



Registration of a Charge

Company name: **LION TELEVISION LIMITED**

Company number: **03336416**



X61QPLGO

Received for Electronic Filing: **08/03/2017**

Details of Charge

Date of creation: **01/03/2017**

Charge code: **0333 6416 0016**

Persons entitled: **THE ROYAL BANK OF SCOTLAND PLC**

Brief description: **ALL PRESENT AND FUTURE INTELLECTUAL PROPERTY DETAILED IN THE CHARGING INSTRUMENT. PLEASE REFER TO THE CHARGING INSTRUMENT FOR DETAILS OF THE PROPERTY SUBJECT TO THE FIXED CHARGE.**

Contains fixed charge(s).

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

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:

REED SMITH LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 3336416

Charge code: 0333 6416 0016

The Registrar of Companies for England and Wales hereby certifies that a charge dated 1st March 2017 and created by LION TELEVISION LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 8th March 2017 .

Given at Companies House, Cardiff on 9th March 2017

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

EXECUTION COPY

DATED 17 March 2017

THE ROYAL BANK OF SCOTLAND PLC acting as agent for NATIONAL WESTMINSTER BANK PLC
(1)

- and -

LION TELEVISION LIMITED (2)

CHARGE

in respect of the television series
provisionally entitled
"Horrible Histories Series 7"

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CHARGE

DEED OF CHARGE dated 1st March 2017

PARTIES:

- (1) **THE ROYAL BANK OF SCOTLAND PLC** (acting through its Portfolio Management team), 250 Bishopsgate, London, EC2M 4AA) (attention: Sardar Durrani, Christopher Biggs and Angela Mylrea; email: [REDACTED] and [REDACTED] acting as agent for National Westminster Bank plc (company no: 00929027) (the "**Bank**");
- (2) **LION TELEVISION LIMITED** (registered no: 03336416) of 26 Paddenswick Road, London W6 0UBJ (Attention: Tessa James; [REDACTED] (the "**Borrower**").

RECITALS:

- (A) The Borrower is procuring the production (through Lion Cubs) of the Programme.
- (B) By a facility letter dated on or about the date of this Charge, the Bank has agreed to advance to the Borrower certain sums for the production and completion of the Programme.
- (C) The Borrower has agreed to execute this Charge as security for repayment of the said advance together with interest thereon and all other sums from time to time owing to the Bank in connection with the facility letter.

OPERATIVE PROVISIONS:

1. INTERPRETATION

- 1.1 In this Charge, the following expressions shall have the following meanings:

"**Administrator**" means an Administrator appointed in accordance with Paragraph 14 of Schedule B1 of the Insolvency Act 1986 pursuant to this Charge which by virtue of that section is a qualifying floating charge;

"**BBC**" means The British Broadcasting Corporation;

"**BBC Agreement**" means the Programme Production Agreement dated 28th September 2016 between the Borrower and the BBC relating to the Programme;

"**BBCW**" means BBC Worldwide Limited (Registered No. 01420028);

"**BBCW Agreement**" means the Distribution Agreement dated 21st December between the Borrower and BBCW relating to the Programme;

"**Business Day**" means any day that is not a Saturday or Sunday or public holiday in England and Wales or another day on which the Bank is not open for business generally in the United Kingdom;

"Charge" means this charge and any and all schedules, annexures and exhibits attached to it or incorporated by reference as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms hereof;

"Collateral" means the Programme Collateral, the Rights and all property and assets assigned or charged or to be assigned or charged under this Charge in favour of the Bank relating to the Rights and the Programme and all other property and assets which at any time are or are required to be charged in favour of the Bank under this Charge relating to the Rights and the Programme;

"Event of Default" means any of those events specified at paragraph 14.1 of the Facility Letter;

"Facility Letter" means the facility letter between the Bank and the Borrower referred to in Recital (A) above dated on or about the date of this Charge, as the same may be amended, modified, supplemented or restated from time to time in accordance with the terms thereof;

"Facilities House Letter" means the facilities house letter(s) referred to in the Facility Letter;

"Insurance Policies" means all policies of insurance in respect of the Programme or the Rights now or hereafter entered into by the Borrower or Lion Cubs including those with the Bank and its designees named, where appropriate, as additional assured/loss payee, short particulars of which are contained in the Schedule of Insurances annexed hereto as Schedule 2;

"Interparty Agreement" means the interparty agreement dated on or about the date hereof between the Bank, the Borrower, the BBC and BBCW;

"Lion Cubs" means Lion Cubs Limited (registered no: 03927900);

"Production Account" means the current account in the name of the Borrower [REDACTED]

"Programme" means the television programme commissioned under the BBC Agreement and entitled **"Horrible Histories Series 7"** consisting of 15 episodes each of which has a running time of approximately 30 minutes;

"Programme Collateral" means the Programme, together with all tangible property now in existence and owned by the Borrower or hereafter created or acquired in respect of the Programme (but excluding always all previous series of the Programme), including, but not limited to:

1. all positives, negatives, master tapes, audio-tape, computer film, computer disk and preprint elements capable of producing prints or additional pre-print elements including master negatives, duplicate negatives, colour reversal intermediates, colour separations, matrices, inter-positives and inter-negatives and all copies of the Programme and any other videotape and film together with all soundtrack elements relating to the Programme, including master magnetic tracks, optical soundtrack recordings and music cue sheets and all sound recordings made in the course of the production of the Programme or pursuant to any right acquired in connection with the production of the Programme or arising therefrom, whether now or hereafter in existence, subject only to the rights of the BBC and BBCW in respect of the foregoing pursuant to the BBC Agreement and the BBCW Agreement;

2. all of the Borrower's interest in all material, whether in tangible or intangible form, incorporating or reproducing the Programme, any music, musical compositions and/or sound recordings or other works produced in connection with the Programme, or any part or element of any of them;

3. all copies of the screenplay(s) or treatments of the Programme and musical scores thereof and any sketches and designs thereof, including copyright in the same;

4. the Borrower's interest in all property of every kind (including, without limitation, physical properties) created or acquired or to be created or acquired for the production of or in connection with the Programme including any musical work created or to be created for the Programme, sets, costumes, new materials and cameras; and

5. all contracts, contract rights, agreements for personal services and other documents, receipts, books, records and files relating to the Programme or any Source Material.

"Receiver" means any receiver, administrator or manager (whether appointed pursuant to the Enterprise Act 2002 or otherwise) or administrative receiver appointed by the Bank either solely or jointly (and if more than one on the basis that they may act jointly and severally) under or by virtue of this Charge or any other security interest of the Bank or the Bank's statutory powers;

"Relevant Agreements" means the Facility Letter, this Charge, all agreements required by the Bank as a condition to the Bank advancing monies to the Borrower pursuant to the Facility Letter, the Facilities House Letter, the BBC Agreement, the BBCW Agreement, the Interparty Agreement, any and all other agreements or contracts entered into by the Borrower (whether before or after the date of this Charge) in relation to the Programme (including all agreements in relation to the chain of title for the Programme and in relation to any Source Material and any other agreements or documents entered into by or on behalf of the Borrower in relation to the production or exploitation of the Programme) and such other agreements in relation to the Programme that the Bank determines is a "Relevant Agreement";

"Repayment Account" means the current account in the name of the Borrower with NatWest Bank, Piccadilly & New Bond Street branch, numbered 46125981, sort code 50-41-06; ;

"Rights" means the rights in respect of each of the Programme as defined in Schedule 1 ;

"Secured Amounts" means all monies present and future whether due, owing or incurred by the Borrower to the Bank (including interest and other proper costs and charges) pursuant to the Facility Letter and this Charge;

"Source Material" means all underlying literary, dramatic, lyrical, musical, artistic and other material including without limitation the format, all titles, trademarks, designs and logos and any and all other intellectual property rights only insofar as they are used in or in connection with the Programme, including the "Horrible Histories" trade mark which has been licensed by the Borrower for use in connection with the Programmes from Scholastic Entertainment Inc under a Rights Agreement dated 14th March 2008.

- 1.2 Any reference in this Charge to any statute or statutory provision shall be construed as including a reference to that statute or statutory provision as from time to time amended, modified, extended or re-enacted and to all statutory instruments orders and regulations for the time being made pursuant to it or deriving validity from it. Any reference in this Charge to any contract, agreement or document, including without limitation the Facility Letter and each other Relevant Agreement, means a reference to that contract, agreement or document as amended, modified or re-stated from time to time.
- 1.3 For the purposes of this Charge all capitalised expressions not otherwise defined herein shall have the meanings ascribed to them in the Facility Letter.
- 1.4 Expressions used herein that are defined in The Copyright, Designs and Patents Act 1988, shall, unless the context otherwise requires, have the meaning attributed thereto in that Act.

- 1.5 Unless the context otherwise requires words denoting the singular shall include the plural and vice versa and words denoting any one gender shall include all genders and words denoting persons shall include bodies corporate, unincorporated associations and partnerships. The words "includes" or "including" shall mean includes or including without limitation.
- 1.6 Unless the context otherwise requires, a reference to a clause is to a clause of this Charge and a reference to a Schedule is a schedule to this Charge. The clause and Schedule headings in this Charge are for convenience only and shall not affect its interpretation.
- 1.7 This Charge is intended to take effect as a deed notwithstanding that it may be executed by the Bank under hand.

2. CHARGE AND SECURITY ASSIGNMENT

- 2.1 The Borrower hereby covenants to pay or discharge to the Bank the Secured Amounts in accordance with the terms of the Facility Letter and to indemnify the Bank against any losses, costs, charges, expenses and liabilities including interest thereon arising from any breach of or failure to pay, discharge and satisfy the Secured Amounts in accordance with the terms of the Facility Letter.
- 2.2 As continuing security for the payment to the Bank of the Secured Amounts and for the performance of the obligations of the Borrower under the Facility Letter and this Charge, the Borrower with full title guarantee, hereby:
 - 2.2.1 assigns absolutely to the Bank by way of security throughout the world (and insofar as necessary by way of present assignment of present and future copyright pursuant to s.91 of the Copyright Designs and Patents Act 1988) all of the Borrower's right, title and interest in and to and the benefit of (in each case whether now owned or hereafter acquired) the following throughout the world for the full period of copyright and, thereafter, for such additional time as may be possible and lawful:
 - (a) the Rights (subject to and with the benefit of the BBC Agreement and the BBCW Agreement;
 - (b) the BBC Agreement and the BBCW Agreement and all other Relevant Agreements (solely as and to the extent that they apply to rights title and interest in and to the Programme) and all of the Borrower's right, title, benefit and interest to and in the same including the right to receive any and all sums of money whatever payable to or on account of the Borrower (whether now or in the future) thereunder, including by the BBC pursuant to the BBC Agreement and by BBCW pursuant to the BBCW Agreement and the benefit of all representations, warranties, undertakings and covenants made thereunder; and
 - (c) the benefit of the Insurance Policies and the proceeds of the same; and
 - 2.2.2 charges by way of first fixed charge to the Bank all the Borrower's right, title and interest in and to and the benefit of (in each case whether now owned or hereafter acquired) the following through the world in perpetuity:
 - (a) all those assets, rights and interests detailed at clause 2.2.1 if and to the extent that the assignment by way of security may fail for any reason to operate as an assignment by way of security;

- (b) the Programme Collateral (to the extent the same is not assigned pursuant to clause 2.2.1)
- (c) the Programme (both as presently existing and to be created or acquired by the Borrower);
- (d) the proceeds of the Insurance Policies;
- (e) all sums from time to time standing to the credit of the Borrower in the Production Account;
- (f) all sums from time to time standing to the credit of the Borrower in the Repayment Account and all rights relating to the Repayment Account; and
- (g) the proceeds of all of the foregoing; and

2.2.3 charges by way of a floating charge any and all of the Borrower's rights and interest detailed in clause 2.2.2 if and to the extent that the first fixed charge may fail for any reason to operate as a fixed charge and in no circumstances over any other assets or interests of the Borrower.

to hold the same unto the Bank absolutely as security for the payment or discharge of the Secured Amounts. Paragraph 14 of Schedule B1 of the Insolvency Act 1986 (incorporated by Schedule 16 of the Enterprise Act 2002) shall apply to any floating charge created pursuant to this Charge so that it is a qualifying floating charge.

- 2.3 The Borrower will hold on trust for the Bank absolutely the Borrower's entire interest in and the benefit of the Collateral or any part of the Collateral which cannot be charged or assigned by the Borrower together with, without limitation, all proceeds, money and other rights and benefits to which the Borrower is beneficially entitled in respect of such Collateral.
- 2.4 Subject to the reassignment and discharge provisions set out in clause 17, this Charge shall remain in force as a continuing security to the Bank notwithstanding any settlement of account or any other act, event or matter whatever except only the execution by the Bank of an absolute and unconditional release or the execution by or on behalf of the Bank of a receipt for all and not part only of the Secured Amounts and/or the obligations of the Borrower under this Charge, and this Charge shall not prejudice or affect any other security which the Bank may now or at any time hereafter hold in respect of the Secured Amounts or any of them or any part thereof respectively.
- 2.5 Notwithstanding the provisions of clause 2.2.2(d), the Borrower (or, as applicable, Lion Cubs) may draw from the Production Account from time to time any and all monies required to satisfy the proper costs of production of each of the Programme in accordance with the Budget as applicable, unless and until an Event of Default occurs.
- 2.6 The Bank hereby grants the Borrower a licence to undertake and complete (or procure the undertaking and completion by Lion Cubs of) the production, post-production, completion and delivery of the Programme, subject in all respects to the security hereby created, and the Borrower hereby agrees that the Bank may terminate such licence if the security hereby created is enforced under clause 3.

3. ENFORCEMENT

- 3.1 The security interest created by this Charge shall become enforceable upon the happening of an Event of Default, without prejudice to the Bank's rights under the Facility Letter.

- 3.2 On or at any time after this Charge has become enforceable (and without prejudice to the statutory power of sale conferred by the Law of Property Act 1925 which is applicable to this Charge) the Bank shall be entitled to sell the Collateral or any part or parts of them or otherwise exploit them or turn them to account for such price and in such manner as the Bank in its absolute discretion may think fit and deal with the Collateral as if it were the absolute beneficial owner of it and shall not be liable to the Borrower as a consequence.
- 3.3 The Bank shall on receipt of any proceeds resulting from any of the acts of enforcement referred to in clause 3.2 apply the same in or towards repayment of any part of the Secured Amounts as the Bank may determine. The Bank shall be entitled to the repayment of all costs, fees and charges it may incur as a consequence of the enforcement of this Charge.
- 3.4 If on enforcement of this Charge there shall remain any sum of money after the Secured Amounts have been paid in full and the Bank has no further obligations to advance any sums pursuant to the Facility Letter or otherwise, such sum of money shall be made available to the Borrower or other person entitled thereto within ten Business Days.
- 3.5 The Law of Property Act 1925 Section 103 and the restriction contained in Section 93 shall not apply to the security created by this Charge.
- 3.6 In addition to the foregoing provisions of this clause the Bank may at any time after an Event of Default is declared appoint in writing a Receiver of the Collateral on such terms as to remuneration and otherwise as it shall think fit and may from time to time remove any Receiver and appoint another in his or their stead.
- 3.7 In addition to the foregoing provisions of this clause the Bank may at any time after an Event of Default has occurred appoint an Administrator pursuant to Paragraph 14 of Schedule B1 of the Insolvency Act 1986.
- 3.8 If a Receiver is appointed such Receiver shall be the agent of the Borrower and have all the powers set out in Schedule 1 and B1 to the Insolvency Act 1986 and as provided for by all applicable laws and in addition shall have the power:
- 3.8.1 to take possession of, get in and enforce the Collateral;
 - 3.8.2 to take any steps that may be necessary or desirable to effect compliance with any or all of the agreements charged or assigned pursuant to this Charge and to carry on, manage or concur in carrying on and managing the business of the Borrower or any part of the same in relation to the Programme and for any of those purposes to raise or borrow from the Bank or otherwise any money that may be required upon the security of the whole or any part of the property or assets charged or assigned by this Charge;
 - 3.8.3 to institute proceedings and sue in the name of the Borrower and to appoint managers, agents and employees at such salaries as the Receiver may determine;
 - 3.8.4 to sell or license or concur in selling or licensing the interest of the Borrower in the Collateral or otherwise deal therewith and on such terms in the interest of the Bank as the Receiver thinks fit;
 - 3.8.5 to appoint and discharge managers, advisers, officers, agents, contractors, workmen and employees for any of the aforesaid purposes for such remuneration and on such other terms as the Bank or the Receiver shall think fit;

- 3.8.6 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
- 3.8.7 to make any arrangement or compromise and enter into any contract or do any other act or make any omission which he shall think expedient in the interest of the Bank and to do any other act or thing which a Receiver appointed under the Law of Property Act 1925 or the Insolvency Act 1986 would have power to do subject to the provisions of this Charge **PROVIDED ALWAYS** that nothing contained in this Charge shall make the Bank liable to such Receiver as aforesaid in respect of the Receiver's remuneration, costs, charges or expenses or otherwise.
- 3.9 At any time after the security created hereunder becomes enforceable, the Bank or a Receiver may (but shall not be obliged to) do all such things and incur all such expenditure as the Bank or such Receiver shall in its sole discretion consider necessary or desirable to remedy such default or protect or realise the Collateral or its interests under this Charge and in particular (but without limitation) may enter upon the Borrower's property and may pay any monies which may be payable in respect of any of the Collateral and any monies expended in so doing by the Bank or the Receiver shall be deemed an expense properly incurred and paid by the Bank and the Borrower shall reimburse the same on demand to the Bank.
- 3.10 If an Administrator is appointed such Administrator will have all the powers conferred on them by statute including all the powers set out at Schedule 1 of the Insolvency Act 1986.

4. COVENANTS AND WARRANTIES

4.1 The Borrower represents, warrants, undertakes and agrees with the Bank as follows:

- 4.1.1 that it is the sole, absolute legal and beneficial owner of the Collateral and that none of the Collateral are the subject of any mortgage, charge, lien, pledge, encumbrance or security interest;
- 4.1.2 that it has the full power and title to assign (by way of security) and charge the Collateral in accordance with this Charge and has taken all corporate action necessary to authorise the execution and performance of this Charge;
- 4.1.3 not without the prior written consent of the Bank to sell, transfer, dispose of or part with possession or control of or attempt to sell, transfer, dispose of or part with possession or control of the Collateral or any part of it or any interest in it nor directly or indirectly create or permit to exist or be created any mortgage, charge, lien, pledge, encumbrance or security interest upon or in the Collateral or any part of it, save pursuant to the BBC Agreement and the BBCW Agreement;
- 4.1.4 not without the prior written consent of the Bank to make any modification or permit any modification to be made to the Programme or the Rights if such modification may have an adverse effect on the security of the Bank whether under this Charge or otherwise;
- 4.1.5 to maintain the Programme Collateral in good and serviceable condition (fair wear and tear excepted) and not to permit the same to be used, handled or maintained other than by persons properly qualified and trained;
- 4.1.6 not to permit or procure the terms of the Facilities House Letter, the BBC Agreement, the BBCW Agreement, the Insurance Policies or the Interparty Agreement to be materially varied or to terminate any of the foregoing without the prior written consent of the Bank;
- 4.1.7 promptly to pay all taxes, fees, licence duties, registration charges, insurance premiums and other outgoings in respect of the Programme and the Rights or any part of any of them and on demand procure evidence of payment to the Bank;
- 4.1.8 to obtain all necessary certificates, licenses, permits and authorisations from time to time required for the production and exploitation of the Programme and the protection of the Rights in accordance with the provisions of the BBC Agreement and the BBCW Agreement and not to do or permit to be done any act or omission whereby the Programme or its production, distribution, broadcast or exhibition would contravene any relevant laws, rules and regulations for the time being in force;
- 4.1.9 immediately to notify the Bank on becoming aware of any material loss, theft, damage or destruction to the Programme Collateral and/or breach of the Rights or any part of them;
- 4.1.10 to give the Bank such information concerning the location, condition, use and operation of the Programme Collateral as the Bank may reasonably require and to permit any persons designated by the Bank at all reasonable times and upon proper reasonable notice to inspect and examine the Programme Collateral and the records maintained in connection with them but so as not to interfere with the production of the Programme;
- 4.1.11 to do all in the Borrower's reasonable power to protect and preserve the Rights;

- 4.1.12 not to allow any counterclaim or set-off or other equity in respect of any sum payable in relation to the Programme and/or the Rights;
 - 4.1.13 not to enter into any agreement relating to the distribution or exploitation of the Programme or any of the Rights (other than the BBC Agreement and the BBCW Agreement) without the prior written approval of the Bank;
 - 4.1.14 not to materially modify or vary or waive any of the Borrower's rights pursuant to the BBC Agreement or the BBCW Agreement without the prior written consent of the Bank, such consent not to be unreasonably withheld;
 - 4.1.15 to observe and perform at all times throughout the continuance of this security all obligations and warranties on the part of the Borrower pursuant to the Facility Letter which warranties shall be deemed to be repeated herein for the benefit of the Bank for the purposes of this clause;
 - 4.1.16 at all times while there is any amount outstanding under the Facility Letter to maintain all insurance policies required to be maintained pursuant to the Facility Letter.
- 4.2 The Borrower further covenants:
- 4.2.1 not to do anything nor to allow anything to be done whereby any policy or policies of insurance on the Programme and/or the Rights may be or become void or voidable or whereby any such insurances might be prejudiced, cancelled, avoided or made subject to average;
 - 4.2.2 to renew all insurances at least 14 days before the relevant policies or contracts expire and to procure that the approved broker shall promptly confirm in writing to the Bank when each such renewal is effected;
 - 4.2.3 promptly to pay all premiums, calls, contributions, or other sums payable in respect of all such insurances and to produce all relevant receipts when so required by the Bank failing which the Bank may pay such premiums itself and the amount of the premiums and all costs, charges and expenses relating to that payment shall be repaid by the Borrower to the Bank and until so repaid shall be added to the Secured Amounts secured by this security;
 - 4.2.4 upon the happening of any event giving rise to a claim under any insurances forthwith to give notice to the appropriate insurers and to the Bank;
 - 4.2.5 to reimburse the Bank the cost to the Bank of effecting any policy of insurance to protect the interest of the Bank in the Programme Collateral and/or the Rights as mortgagee;
 - 4.2.6 prior to the date hereof and on the occasion of each renewal of the insurances required pursuant to clause 4.1.16, the Borrower shall procure that its insurance brokers issue to the Bank a letter confirming the subsistence of the insurances in accordance with the terms hereof.
- 4.3 The Bank shall:
- 4.3.1 apply monies received pursuant to a claim for an actual, agreed or constructive total loss of the Programme in the following order:

- (a) in or towards payment of all reasonable costs and expenses whatsoever incurred by the Bank or the Receiver in or about the collection of such claim and permitted hereunder;
 - (b) in or towards repayment of any part of the Secured Amounts as the Bank decides;
 - (c) the surplus (if any) to be paid to the Borrower or other person entitled thereto;
- 4.3.2 apply all monies received pursuant to any other claim in paying directly for repairs, or other charges in respect of which such proceeds were paid, or in reimbursing the Borrower for any such repairs or other charges; and
- 4.3.3 not be obliged to make any enquiry as to the nature or sufficiency of any payment made under the BBC Agreement or the BBCW Agreement or to make any claim or take any other action to collect any money or to enforce any rights and benefits assigned to the Bank or to which the Bank may at any time be entitled under the Charge.

5. SET-OFF

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

6. GRANT OF TIME OR INDULGENCE

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

7. ASSIGNMENT

- 7.1 The Bank shall be entitled to assign, transfer, charge, sub-charge or otherwise grant security over or deal in all or any of its rights, title and interest in this Charge and the Collateral. The Bank shall pay any reasonable cost that the Borrower is required to incur as a result of such assignment, transfer, charge, sub-charge or other grant of security.
- 7.2 The Borrower shall not assign, transfer, charge, sub-charge or otherwise grant security over, or otherwise encumber or deal in all or any of its rights, title and interest in and to or the benefit of the Collateral or under any of the Relevant Agreements (other than pursuant to this Charge, the BBC Agreement and the BBCW Agreement), without the prior written consent of the Bank.

8. PROTECTION OF THIRD PARTIES

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

9. PROTECTION OF THE BANK AND RECEIVER

- 9.1 Neither the Bank nor the Receiver shall be liable to the Borrower in respect of any loss or damage which arises out of the exercise or the attempted or purported exercise of or the failure to exercise any of their respective powers provided such powers are exercised in accordance with the terms of the Charge.
- 9.2 Without prejudice to the generality of clause 9.1, entry into possession of the Programme Collateral or the Rights or any part of them shall not render the Bank or any Receiver liable to account as mortgagee in possession and if and whenever the Bank or any Receiver enters into possession of the Programme Collateral or the Rights or any part of them they may at any time go out of such possession.

10. POWER OF ATTORNEY

- 10.1 Subject to the happening of any Event of Default, the Borrower hereby irrevocably and by way of security appoints the Bank and if any Receiver has been appointed the Bank and Receiver jointly and severally the Attorney and Attorneys of the Borrower and its name and on its behalf and as its act and deed to sign, execute and do all acts, things and documents which the Borrower is obliged or which a Receiver is empowered to execute or do under this Charge.
- 10.2 Subject as aforesaid this appointment shall operate as a general power of attorney made under Section 10 of the Powers of Attorney Act 1971. This power of attorney shall terminate without further notice on the reassignment under clause 17.
- 10.3 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 or by the Borrower at the instance of the Bank in the exercise or purported exercise of the aforesaid powers provided that such documents, act, things and transactions are entered into by the Bank in accordance with the terms of this Charge or the Facility Letter.

11. INDEMNITY

11.1 The Borrower covenants with the Bank fully to indemnify the Bank and the Receiver against all actions, demands, claims, proceedings, liabilities, costs (including, without prejudice to the generality of the foregoing, legal costs of the Bank or the Receiver on a solicitor and own client basis), awards, damages, charges and expenses which the Bank or the Receiver may incur (in the case of the Bank, whether before or after a demand has been made for payment or discharge of the Secured Amounts):

11.1.1 in consequence of anything done by the Bank or the Receiver in connection with the preservation, enforcement or the attempted preservation or enforcement, of the Bank's rights under this Charge, the Facility Letter or any other document relating thereto or of any failure by the Borrower to comply with its obligations to the Bank thereunder or otherwise in connection therewith; or

11.1.2 in consequence of any payment in respect of the Secured Amounts (whether made by the Borrower or any other party) being impeached or declared void.

11.2 The amounts payable under clauses 11.1.1 and 11.1.2 shall carry interest in accordance with the terms of the Facility Letter from the date on which they were paid or incurred by the Bank or the Receiver (as the case may require) and such amounts and interest may be debited by the Bank to any account of the Borrower at the Bank, but shall in any event form part of the Secured Amounts and accordingly be secured on the Collateral.

12. FURTHER ASSURANCE

The Borrower shall on demand, at its own expense, execute any document and do any other act or thing which the Bank may specify for perfecting any security created or intended to be created by this Charge or which the Bank or the Receiver may specify with a view to facilitating the exercise, or the proposed exercise, of any of their powers.

13. OTHER SECURITY

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

14. WAIVERS, REMEDIES CUMULATIVE

The powers which this Charge 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 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 the 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.

15. THE BANK'S COSTS AND EXPENSES

- 15.1 All reasonable costs charges and expenses incurred hereunder by the Bank and all other moneys paid by the Bank in perfecting this security shall be paid in accordance with the Facility Letter.
- 15.2 All costs, charges and expenses incurred by the Bank in relation to any proceedings for enforcement of the security hereby constituted or for obtaining payment of the Secured Amounts (and so that any taxation of the Bank's costs, charges and expenses shall be on the basis of Solicitor and own client) shall be recoverable from the Borrower as a debt and may be debited to any account of the Borrower and shall bear interest accordingly and shall be charged on the Collateral and the security hereby conferred shall be in addition and without prejudice to any and every other remedy, lien or security which the Bank may have or but for the said charge would have for the Secured Amounts or any part thereof.

16. POWER OF SALE

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

17. DISCHARGE AND RE-ASSIGNMENT

Upon repayment in full to the Bank of the Secured Amounts and provided that the Bank has no further obligation to advance any sums pursuant to the terms of the Facility Letter or otherwise, at the Borrower's request the Bank will (at the Borrower's cost and expense) discharge this Charge and re-assign the Borrower's rights in and to the assets assigned pursuant to clause 2.

18. NOTICES

- 18.1 Any demand, notice or other communication given or made under this Charge shall be in writing and may be delivered to the relevant party or sent by first class prepaid recorded delivery letter or facsimile transmission (to be confirmed by delivery of a hard copy by post by recorded delivery) to the address of that party specified in this Charge or to that party's facsimile transmission number thereat or such other address or number as may be notified hereunder by that party from time to time for this purpose and shall be effectual notwithstanding any change of address not so notified.
- 18.2 Unless the contrary shall be provided, each such demand, notice or communication shall be deemed to have been given or made and delivered, if by letter, 24 hours after posting, if by delivery, when left at the relevant address and, if by facsimile transmission, when transmitted (provided that the sender is in possession of an answer back or automatic print out confirming successful transmission).

19. INVALIDITY OF ANY PROVISION

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

20. COUNTERPARTS

This Charge may be executed in counterparts (the signature page of which may be transmitted by fax or by electronic transmission in either Tagged Image Format Files ("TIFF") or Portable Document Format ("PDF") or the equivalent), and shall come into force once each party has executed a counterpart signature page in similar form. The parties agree that any counterpart transmitted by fax, TIFF, PDF or the equivalent shall be treated for all purposes as an original, provided that an original shall be provided by the Borrower and Bank as soon as possible following execution.

21. THIRD PARTY RIGHTS

A person who is not a party has no right under the Contracts (Rights of Third Parties) Act 1999 (UK) to enforce any term of this Charge (but this does not affect any right or remedy of a third party which exists or is available apart from that Act).

22. NO PARTNERSHIP AND AGENCY

Nothing in this Charge shall (a) constitute or be deemed to constitute a partnership or joint venture between any of the parties; or (b) create or be deemed to create a relationship of principal and agent between any of the parties.

23. GOVERNING LAW

- 23.1 The validity, construction and performance of this Charge (and any claim, dispute or matter arising under or in connection with it or its enforceability) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and Wales.
- 23.2 The courts of England have exclusive jurisdiction to settle any dispute in connection with this Charge (including any dispute as to its existence, validity or termination), and are the most appropriate and convenient courts to settle any such dispute. The Borrower agrees not to argue to the contrary, and waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to any proceedings in connection with this Charge.

SIGNATURE PAGE TO CHARGE

DULY EXECUTED and **DELIVERED** as a Deed on the day of the year written above.

**EXECUTED AND
UNCONDITIONALLY DELIVERED**
as a Deed by
LION TELEVISION LIMITED
acting by a director
in the presence of a witness

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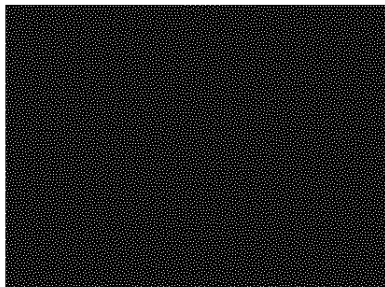


SHAHANA MEEL
(print name)



Witness

SUSAN COOKE
(print name)



SIGNATURE PAGE TO CHARGE

EXECUTED AND)
UNCONDITIONALLY DELIVERED)
as a deed by)
THE ROYAL BANK OF SCOTLAND)
PLC as agent for NATIONAL)
WESTMINSTER BANK PLC)
acting by)

Director

R.W. SPARROW
(print name)

Director/Secretary ASSOCIATE DIRECTOR

SARAH DURAN
(print name)

SIGNATURE PAGE TO CHARGE

EXECUTED AND)	
UNCONDITIONALLY DELIVERED)	
as a deed by)	Director
THE ROYAL BANK OF SCOTLAND)	
PLC as agent for NATIONAL)	
WESTMINSTER BANK PLC)	(print name)
acting by)	
		Director/Secretary
		(print name)

SCHEDULE 1

The Rights

All proprietary, statutory, contractual and common law rights throughout the world of the Borrower whether as owner, maker, author or otherwise in and to the Programme including the Source Material whether now owned or in the future acquired or licensed, and without prejudice to the generality of the foregoing:

1. Subject to and with the benefit of the BBC Agreement and the BBCW Agreement, the sole world-wide exclusive and irrevocable right to distribute, reproduce, exhibit, lease, license, sell, broadcast and otherwise exploit and deal in and with the Programme and any and all parts of the Programme by all methods and means in any and all media systems and processes now known or in the future devised throughout the world.
2. Save for the Horrible Histories trade mark and Horrible Histories series of books (which has been licensed for use by the Borrower in connection with the Programme from Scholastic Entertainment Inc in accordance with a Rights Agreement dated 14 March 2008 (the "HH Rights Agreement") all rights of copyright and all other rights throughout the world in the Programme, the original screenplay or treatment of the Programme and in all other literary, artistic, dramatic and musical works created or to be created for and whether or not used and/or contained in the Programme or on which the Programme is based.
3. To the extent that the Borrower has acquired the same, the music, the musical compositions and sound recordings of the Programme including the lyrics and the rights to exploit the same and to produce, publish, reproduce and synchronise the same with and incorporate the same in the Programme and to the extent that the Borrower has acquired the same the right to exploit the music independently of the Programme (except for musical performing rights if the composer is a member of the Performing Right Society).
4. All rights of the Borrower pursuant to any agreement, arrangement or contract made with any person, firm or company in connection with or relating to the production or distribution of the Programme including all rights granted to the Borrower pursuant to the HH Rights Agreement.

SCHEDULE 2

The Insurance Policies

In respect the Programme:

1. Errors and Omissions insurance (no less than £1,000,000 per claim /£3,000,000 in aggregate worldwide including USA and Canada) for a minimum period of no less than 3 years from the first day of principal photography unless otherwise agreed by the Bank in writing);
2. cast insurance;
3. videotape insurance;
4. faulty camera, stock and processing insurance;
5. third party property damage insurance;
6. extra expense insurance;
7. employer's liability insurance;
8. public liability insurance;
9. any other insurance policies taken out by or on behalf of the Borrower in relation to the Programme or the Rights or in respect of which the Borrower has any right, title or interest in and to or the benefit of.