deems fit

15 Notices

15 1 Any notice or other communication to be given under this Deed must be in writing, in English and may be served by hand delivery at, or by pre-paid recorded delivery or registered post or airmail to, the address of the receiving party as set out at the beginning of this Deed or by fax to any fax number notified by any party to the other party for the purposes of this Deed

15 2 Subject to Clause 15 3, any notice or other communication served in accordance with Clause 15 1 shall be deemed to have been received

- (a) if delivered by hand, at the time of delivery,
- (b) if sent by pre-paid recorded delivery or registered post, at 9 30 a m on the second clear day after the date of posting,
- (c) if sent by pre-paid registered airmail, at 9 30 a m on the fifth clear day after the date of posting, or
- (d) if sent by fax, at the time of transmission of the sender

15 3 If under the provisions of Clause 15 2 a notice or other communication would be deemed to have been received outside normal business hours, being 9 30 a m to 5 30 p m local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt (which, in the case of service on any party by fax shall be deemed to be in the same place as the address specified for service on that party by post), it shall instead be deemed to have been received at the recommencement of such normal business hours

15 4 A notice or other communication given under this Deed shall not be validly served if sent by email

16. Waiver

16 1 A waiver of any right, power, privilege or remedy provided by this Deed must be in writing and may be given subject to any conditions thought fit by the grantor For the avoidance of doubt, any omission to exercise, or delay in exercising, any right, power, privilege or

remedy provided by this Deed shall not constitute a waiver of that or any other right, power, privilege or remedy

16.2 A waiver of any right, power, privilege or remedy provided by this Deed shall not constitute a waiver of any other breach or default by the other party and shall not constitute a continuing waiver of the right, power, privilege or remedy waived or a waiver of any other right, power, privilege or remedy

16.3 Any single or partial exercise of any right, power, privilege or remedy arising under this Deed shall not preclude or impair any other or further exercise of that or any other right, power, privilege or remedy

16.4 Except as otherwise expressly provided by this Deed, the rights, powers, privileges and remedies provided in this Deed are cumulative and are not exclusive of any other rights, powers, privileges and remedies provided by law

17 Severance

17.1 If any provision of this Deed is held to be invalid or unenforceable by any judicial or other competent authority, all other provisions of this Deed will remain in full force and effect and will not in any way be impaired

17.2 If any provision of this Deed is held to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, or the period of the obligation reduced in time, or the range of activities or area covered reduced in scope, the provision in question will apply with the minimum modifications necessary to make it valid and enforceable

18. Variation

Any variation of this Deed is valid only if it is in writing and executed by or on behalf of each party

19. Rights of third parties

This Deed does not confer any rights on any person or party under the Contracts (Rights of Third Parties) Act 1999

20. Assignment

20 1 The Chargor shall not have the right to assign its rights under, or any interest in, this Deed without the prior written consent of the Lender

20 2 The Lender may

- (a) assign in part or in whole the benefit of this Deed,
- (b) transfer any of its obligations under this Deed,
- (c) subcontract or delegate any of its obligations under this Deed, and/or
- (d) deal in any other manner with this Deed or any of its rights or obligations without regard to any set-off, counter claim or equities between the Lender and the Borrower and/or the Chargor

21. Counterparts

This Deed may be executed in any number of counterparts, each of which shall constitute an original, and all the counterparts shall together constitute one and the same agreement

22. Governing law and jurisdiction

22 1 This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in all respects in accordance with English law

22 2 The Chargor irrevocably agrees for the benefit of the Lender that the courts of England shall have exclusive jurisdiction to hear and determine any Proceedings and Disputes and, for such purposes, irrevocably submits to the jurisdiction of such courts

22 3 The Chargor irrevocably waives any objection which it might now or after the date of this Deed have to the courts of England being nominated as the forum to hear and determine any Proceedings and Disputes and to settle any Proceedings and Disputes and agrees not to claim that any such court is not a convenient and appropriate forum

22 4 Nothing in Clause 22 2 shall limit the Lender's right to bring any action in any other court having or claiming jurisdiction (whether concurrently or not) nor affect the Lender's right to serve process in any other manner permitted by law

This Deed is executed as a deed by the parties and is delivered and takes effect on the date at the beginning of this Deed

Schedule

Terms of Guarantee and Indemnity

1 Continuing Guarantee

This Guarantee is a continuing guarantee and will extend to the ultimate balance of the Obligations, regardless of any intermediate payment or discharge in whole or in part

2 Reinstatement

If any discharge, release or arrangement (whether in respect of the Obligations or any Encumbrance for those obligations or otherwise) is made by the Lender in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of the Chargor under this Schedule will continue or be reinstated as if the discharge, release or arrangement had not occurred

3 Waiver of defences

The obligations of the Chargor under this Guarantee will not be affected by an act, omission, matter or thing which, but for this Schedule, would reduce, release or prejudice any of its obligations under this Guarantee (without limitation and whether or not known to it or the Lender) including

- (a) any time, waiver or consent granted to, or composition with, the Borrower or other person,
- (b) the release of the Borrower or any other person under the terms of any composition or arrangement with any creditor of the Borrower,
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, the Borrower or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Borrower or any other person,

- (e) any amendment, novation, supplement, extension restatement however fundamental and whether or not more onerous) or replacement of a Relevant Agreement or any other document or security including, without limitation, any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Relevant Agreement or other document or security,
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any Relevant Agreement or any other document or security, or
- (g) any insolvency or similar proceedings

4 **Chargor Intent**

Without prejudice to the generality of paragraph 3 of this Schedule, the Chargor expressly confirms that it intends that this Guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Relevant Agreements and/or any facility or amount made available under any of the Relevant Agreements for the purposes of or in connection with any of the following business acquisitions of any nature, increasing working capital, enabling investor distributions to be made, carrying out restructurings, refinancing existing facilities, refinancing any other indebtedness, making facilities available to new borrowers, any other variation or extension of the purposes for which any such facility or amount might be made available from time to time, and any fees, costs and/or expenses associated with any of the foregoing

5 **Immediate recourse**

The Chargor waives any right it may have of first requiring the Lender to make demand on the Borrower or to proceed against or enforce any other rights or security or claim payment from the Borrower or any other person before claiming from the Chargor under this Guarantee. This waiver applies irrespective of any law or any provision of a Relevant Agreement to the contrary

6 **Appropriations**

Until all amounts which may be or become payable by the Borrower under or in connection with the Relevant Agreement have been irrevocably paid in full, the Lender may

- (a) refrain from applying or enforcing any other moneys, security or rights held or received by the Lender in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same, and
- (b) hold in an interest-bearing suspense account any moneys received from the Borrower or Chargor's liability under this Guarantee

7 Deferral of Chargors' rights

Until all amounts which may be or become payable by the Borrower or the Chargor under or in connection with the Relevant Agreements have been irrevocably paid in full and unless the Lender otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Relevant Agreements or by reason of any amount being payable, or liability arising, under this Guarantee

- (a) to be indemnified by the Borrower,
- (b) to claim any contribution from any other guarantor or co-surety of any obligations of the Borrower under the Relevant Agreements,
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lender under the Relevant Agreements or of any other guarantee or security taken pursuant to, or in connection with, the Relevant Agreements,
- (d) to bring legal or other proceedings for an order requiring the Borrower to make any payment, or perform any obligation, in respect of which the Borrower has given a guarantee, undertaking or indemnity under Clause 2 (Guarantee and indemnity),
- (e) to exercise any right of set-off against the Borrower, and/or
- (f) to claim or prove as a creditor of the Borrower in competition with the Lender

If the Chargor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Lender by the Borrower under or in connection with the Relevant Agreements to be repaid in full on trust for the Lender and shall promptly pay or transfer the same to the Lender

8 Additional security

This Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lender

9 New Accounts

If this Guarantee ceases to be a continuing security in respect of the Borrower the Lender may open a new account for the Borrower. If the Lender does not open a new account, it shall nevertheless be treated as if it had done so at the time when it received or was deemed to have received notice. As from that time all payments made to the Lender will be credited or be treated as having been credited to the new account and will not operate to reduce any amount for which this Guarantee is security

10 Insolvency claims

If any claim is made against the Lender under any insolvency law, it may agree the claim or settle it on any terms it chooses without the necessity of asking for any Chargor's agreement. If the Lender does agree or settle the claim, the Chargor will be liable under this Guarantee as if a court order had been made containing the terms which the Lender has agreed. The Chargor will be responsible for all costs and expenses which the Lender properly incurs in defending such a claim

EXECUTED and unconditionally delivered as
a **DEED** by
PATRICK'S DAY FILMS LIMITED
in the presence of a witness

D.J. ~~WATTS~~

James Greenacre

Witness

Witness Name

JAMES GREENACRE

Witness Address

8-9 FLINT ST

LONDON

W1D 3JB

Witness Occupation

SOLICITOR

SIGNED as a deed on behalf of **BORD
SCANNÁN NA hÉIREANN/IRISH FILM
BOARD** a company incorporated in the
Republic of Ireland by a person who, in
accordance with the laws of that territory, is
acting under the authority of the company

James M. Fine

Authorised signatory