



**Registration of a Charge**

Company name: **101 FILMS LIMITED**

Company number: **07766163**



X96045E3

Received for Electronic Filing: **28/05/2020**

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**Details of Charge**

Date of creation: **11/05/2020**

Charge code: **0776 6163 0002**

Persons entitled: **HEAD GEAR FILMS FN LTD**

Brief description: **CHARGOR CHARGES TO THE CHARGEES BY WAY OF LEGAL MORTGAGE ALL FREEHOLD AND LEASEHOLD PROPERTY OWNED BY IT AT THE DATE OF THE DEED AND ALL RENTS AND FIXTURES AND FITTINGS RELATING THERETO, CHARGES TO THE CHARGEES BY WAY OF EQUITABLE MORTGAGE ITS INTEREST IN ANY FREEHOLD OR LEASEHOLD PROPERTY ACQUIRED BY IT AFTER THE DATE OF THE DEED, ASSIGNS TO THE CHARGEES ITS INTEREST IN ANY PRESENT OR FUTURE LICENCES UNDER WHICH IT IS ENTITLED TO OCCUPY FREEHOLD OR LEASEHOLD PROPERTY, AND CHARGES TO THE CHARGEES BY WAY OF FIXED CHARGE ITS INTEREST IN ALL INTELLECTUAL PROPERTY RIGHTS;**

**Contains fixed charge(s).**

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

**Contains negative pledge.**

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**Authentication of Form**

## 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: **REBECCA KING**



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

Company number: 7766163

Charge code: 0776 6163 0002

The Registrar of Companies for England and Wales hereby certifies that a charge dated 11th May 2020 and created by 101 FILMS LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 28th May 2020 .

Given at Companies House, Cardiff on 29th May 2020

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



**Companies House**



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

**DATED 11 MAY 2020**

- 1. 101 FILMS LIMITED**
- 2. HEAD GEAR FILMS FN LTD**

## **DEBENTURE**

**LEE&THOMPSON**

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St Christopher's Place  
London  
W1U 1JD

Tel: +44 (0)20 3073 7600  
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## PARTIES

- (1) **101 FILMS LIMITED** (Company Number: 07766163), a company incorporated and registered in England and Wales, whose registered office is at: 30-34 North Street, Hailsham, East Sussex, BN27 1DW; (attention: Martin Lyon; email: Andy@101-films.com) (**Chargor**); and
- (2) **HEAD GEAR FILMS FN LTD**, a company incorporated with limited liability and registered in Scotland (Company No: SC313027) whose registered office is at The Metrol Centre, Kirkhill Place, Kirkhill Industrial Estate, Dyce, Aberdeen, AB21 0GU trading from Ashley House, 12 Great Portland Street, London W1W 8QN (contact Phil Hunt; email phil@headgearfilms.com) (**Chargee**).

## RECITALS

- (A) The Chargor has agreed to execute this Deed in favour of the Chargee as security for the performance, payment and discharge of any Secured Obligations existing from time to time (as defined below).

## OPERATIVE PROVISIONS

### 1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Deed (including the Recitals), the following capitalised terms shall have the meaning set out below. Other capitalised terms used in this Agreement and not defined in it have the meaning set out in the Loan Agreement:

<b>Account</b>	any account of the Chargor from time to time at any bank or institution;
<b>Acquisition Agreement(s)</b>	any acquisition agreements, distribution agreements or similar agreements entered into pursuant to which the Chargor obtains the right to distribute and/or exploit a Project;
<b>Business Day</b>	a day (other than a Saturday or a Sunday) on which banks are open for general business in London, England;
<b>Charged Assets</b>	the property, assets and interests (whether present or future) which are the subject of any security created by this Deed (and includes all income generated thereby, all proceeds of sale thereof and any present and future property, assets and interests of that type);
<b>Corporate Guarantee</b>	the guarantee and indemnity dated on or about the date hereon executed by the Chargor and 101 Films International Limited in favour of the Chargee;
<b>Debts</b>	all book debts, other debts, royalties, fees and other amounts due to the Chargor from any other person (including, without limitation, amounts due in respect of the exploitation of any audiovisual material), under letters of credit in its favour and under bills of exchange, negotiable and bearer instruments held by it (whether present, future or contingent and whether acquired from a third party)

together with all collateral, security, guarantees or other rights connected with them;

**Encumbrance**

any mortgage, charge (fixed or floating), pledge, lien, hypothecation, option, trust, right of set-off or other third party right or interest (legal or equitable), assignment by way of security, reservation of title or any other security interest of any kind or preferential right or arrangement to confer security, in each case howsoever created or arising or any other agreement or arrangement (including, without limitation, a sale and repurchase arrangement) having similar effect and proprietary claims of third parties of whatsoever kind and nature;

**Enforcement Event**

any default under this Deed or any Event of Default;

**Equipment**

all present and future equipment, plant, machinery, tools, vehicles, furniture, fittings, installations and apparatus and other tangible moveable property for the time being owned by the Chargor including any part of it and all spare parts, replacements, modifications and additions;

**Event of Default**

any "Event of Default" as defined in any Loan Agreement from time to time outstanding;

**Investment**

any present and future:

- (a) stock, share, bond or any form of loan capital of or in any legal entity;
- (b) unit in any unit trust or similar scheme;
- (c) warrant or other right to acquire any such investment;
- (d) any income, offer, right or benefit in respect of any such investment;

**Intellectual Property Rights**

any:

- (a) know-how, patent, trade mark, service mark, design, brand name, business name or similar right;
- (b) copyright or other intellectual property right;
- (c) interest (including by way of licence) in any of the above; and
- (d) application for any of the above,

in each case whether registered or not;

<b>Licence Agreements</b>	any agreement entered into by the Chargor with a broadcaster or other licensee for the exploitation of a Project anywhere in the relevant Territory (as defined in the relevant Acquisition Agreement);
<b>Loan Agreement(s)</b>	any loan agreement from time to time outstanding between the Chargor and the Chargee pursuant to which the Chargee agrees to make available a loan facility to the Chargor;
<b>Permitted Encumbrances</b>	<p>(i) any rights granted to the Chargee by the Chargor pursuant to any Loan Agreement and any security documentation (including any corporate guarantees) relating thereto; and</p> <p>(ii) any rights granted to Licensees in relation to any Licence Agreements (as such terms are defined in the Loan Agreement relating to the relevant Project).</p>
<b>Project(s)</b>	any television programme or feature film for which the Chargor has entered into an acquisition agreement or similar distribution agreement and in relation to which the Chargee has agreed to provide a loan to the Chargor pursuant to a Loan Agreement, and “ <b>Projects</b> ” shall mean, in the aggregate and from time to time, each such Project in relation to which any amounts are still owing from the Chargor to the Chargee under a Loan Agreement;
<b>Secured Obligations</b>	all present and future obligations and liabilities (actual or contingent) of the Chargor (whether or not for the payment of money and including any obligation to pay damages for breach of contract, any obligation to make restitution and all liabilities acquired by the Chargor from any third party) which are, or are expressed to be, or may become, due, payable or owing to the Chargee under or in connection with any Loan Agreement, this Deed, the Corporate Guarantee and any further corporate guarantees from time to time executed by the Chargor in favour of the Chargee, or any other agreement, charge, deed or instrument, together with all costs, charges, taxes or expenses incurred by the Chargee which the Chargor is obliged to pay under any Loan Agreement or this Deed;
<b>Security Period</b>	the period beginning on the date of this Deed until all of the Secured Obligations have been unconditionally and irrevocably discharged in full, and such period includes any period during which any administrator, liquidator or trustee in bankruptcy of the Chargor may claim any payment made to the Chargee in discharge or reduction of the Secured Obligations was a preference, transaction at an undervalue or otherwise liable to be repaid by the Chargee pursuant to any power in that regard given to such administrator,



liquidator or trustee in bankruptcy under the Insolvency Act 1986; and

**Tax**

any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

- 1.2 Terms otherwise undefined herein shall have the meanings given to them in the Loan Agreement.
- 1.3 Words denoting the singular shall include the plural and vice versa, words denoting any gender shall include every gender and words denoting persons shall include corporations and vice versa.
- 1.4 Any reference in this Deed to any statute, statutory provision or section, delegated legislation, code or guideline shall be a reference to the same as it may from time to time be amended, modified, extended, varied, superseded, modified, replaced, substituted or consolidated.
- 1.5 Any reference to a party to this Deed or any other person shall be deemed to include its successors in title, permitted assigns and permitted transferees.
- 1.6 Unless otherwise stated, time shall be of the essence for the purpose of the performance of the Chargor's obligations under this Deed.
- 1.7 References to this Deed or to any other document shall be construed as a reference to this Deed or that other document as amended, varied, novated or supplemented (including any supplement providing for further credit advances) from time to time.
- 1.8 The clause headings in this Deed are for the convenience of the parties only and shall not limit, govern or otherwise affect its interpretation in any way.
- 1.9 The covenants implied by Sections 2(1) and 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 (UK) shall apply to all assignments created under this Deed.
- 1.10 Any covenant of the Chargor under this Deed remains in force during the Security Period.
- 1.11 If the Chargee considers that an amount paid to the Chargee under this Deed is capable of being avoided or otherwise set aside on the liquidation or administration of the payor or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.12 Unless the context requires otherwise, a reference to "rights" includes all rights, title, benefits, powers, discretions, claims and interests (whether present, future, vested, contingent, statutory or otherwise).

**2 COVENANT TO PAY**

- 2.1 The Chargor covenants with the Chargee to pay, discharge and satisfy the Secured Obligations and to indemnify the Chargee against any losses, costs, charges, expenses and liabilities arising from any breach or failure to pay, discharge and satisfy the Secured Obligations in accordance with their respective terms.
- 2.2 For all purposes in connection with the exercise by the Chargee of any of its rights hereunder (including any legal proceedings, claims or suits arising out of or in connection with this Deed), a

certificate signed by an authorised signatory of the Chargee as to the amount of any indebtedness comprised in the Secured Obligations, or any applicable rate of interest, shall, in the absence of manifest or proven error, be conclusive evidence against the Chargor as the amount or rate thereof.

### **3 CREATION OF SECURITY**

#### **3.1 All the security created under this Deed is made:**

- 3.1.1 as continuing security for the payment, performance and discharge of the Secured Obligations;
- 3.1.2 with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994 (UK) but subject to the Permitted Encumbrances; and
- 3.1.3 (only to the extent applicable) by way of present assignment of future copyright pursuant to Section 91 of the Copyright, Designs and Patents Act 1988 (UK),

in each case, for the Chargee to hold absolutely on the terms of this Deed throughout the universe and in perpetuity or otherwise for the full period of the Chargor's rights, wherever subsisting or acquired, as renewed and extended from time to time, subject only to clause 21 (Release and Reassignment).

### **4 FIXED SECURITY**

The Chargor hereby:

- 4.1 charges to the Chargee by way of legal mortgage all freehold and leasehold property owned by it at the date of this Deed and all rents and fixtures and fittings relating thereto;
- 4.2 charges to the Chargee by way of equitable mortgage its interest in any freehold or leasehold property acquired by it after the date of this Deed;
- 4.3 assigns to the Chargee its interest in any present or future licences under which it is entitled to occupy freehold or leasehold property;
- 4.4 charges to the Chargee by way of fixed charge its interest in:
  - 4.4.1 all Intellectual Property Rights;
  - 4.4.2 any Investment;
  - 4.4.3 its present and future goodwill and uncalled capital;
  - 4.4.4 any money now or at any time after the date of this Deed standing to the credit of any Account;
  - 4.4.5 any present and future insurances in respect of any Charged Property and the proceeds of such insurances;
  - 4.4.6 any sum now or at any time after the date of this Deed received by it as a result of any order of the court under sections 213, 214, 238, 239 or 244 of the Insolvency Act 1986;

- 4.4.7 all licences, consents and authorisations (statutory or otherwise) held or required in connection with the Chargor's business or the use of any Secured Asset and all rights in connection with the same;
- 4.4.8 all Debts;
- 4.4.9 all Equipment and associated warranties and maintenance contracts; and
- 4.4.10 all agreements, deeds, rights, claims and choses in action including, without limitation, the benefit of all Licence Agreements and Acquisition Agreements;

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

## 5 **ASSIGNMENT**

5.1 The Chargor assigns and agrees to assign absolutely with full title guarantee to the Chargee as security for the payment and discharge of the Secured Obligations all the Chargor's right, title and interest from time to time in and to each of the assets, property and rights referred to in clause 4 of this Deed.

## 6 **FLOATING CHARGE**

6.1 As continuing security for the payment of the Secured Obligations the Chargor charges to the Chargee by way of floating charge the whole of its assets and undertaking to the extent that such assets are not effectively mortgaged, charged or assigned to the Chargee by way of fixed security pursuant to clause 4 and/or clause 5.

6.2 Except as provided below, the Chargee may, by notice to the Chargor, convert the floating charge created by this clause 6 into a fixed charge as regards any of that Chargor's rights and/or assets specified in that notice if:

6.2.1 an Enforcement Event occurs; or

6.2.2 the Chargee considers those rights or assets to be in danger of being sold or seized under any form of distress, attachment, execution or other legal process, or to be otherwise in jeopardy.

6.3 The floating charge created under this clause will automatically convert into a fixed charge over all of the Chargor's rights and assets on the occurrence of an Enforcement Event **PROVIDED THAT** solely for the purposes of this clause, the obtaining of a moratorium under Schedule A 1 of the Insolvency Act 1986 or any action with a view to obtaining such a moratorium shall not cause the floating charge to automatically crystallise.

6.4 Paragraph 14 of schedule B1 to the Insolvency Act 1986 applies to the floating charge created by this clause 6 which charge is accordingly a qualifying floating charge for such purposes.

## 7 **NATURE OF THE SECURITY**

Continuing security

- 7.1 The security constituted by this Deed shall extend to the ultimate balance of all of the Secured Obligations, regardless of any intermediate payment or settlement of account or other discharge, whether in whole or in part.

No Merger

- 7.2 Nothing herein contained shall operate so as to merge or otherwise prejudice or affect any bill, note guarantee, mortgage or other security or any contractual or other right which the Chargee may at any time have for any money or liabilities or other sums due or incurred by the Chargor to the Chargee or any right or remedy of the Chargee thereunder and any receipt, release or discharge of the security provided by, or of any liability arising under, this Deed shall not release or discharge the Chargor from any liability to the Chargee for the same or any other moneys which may exist independently of this Charge.

Reinstatement

- 7.3 Where any discharge (whether in respect of the obligations of the Chargor or any security for those obligations or otherwise) is made in whole or in part or any arrangement is made on the faith of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation or otherwise, the liability of the Chargor under this Deed shall continue as if the discharge or arrangement had not occurred. The Chargee may concede or compromise any claim by any person that any payment, security or other disposition is liable to avoidance or restoration.

Waiver of defences

- 7.4 The obligations of the Chargor under this Deed and the security created by this Deed will not be affected by any act, omission or thing which, but for this sub-clause, would reduce, release or prejudice any of its obligations under this Deed in whole or in part, including (whether or not known to the Chargor or to any other person):

- 7.4.1 any time or waiver granted to, or composition with, the Chargor or any other person by the Chargee;
- 7.4.2 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Encumbrance over the assets of the Chargor or any 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, or the Chargee from time to time dealing with, exchanging, varying, realising, releasing or failing to perfect or enforce any of the same;
- 7.4.3 any incapacity or lack of powers, authority or legal personality, or dissolution or change in the status of the Chargor or any other person;
- 7.4.4 any variation (however fundamental) or replacement of the Loan Agreement or any other document or security;
- 7.4.5 any partial or total unenforceability, illegality or invalidity of any obligation or any person under the Loan Agreement or any other document or security on any ground whatsoever, to the intent that the Chargor's obligations under this Deed shall remain in full force and this Deed shall be construed accordingly, as if there were no unenforceability, illegality or invalidity;

- 7.4.6 any postponement, discharge, reduction, non-provability or other similar circumstance affecting any obligation of the Chargor under the Loan Agreement resulting from any insolvency, liquidation or dissolution proceedings or from any law, regulation or order so that each such obligation shall for the purposes of the Chargor's obligations under this Deed be construed as if there were no such circumstance;
- 7.4.7 the winding-up or administration of the Chargor or any other person;
- 7.4.8 any change in the constitution of the Chargor;
- 7.4.9 any amalgamation, merger or reconstruction that may be effected by the Chargee with any other person or any sale or transfer of the whole or any part of the property, assets and undertaking of the Chargee to any other person;
- 7.4.10 the existence of any claim, set-off or other right which the Chargor may have at any time against the Chargee or any other person;
- 7.4.11 the making or absence of any demand for performance of the Secured Obligations on the Chargor or any other person, whether by the Chargee or any other person;
- 7.4.12 any arrangement, moratorium or compromise entered into by the Chargee with the Chargor or any other person;
- 7.4.13 any other thing done or omitted to be done by the Chargee or any other person or any other dealing, matter or thing which, but for this provision might operate to prejudice or alter the liability of the Chargor for the Secured Obligations.

#### Immediate recourse

- 7.5 The Chargor waives any right it may have of first requiring the Chargee to proceed against or enforce any other rights or security or claim payment from any person before enforcing the security constituted by this Deed.

#### Additional security

- 7.6 This Deed is in addition to and is not in any way prejudiced by any right of lien, set-off, combination of accounts or other rights exercisable by the Chargee against the Chargor or any security guarantee, indemnity and/or negotiable instrument now or subsequently held by the Chargee in respect of the Secured Obligations.

#### Collateral Security

- 7.7 Where the security given to the Chargee by this Deed initially takes effect as a collateral or further security then notwithstanding any receipt, release or discharge endorsed on, or given in respect of, or under, the principal security to which this Deed operates as a collateral or further security, the security provided by this Charge shall, in respect of any moneys which were originally intended to be secured, be an independent security for any such moneys.

#### Turnover

- 7.8 The Chargor holds on trust for the benefit of the Chargee absolutely:

- 7.8.1 any security held by it contrary to this clause 7, and shall hold in trust and immediately pay or transfer to the Chargee any payment or distribution or benefit of any security received by it contrary to this clause 7; and
- 7.8.2 the entire interest and benefit of the Chargor in and to all the Charged Assets and all other rights and assets intended to be subject to a security interest under this Deed (or any part of thereof) which are not or cannot be effectively assigned or charged by the Chargor under this Deed.

## **8 NEGATIVE PLEDGE**

- 8.1 The Chargor shall not without the prior written consent of the Chargee:
  - 8.1.1 create or allow to subsist any Encumbrance on or in respect of any Charged Property other than the Permitted Encumbrances; or
  - 8.1.2 sell, transfer, licence, lease, dispose of or otherwise part with any Charged Property; or
  - 8.1.3 redeem the security created by 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 Chargee on property wherever situated and whether now or hereafter belonging to the Chargor; or
  - 8.1.4 redeem any such mortgage, charge or other security of whatever nature without at the same time redeeming the security created by this Deed.

## **9 NON-COMPETITION**

- 9.1 The Chargor shall, after a claim has been made or by virtue of any payment or performance by it under this Deed:
  - 9.1.1 be subrogated to any rights, security or moneys held, received or receivable by the Chargee or be entitled to any right of contribution or indemnity in respect of any payment made or moneys received on account of the Chargor's liability under the Loan Agreement (and, to avoid doubt, the Chargor waives any rights that it would otherwise have to do so);
  - 9.1.2 claim, rank, prove or vote as creditor of any other obligor in competition with the Chargee (or any trustee or agent on its behalf); or
  - 9.1.3 receive claim or have the benefit of any payment, distribution or security from or on account of any other obligor or exercise any right of set-off as against any other obligor or enforce the benefit of the security granted to it by any other obligor.

## **10 [INTENTIONALLY DELETED]**

## **11 ENFORCEMENT**

- 11.1 The security created by this Deed shall become immediately enforceable without notice on the happening of an Enforcement Event or at any time thereafter. Upon this Deed becoming enforceable:

- 11.1.1 the Chargee may in its absolute discretion enforce all or any part of the security constituted by this Deed in any manner as it sees fit, and without liability for any loss (whether or not due to negligence) or any costs of any kind; and
- 11.1.2 the entire amount of the Secured Obligations then outstanding shall be immediately due and repayable.

## 12 EXERCISE OF RIGHTS

12.1 The Chargee may at any time after the security created by this Deed has become enforceable:

- 12.1.1 sell, call in, collect, convert into money or otherwise deal with or dispose of the Charged Assets or any part thereof on an instalment basis or otherwise and generally in such manner and upon such terms as the Chargee may think fit;
- 12.1.2 exercise all of the powers set out in the Law of Property Act 1925 (UK) and in Schedule 1 to the Insolvency Act 1986 (UK) and any other powers conferred upon the Chargee by this Charge or otherwise conferred by statute or common law on mortgagees;
- 12.1.3 in accordance with clause 12 or if requested by the Chargor appoint one or more persons to be (an) administrator(s) of the Chargor pursuant to the Insolvency Act 1986; and / or
- 12.1.4 appoint (in writing either under hand or as a Deed) a Receiver over all or any part of the Charged Assets upon such terms as the Chargee thinks fit, remove the Receiver and appoint another in his place, and exercise any or all of the powers which a Receiver could exercise **PROVIDED THAT** the Chargee may not appoint an administrative receiver (as defined in section 29(2) Insolvency Act 1986) if the Chargee is prohibited from doing so by section 72A Insolvency Act 1986 and no exception to the prohibition on appointing an administrative receiver applies and solely for the purposes of this clause, the obtaining of a moratorium under Schedule A1 of the Insolvency Act 1986 or any action with a view to obtaining such a moratorium shall not of itself (but without prejudice to the Charges right should any other Enforcement Event have occurred) entitled the Chargee to appoint a Receiver.

## 13 POWERS OF RECEIVER AND CHARGE

13.1 If a Receiver is appointed the Receiver shall be the agent of the Chargor (which shall alone be personally liable for the Receiver's acts, defaults and remuneration) and, without prejudice to any other powers the Receiver may have by law, the Receiver shall have the power set out in the Law of Property Act 1925 and in Schedule 1 to the Insolvency Act 1986 (UK) and in addition shall have power:

- 13.1.1 to enter upon any premises which the Receiver considers necessary and to take possession of, collect, get in or realise all and any part of the Charged Assets and to take, enforce, defend or abandon any actions, suits and proceedings in the name of the Chargor or otherwise in relation to the Charged Assets as the Receiver or the Chargee shall think fit;
- 13.1.2 to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is, or claims to be, a creditor of the Chargor or relating in any way to the Charged Assets or any part thereof;

- 13.1.3 to assign, sell, lease, licence, grant options to sell, deal with or manage or concur in assigning, selling, leasing, licensing, granting options to sell, dealing with or managing of any Charged Assets and to vary, terminate or accept surrenders of leases, licences or tenancies in respect of any of the Charged Assets in such manner and generally on such terms and conditions as the Receiver or the Chargee shall think fit and to carry any such transactions into effect in the name of and on behalf of the Chargor or otherwise;
- 13.1.4 to take any steps that may be necessary or desirable to effect compliance with all or any of the agreements hereby charged or assigned to the Chargee;
- 13.1.5 to carry on, manage or concur in carrying on and managing the business of the Chargor or any part thereof;
- 13.1.6 to raise or borrow any money that may be required upon the security of the whole or any part of the Charged Assets or without such security upon such terms as the Chargee or the Receiver shall think fit;
- 13.1.7 to give valid receipts for all monies and execute all assurances and things which may be proper or desirable for realising the Charged Assets;
- 13.1.8 to appoint and discharge advisers, managers, agents, employees, contractors and workmen in relation to the business of the Chargor at such salaries and for such periods as the Receiver may determine;
- 13.1.9 to make any arrangement or compromise, pay any compensation or incur any obligation and enter into any contracts which the Receiver or the Chargee shall think expedient in the interests of the Chargee;
- 13.1.10 to make, effect and do all maintenance, repairs, developments, reconstructions, improvements furnishings, equipment, alterations, additions, changes or insurance to or in respect of the Charged Assets in the interest of the Chargee for maintaining the value of the Charged Assets in every such case as the Chargee or the Receiver thinks fit;
- 13.1.11 to promote the formation of companies with a view to purchasing, leasing, licensing or otherwise acquiring interests in all or any of the Charged Assets, 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 and unsecured as the Receiver shall think fit;
- 13.1.12 to manage, develop, reconstruct, improve, amalgamate or diversify or concur in managing, developing, reconstructing, improving, amalgamating or diversifying the business of the Chargor;
- 13.1.13 to exercise in relation to the Charged Assets or any part of it an election in accordance with paragraph 2 of Schedule 10 to the Value Added Tax Act 1994 and/or to revoke any such election;
- 13.1.14 to do all such other acts and things in relation to all or any part of the Charged Assets as may be considered to be incidental or conducive to any of the matters or powers aforesaid and which the Receiver or the Chargee lawfully may or can do; and
- 13.1.15 to exercise all such other power and authority as the Receiver or the Chargee shall think fit to confer and so that the Receiver and/or the Chargee may in relation to all or any



part of the Charged Assets exercise and confer any powers and authorities which it could exercise and confer if it had full title guarantee thereto and to use the name of the Chargor for any such purposes,

**PROVIDED ALWAYS THAT** nothing herein contained shall make the Chargee liable to the Receiver in respect of his remuneration, costs, charges or expenses or otherwise for which together with the Receiver's acts, contracts, defaults and omissions the Chargor alone shall be liable.

- 13.2 All the powers, authorities and discretions which are conferred by this Deed either expressly or impliedly upon the Receiver may be exercised by the Chargee in relation to the Charged Assets or any part of it without first appointing a Receiver or notwithstanding the appointment of a Receiver.
- 13.3 The powers conferred by this Deed in relation to the Charged Assets on the Chargee or on the Receiver shall be in addition to, and not in substitution for, the powers conferred on mortgagees or receivers under the Law of Property Act 1925 and the Insolvency Act 1986 or otherwise available at law.
- 13.4 The Chargee and any Receiver may, at any time and from time to time, delegate by power of attorney or in any other manner (including, under the hand of any duly authorised officer of the Chargee) to any person all or any of the powers, authorities and discretions which are, for the time being, exercisable by the Chargee or any Receiver under this Deed, the Law of Property Act 1925 or the Insolvency Act 1986 in relation to the Charged Assets or any part of them, and any such delegation may be made upon such terms and conditions (including power to sub-delegate) and subject to such regulations as the Chargee or the Receiver (as the case may be) may think fit. Except for negligence in its selection of any such delegate, the Chargee and the Receiver shall not be in any way liable or responsible to the Chargor for any loss or damage arising from any act, default, omission or misconduct on the part of any such delegate (or sub-delegate).
- 13.5 If there is any ambiguity or conflict between the powers conferred on the Receiver by the Law of Property Act 1925, Schedule 1 of the Insolvency Act 1986 and the powers conferred by this clause 13, the powers conferred by this clause 13 shall prevail.
- 13.6 The restrictions contained in Schedule 93, 103 and 109 of the Law of Property Act 1925 (UK) shall not apply to the security hereby created.
- 13.7 The Chargee or the Receiver may enforce the security created by this Deed in any order which the Chargee or the Receiver in its absolute discretion thinks fit.
- 13.8 The Chargee may appoint more than one Receiver and in such event any reference in this Deed to a Receiver shall apply to both or all of the Receivers so appointed and the appointment of Receivers so made shall be deemed to be a joint and several appointment, so that the rights vested in the Receivers may be exercised by them all jointly, or severally by each of them.
- 13.9 The Chargee shall not, nor shall the Receiver, by reason of the Chargee or the Receiver entering into possession of the Charged Assets or any part thereof, be liable to account as mortgagee in possession or for any default or omission of any nature whatsoever for which a mortgagee in possession might be liable, or be liable for any loss or damage occasioned by or upon realisation or diminution in value happening in or about the exercise of any power conferred hereby or by statute. The Chargor shall have no right of action or claim against the Chargee on the grounds that a better price could or might have been obtained on any such realisation, sale or disposal. The Chargee and the Receiver shall be entitled to all the rights, powers, privileges and immunities conferred by statute on mortgagees and Receivers.

- 13.10 The Chargor undertakes that it will hold the Charged Assets upon trust to convey, assign or otherwise deal with the same in such manner and to such person as the Chargee shall direct, and will declare that it is lawful for the Chargee to appoint one or more new trustees of the Charged Assets by an instrument under its common seal.
- 13.11 The Chargee shall have the right at its complete discretion to give time or indulgence to or compound with and to make such other arrangement of whatsoever nature as it sees fit with the Chargor or any other person, without prejudice to the Chargor's liability hereunder or the Chargee's rights to the Charged Assets and the Chargee may apply any monies received by it to any account or transaction of such persons or otherwise as the Chargee sees fit.
- 13.12 The Chargee may redeem such or any other prior Encumbrance or procure the transfer thereof to itself and may settle and pass the accounts of the encumbrancer and any account so settled and passed shall be conclusive and binding on the Chargor and all monies paid by the Chargee to the encumbrancer in accordance with such accounts shall as from such payment be due from the Chargor to the Chargee and shall bear interest, fees, costs and charges owing hereunder.
- 13.13 The Chargee or a Receiver may (but shall not be obliged to) do all such things and incur all such expenditure as the Chargee 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 Chargee or Receiver shall be deemed an expense incurred and paid by the Chargee and the Chargor shall reimburse the same on demand to the Chargee.

#### **14 APPROPRIATIONS**

- 14.1 Any monies obtained by the Chargee or by a Receiver appointed hereunder whether by sale of any of the Charged Assets or obtained by carrying on the business or otherwise (subject always to the provisions of the Enterprise Act 2002 (UK)) shall be applied:
- 14.1.1 first, in payment of the remuneration of the Receiver and in payment of all costs and expenses incurred and incidental to the powers conferred on the Chargee or the Receiver hereunder; and
  - 14.1.2 second, in and towards satisfaction of the Secured Obligations; and
  - 14.1.3 the surplus (if any) shall be applied in accordance with the instructions of the Chargor.
- 14.2 The provisions of clause 14.1 shall take effect as and by way of variation and extension of the provisions of Section 99 to 109 inclusive of the Law of Property Act 1925, which provisions so varied and extended shall be regarded as incorporated herein.
- 14.3 The Chargee may in its absolute discretion:
- 14.3.1 refrain from applying or enforcing any moneys, security or rights held or received by it in respect of the Secured Obligations, or apply and enforce the same in such manner and in such 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
  - 14.3.2 hold in an interest-bearing suspense account for so long and in such manner as the Chargee may determine any moneys received, recovered or realised from the Chargor

or on account of the Chargor's liability in respect of the Secured Obligations and apply such monies in or towards the discharge of any part of the Secured Obligations;

14.3.3 (in circumstances where the Chargor has more than one account on the books of the Chargee) transfer without notice all or any part of any balance standing to the credit of any such account to any other such account which may be in debt, combine and consolidate all or any of such accounts against the Chargor's liability under this Deed; and

14.3.4 set off any liability or obligation (whether matured or not) owed by the Chargor under the Loan Agreement against any liability or obligation (whether or not matured) owed by the Chargee to the Chargor regardless of the place of payment, booking, branch or currency of either obligation. If the respective obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off. If either obligation is unliquidated or unascertained, the Chargee may set-off in an amount estimated by it in good faith to be the amount of that obligation.

14.4 All payments to be made by the Chargor pursuant to this Charge shall be paid together with Value Added Tax (if any) thereon.

## **15 NEW ACCOUNT**

15.1 If the Chargee receives notice (either actual or constructive) of any Encumbrance or other interest affecting the Charged Assets or any part of it, the Chargee may open a new account or accounts with the Chargor. If the Chargee does not open a new account it shall nevertheless be treated as if it had done so at the time when it received notice or was deemed to have received such notice and, as from that time, all payments made by or on behalf of the Chargor to the Chargee shall be credited or be treated as having been credited to the new account and shall not operate to reduce the amount due from the Chargor to the Chargee at the time when it received notice or was deemed to have received such notice.

## **16 LAW OF PROPERTY ACT 1925**

16.1 The restriction on consolidation of mortgages contained in Section 93 of the Law of Property Act 1925 shall not apply to this security. The powers conferred by Section 101 of the Law of Property Act 1925, as varied and extended by this Charge, shall be deemed to have arisen immediately on the execution of this Charge.

## **17 PROTECTION OF THIRD PARTIES**

17.1 No purchaser, mortgagee or other third party dealing with the Chargee and/or Receiver or other person dealing with the Chargee and/or Receiver shall be concerned to enquire whether:

17.1.1 any of the powers which the Chargee or the Receiver has exercised or purported to exercise has arisen or become exercisable;

17.1.2 the security created hereunder has become enforceable;

17.1.3 the Secured Obligations have been performed;

17.1.4 the exercise or purported exercise of any power is valid; or

17.1.5 the application of any money paid to the Chargor or such Receiver is proper;

or otherwise as to the propriety or regularity or any other dealing by the Chargee or the Receiver and such dealing shall be deemed to be within the powers conferred hereunder and to be valid and effectual accordingly and the title of a purchaser and the position of such a person shall not be prejudiced by reference to any of those matters and all the protection to purchasers contained in sections 104 and 107 of the Law of Property Act 1925 and Section 42 of the Insolvency Act 1986 shall apply to any person purchasing from, or dealing with, the Chargee or the Receiver as if the statutory powers of sale and appointing a Receiver in relation to the Charged Assets had not been varied by this Charge.

17.2 In favour of a purchaser the Secured Obligations shall be deemed to have become due on the date a demand for the same is made by the Chargee and all powers exercisable by the Chargee under this Deed shall be exercisable from that time.

## **18 CHARGOR REPRESENTATIONS & WARRANTIES**

18.1 In respect of each Loan Agreement entered into during the Security Period, the Chargor repeats in favour of the Chargee the warranties, representations, undertakings and covenants given by it in such Loan Agreement on the date of execution of such Loan Agreement as if the same were set forth and incorporated in this Deed.

## **19 FURTHER CHARGOR UNDERTAKINGS**

19.1 The Chargor hereby covenants and undertakes with the Chargee that it shall:

19.1.1 immediately on becoming aware of it, notify the Chargee in writing of the occurrence of any Event of Default and inform the Chargee of any action taken or proposed to be taken in connection with it;

19.1.2 immediately on becoming aware of it, notify the Chargee of any litigation, arbitration or administrative or other proceeding before or of any judicial, administrative, governmental or other authority or arbitrator, of any dispute with any governmental regulatory body or law enforcement authority, of any labour dispute or of any other event which could have a material adverse effect on its assets, financial condition, operations or prospects;

19.1.3 give the Chargee such information concerning the location, condition, use and operation of the Charged Assets as the Chargee may require and to permit any persons designated by the Chargee at all reasonable times to inspect and examine the Charged Assets or any of them and the records maintained in connection with it;

19.1.4 use its best endeavours to realise the Debts;

19.1.5 from time to time if required by the Chargee provide the Chargee with a list of the names and addresses of all debtors of the Chargor and the amount of the Debts owing from each of them and all other information relating to the Debts as the Chargee may require;

19.1.6 if required by the Chargee execute a legal assignment of any Debt to the Chargee in such terms as the Chargee may require and give notice of such assignment to the Debtor;

19.1.7 pay the proceeds of realisation of any Debt in accordance with any directions given by the Chargee from time to time;

- 19.1.8 permit any bank or other institution with which an Account is held to furnish directly to the Chargee from time to time upon request full particulars of all the Chargor's accounts with such bank or other institution and all other information relating to the Chargor as is available to such bank or other institution.

## **20 INDEMNITY**

- 20.1 The Chargor indemnifies, and agrees to keep indemnified, the Chargee and the Receiver and any of their managers, contractors, agents, officers or employees for whose liability, actions or omissions the Chargee or, as the case may be, the Receiver may be answerable, from and against all actions, claims, proceedings, demands, liabilities and expenses now or hereafter brought against, suffered or incurred by any or arising from or as a result of:

- 20.1.1 the execution, or purported execution, of any of the powers, authorities or discretions vested in the Chargee or the Receiver pursuant hereto and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to the Charged Assets;
- 20.1.2 any breach by the Chargor of any covenants or other obligations to the Chargee under this Deed;
- 20.1.3 the enforcement of the provisions of this Deed; or
- 20.1.4 any action, claim or proceeding relating to any of the above;

and the Chargee and the Receiver may retain and pay all sums in respect of the same out of any monies received under the powers hereby conferred. The Chargor's liability to the Chargee under this clause shall form part of the Secured Obligations.

## **21 RELEASE AND REASSIGNMENT**

- 21.1 Any release, settlement or discharge between the Chargee and the Chargor shall be conditional upon no security, disposition or payment to the Chargee by the Chargor or any other person being avoided, set aside, reduced or ordered to be refunded by virtue of any statutory provision relating to the insolvency or liquidation for the time being in force or for any reason whatsoever. If the same is so avoided, set aside, reduced or ordered to be refunded, the Chargee shall be entitled to recover the value or amount of any such security or payment from the Chargor subsequently as if such settlement or discharge had not occurred, and the Chargor assigns and charges the Charged Assets on mutatis mutandis the items of clauses 4, 5 and 6 with any liability, actual or contingent, under this clause.
- 21.2 The Chargee shall be entitled to retain this Deed for the duration of the Security Period.
- 21.3 Subject to and without prejudice to Clause 21.1, once the Chargee in its sole and unfettered discretion is satisfied that all the Secured Obligations have been paid and discharged in full and all facilities which might give rise to the Secured Obligations have been terminated and no further such facilities are at that time contemplated between the Chargor and the Chargee, then the Chargee shall, at the request and cost of the Chargor, execute and do all such deeds, acts and things as may be reasonably necessary to release the Charged Assets from the assignments mortgages and charges contained in this Deed.
- 21.4 The Chargee may redeem any prior Encumbrance and may settle and prove the accounts of the beneficiary of that prior Encumbrance, and accounts so settled and provided shall be conclusive

and binding on the Chargor and the money so paid shall be a receivership expense and be secured by this Deed.

## **22 FURTHER ASSURANCE**

22.1 The Chargor shall, at its own expense, take whatever action the Chargee or a Receiver may consider necessary or desirable in order to:

22.1.1 vest in or further assure to the Chargee the rights expressed to be assigned and granted to the Chargee under this Deed and to create, perfect or protect any security intended to be created by this Deed and to ensure that such security is and remains valid, legally binding and enforceable; and

22.1.2 facilitate the realisation of any Charged Assets, and the exercise of any right, power or discretion vested in, intended to be vested in, or otherwise exercisable by the Chargee or any Receiver or any of its delegates or sub-delegates.

This includes (without limitation):

22.1.3 executing any transfer, conveyance, assignment or assurance of any property, whether to the Chargee or its nominee;

22.1.4 producing or depositing with the Chargee or its nominee all deeds and documents of title relating to the Charged Assets or any of them;

22.1.5 taking any step to protect the Chargee's rights in and to the Charged Assets or to facilitate or effect the exercise by the Chargee of its rights under this Deed or conferred by statute on the Chargee or on any Receiver; or

22.1.6 the giving of any notice, order, instruction or direction and the making of any registration (in each case, in a form required by the Chargee);

which, in each case, the Chargee may consider expedient.

22.2 The Chargor shall, at its own expense:

22.2.1 on demand by the Chargee produce evidence which the Chargee considers to be satisfactory of the Chargor's compliance at all times with its obligations under the Finance Documents to which it is a party and such information concerning the business and affairs of the Chargor relating to the Charged Assets as the Chargee may require; and

22.2.2 execute any financing statements under Uniform Commercial Codes of such states or counties in the United States of America as the Chargee may reasonably consider appropriate to perfect or protect the Chargee's security hereunder immediately upon request by the Chargee and insofar as may be reasonably possible no later than one (1) month following signature hereof.

22.3 The Chargor hereby covenants with the Chargee that on request it will ratify and confirm all documents, acts and things and all transactions entered into by the Chargee or by the Chargor at the instance of the Chargee in the exercise or purported exercise of the aforesaid powers.

22.4 The Chargor hereby irrevocably and by way of security appoints with effect from the occurrence of an Enforcement Event the Chargee and, if any Receiver shall be appointed, the Chargee and the Receiver jointly and severally, its attorney or attorneys and in its name and on its behalf to sign, execute and deliver all deeds and documents and to do all acts and things which the Chargee may require or deem appropriate for the purpose of realising this security. The Chargor hereby acknowledges that such appointment shall be coupled with an interest and shall be irrevocable. The Chargee shall promptly deliver to the Chargor a copy of each Deed or document signed or executed by the Chargee pursuant to this Clause 22. This appointment shall operate as a general power of attorney made under Section 10 of the Powers of Attorney Act 1971 (UK). This power of attorney shall terminate without further notice on the release and discharge of this Deed pursuant to clause 21 (Release and Reassignment).

## 23 ASSIGNMENT

23.1 The Chargee shall be entitled to charge, sub-charge, license, transfer, assign or otherwise grant security over or deal with all or any of the rights assigned and granted to it hereunder (including the benefit of any warranties, undertakings, representations and indemnities) to any third party. The Chargee agrees to give the Chargor notice of any such arrangement.

## 24 PARTIAL UNENFORCEABILITY

24.1 If any clause or any part of this Deed or the application thereof to either party shall for any reason be adjudged by any court or other legal authority of competent jurisdiction to be invalid, such judgment shall not affect the remainder of this Deed, which shall continue in full force and effect.

## 25 NOTICES

25.1 Each notice or other communication required to be given under, or in connection with, this Deed shall be:

25.1.1 in writing, delivered personally or sent by pre-paid first-class letter or email; and sent:

to the Chargor at:

Address: 30-34 North Street, Hailsham, East Sussex, BN27 1DW  
email: Andy@101-films.com  
Attention: Martin Lyon

to the Chargee at:

Address: Ashley House, 12 Great Portland Street, London W1W 8QN  
email: phil@headgearfilms.com  
Attention: Phil Hunt

or to any other addresses or email addresses that are notified in writing by one party to the other from time to time.

25.2 Any notice or other communication given hereunder shall be deemed to have been received:

25.2.1 if sent by email, when sent provided the sender is not in receipt of a notification of failure of delivery and has complied with any instructions received in an automatic "out of office" or similar bounce back;

25.2.2 if given by hand, at the time of actual delivery; and

25.2.3 if posted, on the second Business Day following the day on which it was despatched by pre-paid first-class post.

25.3 A notice or other communication given as described in clause 25.2.1 or clause 25.2.2 on a day which is not a Business Day, or after normal business hours in the place of receipt, shall be deemed to have been received on the next Business Day.

25.4 Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.

## **26 NO WAIVER**

26.1 No failure or delay on the part of the Chargee or the Chargor in exercising any right, title, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any other right, power or remedy hereunder. The remedies herein provided are cumulative and not exclusive of any remedies in law.

## **27 ENTIRE AGREEMENT**

27.1 This Deed and each other finance document to which the parties are from time to time party constitute the entire agreement between the parties and supersede all prior agreements and understandings, oral or written, between the parties hereto relating to the subject matter of this Deed. This Deed may not be changed, altered or modified, except by written instrument signed by each of the Parties.

## **28 COUNTERPARTS**

28.1 This Deed may be executed in any number of counterparts, original or sent by facsimile or transmitted electronically in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) or the equivalent, each of which when so executed shall be deemed an original and all of which shall together constitute one and the same agreement.

## **29 THIRD PARTY RIGHTS**

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

## **30 GOVERNING LAW**

30.1 This Deed and any non-contractual obligations or liabilities arising from or connected with it shall be governed by, and construed in accordance with, the laws of England and Wales provided however that the Chargee may commence and maintain any action against the Chargor arising under this Deed in the courts of any other jurisdiction. The Chargor irrevocably waives any objection it might have to the courts of England being nominated as the forum to hear and decide any proceedings brought before it and to settle any dispute which may arise out of or in any way in connection with this Deed and agrees not to claim that the courts of England are not a convenient or appropriate forum for these purposes.



**EXECUTION PAGE**

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

Executed and delivered as a deed by  
101 FILMS LIMITED  
acting by a duly authorised director

Director

MARTIN ANDREW LYON  
in the presence of

**Witness**

**Name and address of Witness (Print):**

SAMUEL RICHENS

Executed and delivered as a deed by  
HEAD GEAR FILMS FN LTD  
acting by a duly authorised director

Director

in the presence of

**Witness**

**Name and address of Witness (Print):**

**EXECUTION PAGE**

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

Executed and delivered as a deed by  
**101 FILMS LIMITED**  
acting by a duly authorised director

---

**Director**

in the presence of

---

Witness

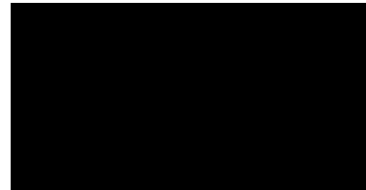
Name and address of Witness (Print):

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Executed and delivered as a deed by  
**HEAD GEAR FILMS FN LTD**  
acting by a duly authorised director



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**Director**

in the presence of



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Witness

Name and address of Witness (Print):

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Chloe Fenton

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