

008277/13

In accordance with  
Sections 859A and  
859J of the Companies  
Act 2006

# MR01

## Particulars of a charge



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

You can use the WebF  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

WEDNESDAY



A05 \*A2DAK2X4\* #274  
24/07/2013  
COMPANIES HOUSE

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

☒ **What this form is NOT**  
You may not use this form to  
register a charge where  
instrument. Use form M1

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

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

<b>1 Company details</b>		For official use	
Company number	8 2 8 6 9 5 8	3	
Company name in full	AVA FILMS LIMITED		
		Filling in this form Please complete in typescript or in bold black capitals All fields are mandatory unless specified or indicated by *	

<b>2 Charge creation date</b>	
Charge creation date	4 8 0 7 2 0 1 3

<b>3 Names of persons, security agents or trustees entitled to the charge</b>	
Please show the names of each of the persons, security agents or trustees entitled to the charge	
Name	FILM FINANCES, INC
Name	
Name	
Name	
If there are more than four names, please supply any four of these names then tick the statement below <input type="checkbox"/> I confirm that there are more than four persons, security agents or trustees entitled to the charge	

MRO1

Particulars of a charge

<b>4</b>	<b>Description</b>	Please give a short description of any land (including buildings), ship, aircraft or intellectual property registered (or required to be registered) in the UK which is subject to this fixed charge or fixed security	<b>Continuation page</b> Please use a continuation page if you need to enter more details
Description	<p>Subject to the rights and prior security of Coutts &amp; Co, Universal City Studios Productions LLLP and FILM4, a division of Channel Four Television Corporation (together, the "Financiers") under their respective financing agreements in respect of a film provisionally entitled "EX MACHINA" (the "Film")</p> <p>5.1 all rights, title and interest of the Company of and in the Film and in the script and all other written and musical matter embodied or to be embodied or used in the Film or acquired in connection with its production and the negative and prints thereof and all rights of representing, exploiting and exhibiting the same</p> <p>(together the "Charged Property")</p>		
<b>5</b>	<b>Fixed charge or fixed security</b>	<p>Does the instrument include a fixed charge or fixed security over any tangible or intangible (or in Scotland) corporeal or incorporeal property not described above? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> <b>No</b></p>	
<b>6</b>	<b>Floating charge</b>	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> <b>Yes</b> Continue</p> <p><input type="checkbox"/> <b>No</b> Go to <b>Section 7</b></p> <p>Is the floating charge expressed to cover all the property and undertaking of the company?</p> <p><input type="checkbox"/> <b>Yes</b></p>	
<b>7</b>	<b>Negative Pledge</b>	<p>Do any of the terms of the charge prohibit or restrict the chargor from creating any further security that will rank equally with or ahead of the charge? Please tick the appropriate box</p> <p><input checked="" type="checkbox"/> <b>Yes</b></p> <p><input type="checkbox"/> <b>No</b></p>	

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Particulars of a charge

**8**

**Trustee statement <sup>1</sup>**

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

☐

<sup>1</sup> This statement may be filed after the registration of the charge (use form MR06)

**9**

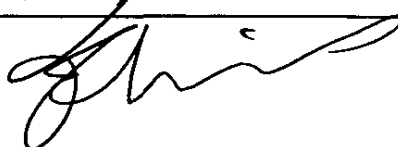
**Signature**

Please sign the form here

Signature

Signature

X



X

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

# MRO1

## Particulars of a charge



### Presenter information

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

Contact name JAMES SHIRRAS

Company name FILM FINANCES LIMITED

Address 15 CONDUIT STREET

Post town LONDON

County/Region

Postcode W 1 S 9 X L

Country

DX

Telephone 020 7491 7530



### Certificate

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



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



### Important information

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



### How to pay

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

Make cheques or postal orders payable to 'Companies House.'



### Where to send

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

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

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

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



### Further information

For further information, please see the guidance notes on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)



**FILE COPY**

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

Company number. 8286958

Charge code: 0828 6958 0003

The Registrar of Companies for England and Wales hereby certifies that a charge dated 18th July 2013 and created by AVA FILMS LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 24th July 2013

Given at Companies House, Cardiff on 26th July 2013



THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES

I CERTIFY THIS DOCUMENT TO BE A TRUE AND ACCURATE  
COPY OF THE ORIGINAL

  
KATRINA STAGNER, SOLICITOR

18 JULY 2013

FILM FINANCES LTD

15 CONDUIT STREET, LONDON W1S 2XJ

Ex Machina  
Completion Agreement  
Execution Copy

THIS AGREEMENT is made the 18<sup>TH</sup> day of JULY. Two thousand and thirteen  
BETWEEN

- (1) **AVA FILMS LIMITED** (the "**Company**") a company incorporated under the laws of England and Wales (Company No 8286958) of 10 Amwell Street, London, EC1R 1UQ (facsimile number + 44 (0) 20 7843 4411 attention Joanne Smith, email joanne.smith@dnafilms.com),
- (2) **MACHINA MOVIES LIMITED** ("**MML**") a company incorporated under the laws of England and Wales (Company No 8527493) of 10 Amwell Street, London, EC1R 1UQ (facsimile number + 44 (0) 20 7843 4411 attention: Joanne Smith, email joanne.smith@dnafilms.com), and
- (3) **FILM FINANCES, INC.** whose registered office is at Suite 1400, 9000 Sunset Boulevard, Los Angeles, California 90069 (hereinafter called the "**Guarantor**")

**RECITALS:-**

- (A) The Company has acquired the rights from MML to produce a film provisionally entitled "Ex Machina" (the "**Film**") based on an original screenplay by Alex Garland (version 14) with pink pages dated 9 July 2013 (the "**Script**")
- (B) By an interparty agreement (the "**IPA**") dated on or about the date hereof between, amongst others, the Company, MML, Universal City Studios Productions LLLP ("**Universal**"), FILM4 a division of Channel Four Television Corporation ("**Film4**") and Coutts & Co ("**Coutts**" and together with Universal and Film4, the "**Financiers**"), each of the Financiers has agreed to advance sums to be applied towards the cost of production and financing of the Film upon the terms and subject to the conditions of the IPA;
- (C) The Financiers have required a guaranty of completion and delivery in respect of the Film and by a guarantee (hereinafter called the "**Guarantee**") of even date herewith and given by the Guarantor to the Financiers, and at the request of the Company, the Guarantor has provided such a guarantee of completion and delivery

**NOW THIS DEED WITNESSETH** as follows -

1 The Company hereby warrants and represents to the Guarantor that -

- 1.1 The Script and shooting schedule and budget of £9,676,592 (including a guarantee fee of £159,664 (the "**Guarantee Fee**") and a contingency of £775,320) (hereinafter called the "**Budget**") for the Film which to the extent required have been approved by the Guarantor have also been approved by the Financiers,

- 1 2 The producers, director and principal artists for the Film have also been or will be approved as aforesaid and have entered into (or will enter into) agreements with the Company undertaking to serve the Company in those capacities during the production of the Film,
- 1 3 The Company has arranged to obtain finance equal to the Budget,
- 1 4 The Company has obtained all such rights and licences in respect of the Script and in all treatments and screenplays and written matter of all kinds and the Company will as soon as reasonably practicable obtain such rights and licences in respect of any musical matter embodied or to be embodied or used in the Film or on which the Film will be based as are necessary to enable the Company to comply with its obligations to the Financiers contained in the IPA,
- 1 5 The Company and the director of the Film will be the authors of the Film and (subject to the rights and security interests of the Financiers) the copyright in and all rights of representing, exhibiting and exploiting the Film will vest absolutely upon creation in the Company.
- 2 2 1 Forthwith upon the execution of this Agreement the Company shall effect and maintain such customary insurance in relation to the Film as may be required by the Guarantor and the Financiers and shall produce to the Guarantor on demand the policies of insurances and cover notes therefor and the receipts for premiums paid.
- 2 2 The Company shall from time to time during production of the Film and whether or not insurances have been placed or entered into jointly with the Guarantor, effect such further insurances (as a cost to the Budget) for such amounts and covering such risks as the Guarantor may reasonably specify in order to ensure that full insurance is effected at all times until delivery of the Film. The Company shall inform the Guarantor of all further insurances or modifications or extensions effected as aforesaid and produce to the Guarantor on demand the further policies of insurance or endorsements to earlier policies and the receipts for premiums paid (which premiums shall form part of the actual cost of production of the Film)
- 2 3 The Company shall not knowingly do, or permit, or suffer to be done, any act or thing whereby the policy or policies of insurance hereinbefore referred to or any of them may become in whole or part void or voidable
- 2 4 If the Company shall fail to effect and maintain any such policy of insurance within a reasonable period of being required so to do by the Guarantor, the Guarantor may effect and maintain the same (and shall provide copies thereof to Company) and in that event any premiums thereon paid by the Guarantor shall forthwith on demand be repaid to it by the Company out of the Budget

- 2 5 Notwithstanding any of the provisions of this Agreement if the Guarantor shall advance any monies or make any payment under the Guarantee after any expense or liability has been incurred in connection with the Film
- (a) which is covered by insurance maintained by the Company under this Clause, the Company shall (whether or not formally demanded by the Guarantor) promptly make a claim under such insurance policy or policies and pay to the Guarantor any monies received by it under the relevant insurance policy or policies (but not exceeding the amount of such advance or payment) as soon as the insurance claim has been settled and the amount thereof received by the Company and PROVIDED FURTHER that the Company shall ensure that at all times notice of the Guarantor's rights under this Clause are endorsed upon such policy or policies; or
  - (b) which ought to have been covered by insurance maintained by the Company under this Clause, and which is either not insured or under-insured by reference to the Guarantor's requirements specified to the Company prior to the date hereof, the Company shall pay to the Guarantor forthwith on demand out of the Budget (if applicable) such sums as would have been received under such insurance policies if they had been effected by the Company as aforesaid
- 3 3 1. The Company shall, until the Guarantor shall be released from or have no further liability of any nature under the Guarantee, promptly inform the Guarantor of all matters substantially or materially affecting its credit and financial standing or business or ability to perform its obligations under any of the terms hereof or of the IPA, including any legal proceedings threatened against the Company and actually commenced, the progress of such proceedings and of any judgments entered against it
- 3 2 The Company shall produce the Film in all respects in accordance with the provisions of the IPA, the Script and approved shooting schedules and the Budget and shall not without the prior consent of the Guarantor make or agree to make any variation or modification therein or in the personnel or other details of production approved by the Guarantor or the Financiers or any of them other than minor variations or modifications arising as a result of the normal exigencies of film production and not resulting in an increase in the cost of production of the Film or in any delay in the completion of the production of the Film
- 3 3 During the production of the Film, the Company shall keep the Guarantor informed about the progress of production and the plans for continuing and completing production of the Film and shall also prepare daily progress reports and weekly cost statements and supply copies thereof to the Guarantor without delay and shall also submit to the Guarantor for inspection and approval any estimates of future expenditure or statements of costs incurred which the



Company is required to submit to the Financiers or which the Guarantor may reasonably require. The Guarantor or its representatives shall be entitled at any reasonable time until it shall be released from or have no further liability of any nature under the Guarantee to attend at the studios or elsewhere (at its own cost) to watch the production of the Film to see rushes or rough cuts and to inspect the accounts, books and records of the Company and take extracts therefrom in so far as they relate to the Film provided that the Guarantor agrees to comply with the reasonable requests of the Company in relation to attendance on set and to exercise its rights under this clause 3 reasonably and in such a manner as not to interfere with the production schedule for the Film or the business of the Company.

- 3.4 The Guarantor shall be entitled to demand from the Company an explanation of any matter relating to the production of the Film whether or not arising from anything disclosed in the documents and accounts made available to it as aforesaid, if the Guarantor has reasonable grounds to believe that such matter is likely to involve the Guarantor in a risk of incurring liability or of any claim being made on it under the Guarantee. The Company shall give any explanation as may be required without delay and (if required) shall attend a meeting at which the producers, director or any other person concerned with the production whose presence the Guarantor shall request shall be present to discuss the matter with the representatives of the Guarantor (Provided always that no such meetings shall by reason of their place, time or frequency interfere with the production of the Film) and the Company shall give full consideration to the views and proposals put forward by the Guarantor in order to decide on the steps to be taken to remove such risk.
- 3.5 The Company undertakes to keep the Guarantor fully informed as to the state of delivery of the Film to each of the Financiers to whom delivery is to be made to provide the Guarantor with copies of all letters and other documents or communications written or otherwise made either by the Company or the Financiers affecting any item which the Company is obligated to deliver to any of them.
- 3.6 If either -
- (a) after any such explanation or meeting as referred to in Clause 3.4, the Guarantor is of the reasonable opinion that the likelihood of the risk of the Guarantor incurring liability or of any claim being made on it under the Guarantee will not be removed or adequately reduced by the steps proposed to be taken by the Company, or
  - (a) at any time the Guarantor is of the reasonable opinion that the production is likely to involve the Guarantor in a risk of incurring liability or of any claim being made on it under the Guarantee, or
  - (c) there shall at any time be a failure by the Company to comply with any

of the material terms (including without limitation, any breach of any warranty or representation) hereof or of the IPA which in the reasonable opinion of the Guarantor is likely to result in the risk of the Guarantor incurring liability or of any claim being made on or under the Guarantee,

then the Company shall forthwith faithfully comply with any instructions with regard to production methods given by the Guarantor for removing any such risk or remedying any such failure including the dismissal of any person or persons engaged on the production of the Film PROVIDED THAT no such instructions shall be contrary to the provisions of the IPA (except with the consent of the relevant Financiers) or other contractual obligations of the Company in respect of the Film previously approved by the Guarantor

3.7 If either:-

- (a) at any time the Company shall be in material breach of any of the provisions (including without limitation, any breach of warranty or representation) hereof or of the IPA and the Company fails to remedy such breach within two (2) business days (during principal photography) or five (5) business days (at any other time) of written notice from the Guarantor in the case of a remediable breach or in the case of an irremediable breach fails to have embarked upon a course of action reasonably satisfactory to the Guarantor designed to mitigate or respond to the same, or
- (b) at any time the Company fails to carry out any instructions given by the Guarantor under sub-clause 3.6, or
- (c) at any time the Guarantor is of the opinion (on reasonable grounds) that the production is likely to involve the Guarantor in a risk of incurring liability or of any claim being made on it under the Guarantee and the Company fails within two (2) business days of the same being communicated to the Company in writing to cure the situation which is of concern to the Guarantor, to the Guarantor's satisfaction,

then the Guarantor shall have the right to take over and complete the production of the Film in accordance with the provisions of the IPA and shall if it exercises such right upon written notice to the Company be deemed to have been irrevocably appointed the manager and agent of the Company for such purpose and the Company shall at the request of the Guarantor place at the disposal of and under the control of the Guarantor the Production Account (as referred to or defined in the Second Schedule hereto, and subject to the rights of the Financiers therein) and all other persons and equipment employed and used by the Company in connection with the production of the Film BUT the Guarantor shall incur no liability to the Company for or in connection with such appointment PROVIDED THAT the Guarantor shall observe the

contractual obligations of the Company to third parties relating to the Film PROVIDED ALWAYS that the exercise of the rights given to the Guarantor under sub-clauses 3.6 and 3.7 of this Clause shall terminate if the Company shall raise such additional finance or take such other steps as shall in the reasonable opinion of the Guarantor adequately protect the Guarantor from incurring any liability or of any claim being made on it under the Guarantee BUT WITHOUT PREJUDICE to the rights of the Guarantor subsequently to exercise any of the powers or rights contained in this Clause and at any time to exercise any of the other powers or rights of the Guarantor contained in this Agreement (including without limitation, pursuant to the security interest created under Clauses 5 and 6 hereof) Where reference is made above to two (2) business days and five (5) business days, and the instructions to cure given by the Guarantor are such that they cannot be completed within two (2) business days and five (5) business days, the Company shall be allowed such additional time to remedy the default or to cure the situation as the Guarantor shall reasonably deem to be sufficient to do so, provided that the Company immediately initiates the required action and diligently carries it to completion. If the Guarantor takes over the production then it shall not replace the director or the individual producers of the Film provided they promptly follow all of the Guarantor's instructions with respect to the Film which shall be given by the Guarantor in its sole discretion. The Guarantor can replace such director and producer immediately if they fail to follow such instructions provided that the Guarantor will not replace the director and/or the individual producers unless they are in breach of a material term of their respective contracts with the Company. For the purpose of giving effect to this sub-clause and to facilitate the performance by the Guarantor of its obligations under the Guarantee (and without prejudice to the power of attorney contained in Clause 12 below) the Company hereby undertakes that it will at such time as the Guarantor may require (i) execute a power of attorney in the form set out in the First Schedule hereto in favour of the Guarantor or such other person as the Guarantor may direct, (ii) procure a letter or letters in the form set out in the Second Schedule hereto written to and acknowledged by the bank at which the Production Account is held, and (iii) procure an access letter or letters in the form set out in the Third Schedule hereto issued to and executed by a laboratory that is pre-approved by the Guarantor.

If the Guarantor takes over the production it shall keep true and accurate records of its expenditures in relation to the Film, and shall retain all such records and any other documents that it may obtain in relation to its production of the Film, for not less than one year. Thereafter if it desires to dispose of such records and documents it shall first offer them to the Company, who in the meantime shall have access thereto on reasonable notice for auditing purposes. If the Company fails to take possession of such records and documents within thirty days after they are offered to the Company, the Guarantor shall have the right to destroy them.

4 The Company will pay or procure to be paid to the Guarantor (but only from the

proceeds of exploitation of the Film in accordance with the recoupment provisions set out in Clause 5 of the IPA) all such sums as the Guarantor may hereafter be required to pay pursuant to the terms of the Guarantee (less any amounts refunded to the Guarantor by insurance or otherwise pursuant to the terms hereof) plus interest thereon from the date of the same being paid by the Guarantor and until receipt thereof by the Guarantor at the rate (after as well as before judgment) per annum of two per cent (2%) above Lloyds Bank plc base rate in force from time to time (all monies payable as aforesaid and under Clause 2 hereof by the Guarantor and all other third party costs, charges and expenses of the Guarantor properly attributable to the Film (other than the Guarantor's general overhead and administrative expenses) being hereinafter called the "**Secured Sums**") PROVIDED THAT this right of the Guarantor shall not be affected by any amendment or variation to the terms of the Guarantee and the Guarantor is hereby irrevocably authorised by the Company to make any payments and comply with any claims or demands on the Guarantor under or in connection with the Guarantee on the first demand being made without any further reference to or further authority from the Company and notwithstanding that the Company may dispute the validity of or that the Guarantor could have resisted any such demand

- 5 The Company, as a continuing security, subject only to the rights and prior security and other interests of the Financiers under the IPA (but only insofar as the Company owns such rights) hereby -
- 5 1 charges absolutely to the Guarantor all present and future rights, title and interest of the Company of and in the Film and in the Script and all other written and musical matter embodied or to be embodied or used in the Film or acquired in connection with its production and the negative and prints thereof and all rights of representing, exploiting and exhibiting the same, and
  - 5 2 charges absolutely to the Guarantor all present and future interest and rights of the Company of and in the IPA and all other present and future agreements entered into by the Company in connection with the production of the Film, and
  - 5.3 charges in favour of the Guarantor with the payment and discharge of the Secured Sums by way of first fixed charge all present and future property acquired for the production of the Film
- 6 6 1 The Company further charges in favour of the Guarantor with the payment and discharge of the Secured Sums (but subject as set forth in Clause 5 above) by way of first floating charge the whole of the Company's undertaking and assets, wheresoever and whatsoever, present and future, other than any assets for the time being effectively assigned or charged to the Guarantor pursuant to the previous sub-clauses of this Clause or otherwise howsoever
- 6 2 The property and assets of the Company for the time being assigned or charged to the Guarantor under this Clause 6 and Clause 5 above shall hereinafter called the "Charged Property"

- 6 3 On the payment or discharge of the Secured Sums and the Guarantor having no further liability of any nature under the Guarantee, the Guarantor shall at the request of the Company release or re-assign the Charged Property from the security constituted by this Agreement and the Guarantor shall sign all such documentation as the Company shall reasonably request to confirm such release and re-assignment
- 7 The Company -
- 7 1 shall not create, grant or permit to subsist any mortgage, security interest or charge, whether fixed or floating (other than any agreed in the IPA) on or over all or any part of the Charged Property, whether ranking in priority to, behind or pari passu with the security hereby created,
- 7 2 shall not while any monies are due or after any interest becomes payable to the Guarantor hereunder agree to exploit or otherwise deal with any of the Charged Property falling within Clauses 5 1 to 5 3 (inclusive) other than pursuant to the IPA and any agreements pursuant to which the Company has granted or will grant rights to distribute the Film without the prior consent of the Guarantor in writing, and
- 7 3 undertakes on demand to enter into (at the Guarantor's cost) such further documents as the Guarantor may reasonably require whether they be mortgages, charges or other forms of security document and do all such other acts and things (including the giving of any notices) as the Guarantor may reasonably require to give effect to or to perfect the security intended to be created hereby in any territories of the world as the Guarantor deems reasonably appropriate
- 8 The Secured Sums shall become immediately due and payable by the Company to the Guarantor on notice and the security created or constituted hereby shall become immediately enforceable by the Guarantor but only with recourse to the Charged Property upon the occurrence of any of the following events (each an **"Enforcement Event"**) -
- 8 1 If demand to the Company in writing for payment in accordance with the terms of this Agreement is made by the Guarantor and payment thereof is not made by the Company within ten (10) days of the date of such demand, or
- 8 2 If the Company makes default in the observance or performance of any material covenant or material provision (including without limitation, any breach of any warranty or representation) contained or implied by statute herein or in the IPA or in any mortgage or charge to or agreement with any person entered into in connection herewith or therewith and the breach of which may render the Guarantor liable pursuant to the Guarantee and the Company does not cure the same within ten (10) days of written notice thereof, or

- 8 3 If any judgment is obtained against the Company which substantially or materially affects its credit and financial standing in relation to the Guarantor and is not discharged within fourteen (14) days of such judgment being obtained unless the Company shall appeal such judgment within the time allowed for appeal, or
- 8 4 If any distress or execution is levied or issued upon or against any of the chattels or property of the Company and the same is not paid out within fourteen (14) days of the levying or issuing of the same, or
- 8 5 If prior to the completion and delivery of the Film the Company shall cease or threaten to cease to carry on the business it carries on at the date hereof, or
- 8 6 If the Company is unable to pay its debts as they fall due or commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors, or
- 8 7 If prior to the completion and delivery of the Film the Company takes any corporate action or other steps are taken or legal proceedings are started for its winding-up, dissolution, administration or re-organisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of it or of any or all of its revenues and assets, or
- 8 8 If at any time it is or becomes unlawful for the Company to perform or comply with any or all of its obligations hereunder or any of the obligations of the Company hereunder are not or cease to be legal, valid and binding
- 9 Upon the security created or constituted by this Agreement becoming enforceable, and subject to the rights of the Financiers and the Company to revenues from the exploitation of the Film set out in the IPA (and for the avoidance of doubt no breach, failure or default by the Company under this Agreement shall prejudice the Company's entitlement to revenues in the order of priority set forth in the IPA) -
- 9 1 the Guarantor shall be entitled, by notice to the Company, to convert the floating charge contained in Clause 6 into a fixed charge as regards all or any of the assets or property specified in such notice, and/or
- 9 2 the Guarantor shall be entitled, without prior notice to the Company, to sell or otherwise dispose of the Charged Property for any consideration (whether payable immediately or by instalments) as the Guarantor shall think fit and to apply the proceeds in or towards the reduction or discharge of the Secured Sums. Such power of sale or other disposal shall operate as a variation and extension of the statutory power of sale under section 101 of the Law of Property Act 1925 and the restriction contained in section 103 of that Act on the exercise of the statutory power of sale shall not apply to any exercise by the Guarantor of its power of sale or other disposal which shall arise immediately

upon the occurrence of an Enforcement Event. In relation to a purchaser a certificate in writing by an officer or agent of the Guarantor that such power has arisen and is exercisable shall be conclusive evidence of that fact, and/or

- 9.3 the Guarantor shall be entitled, without prior notice to the Company, to appoint by writing under hand of any officer or agent of the Guarantor or under seal of the Guarantor a receiver and manager or a receiver or receivers (hereinafter collectively called the "**Receiver**") of the Charged Property upon such terms as to remuneration (without being limited to the maximum rate specified in Section 109(6) of the Law of Property Act 1925) and otherwise as it shall think fit, and may from time to time remove the Receiver so appointed and appoint another in his place or appoint another to act jointly with any Receiver previously appointed by the Guarantor; and/or
- 9.4 the Guarantor shall have, and shall be entitled (but not obliged) without further authority from the Company to exercise, any or all of the powers and rights which a Receiver would have under or as referred to in this Agreement on a Receiver's appointment (whether or not a Receiver is appointed), subject (save as referred to in this Agreement) to the liabilities and obligations of a Receiver
- 10 The Receiver shall be the Company's agent and shall have all powers conferred by the Law of Property Act 1925 on mortgagees and on mortgagees in possession and on receivers, and by the Insolvency Act 1986 on administrative receivers (whether or not the Receiver is in fact an administrative receiver), or by any like or similar statutory provisions, on any of the foregoing. The Company alone shall be responsible for the Receiver's acts and omissions and for the Receiver's remuneration. In particular, but without limiting any general powers of the Receiver or the Guarantor's power of sale, the Receiver shall have power (subject to any limitations or restrictions in the deed or instrument appointing the Receiver and to the provisions of the IPA and in particular but without limitation the allocation of revenue provisions) -
- 10.1 to take possession of, collect and get in the Charged Property,
- 10.2 to carry on, manage or concur in carrying on and managing the business of the Company or any part thereof and for any of those purposes to raise or borrow any money that may be required upon the security of the whole or any part of the Charged Property and to appoint managers, agents, servants and workmen at such salaries and for such periods as he may determine,
- 10.3 to complete and exploit the interests of the Company in the Film and for that purpose to employ any other film producing company he may think fit and generally to deal with such interest in the Film whether completed or not in any manner he may in his unfettered discretion think to be to the advantage of the Guarantor, the Financiers and the Company or any of them and generally to exercise the powers granted to the Guarantor in relation to the production of the Film under Clause 3 hereof and to call upon the Company to give without payment (other than payment of fees and expenses contained in the Budget)

such assistance in connection therewith as may be required by him,

- 10 4 to sell or lease or concur in selling or leasing the interest of the Company in the Film and the rights relating thereto and all or any other part of the Charged Property (including without prejudice to the generality of the foregoing sums receivable by the Company from the proceeds of exploitation of the Film) or otherwise deal therewith on such terms in the interests of the Guarantor, the Financiers and the Company or any of them, and in each case, without the restriction imposed by section 103 of the Law of Property Act 1925 or the need to observe any of the restrictions or other provisions of section 99 or 100 of that Act, and generally upon such terms as he shall think fit,
  - 10 5 to make any arrangement or compromise which the Receiver shall think fit in the interest of the Guarantor, the Financiers and the Company or any of them,
  - 10 6 to do all other things as may seem to the Receiver to be incidental or conducive to any other power vested in the Receiver or to be conducive to the realisation of the security created or constituted by this Agreement, and
  - 10 7 to exercise in the name or on behalf and at the cost of the Company all the powers and rights of an absolute owner of the Charged Property and to do or omit to do anything which the Company itself could do or omit to do, AND PROVIDED THAT in making any sale or other disposal of any of the Charged Property in the exercise of their respective powers the Receiver or the Guarantor may accept, as and by way of consideration for such sale or other disposal, cash, shares, loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party Any such consideration may be receivable in a lump sum or by instalments and upon receipt by the Receiver or the Guarantor shall ipso facto be and become charged with the payment of the Secured Sums Any contract for any such sale or other disposal by the Receiver or the Guarantor may contain conditions excluding or restricting the personal liability of the Receiver or the Guarantor
- 11 Subject to the provisions of the IPA and the rights of the Financiers thereunder and to the allocation of revenue provisions set out therein, any moneys received by the Guarantor or by any Receiver appointed by it pursuant to this Agreement and/or under the powers conferred by this Agreement, shall, after this security shall have become enforceable, be applied for the following purposes and, unless otherwise determined by the Guarantor, in the following order of priority:-
- 11 1 in the payment of all costs, charges and expenses of and incidental to the Receiver's appointment and the payment of its remuneration,
  - 11 2 in the payment and discharge of any liabilities incurred by the Receiver on the Company's behalf in the exercise of any of the powers of the Receiver,



- 11 3 in providing for the matters (other than the remuneration of the Receiver) specified in the first three paragraphs of Section 109(8) of the Law of Property Act 1925,
- 11 4 in or towards payment of any debts or claims which are by statute payable in preference to the Secured Sums but only to the extent to which those debts or claims have that preference,
- 11 5 in or towards the satisfaction, subject to the terms of this Agreement, of the Secured Sums in such order as the Guarantor may determine in its absolute discretion from time to time, and
- 11 6 any surplus shall be paid to the Company or any other person who may be entitled to it, PROVIDED THAT only monies actually paid by the Receiver to the Guarantor in satisfaction or discharge of the Secured Sums shall be capable of being applied by the Guarantor in satisfaction thereof, and the provisions of this Clause 11 and Clause 10 shall take effect as and by way of variation and extension to the provisions of section 109 of the Law of Property Act 1925, which provisions so varied and extended shall be deemed to be incorporated herein
- 12 12 1 The Company hereby irrevocably appoints the Guarantor, each and every person to whom the Guarantor shall from time to time have delegated the exercise of the power of attorney conferred by this Clause 12, and any Receiver appointed hereunder and for the time being holding office as such, jointly and also severally to be the attorney or attorneys of the Company and in its name and otherwise on its behalf and as its act and deed to sign, seal, execute, deliver, perfect and do all deeds, instruments, acts and things which may be required (or which the Guarantor or any Receiver appointed hereunder shall consider requisite) for carrying out any obligation imposed on the Company by or pursuant to this Agreement and generally for enabling the Guarantor and the Receiver to exercise the respective powers conferred on them by or pursuant to this Agreement or by law. The Guarantor shall have full power to delegate the power conferred on it by this Clause 12, but no such delegation shall preclude the subsequent exercise of such power by the Guarantor itself or preclude the Guarantor from making a subsequent delegation thereof to some other person, any such delegation may be revoked by the Guarantor at any time
- 12 2 The Company shall ratify and confirm all transactions entered into by the Guarantor or such Receiver or delegate of the Guarantor in the exercise or purported exercise of the Guarantor's or such Receiver's respective powers and all transactions entered into, documents executed and things done by the Guarantor or such Receiver or delegate by virtue of the power of attorney given by sub-clause 12 1 above. A copy of all instruments executed under this power of attorney shall be sent to the Company as soon as possible after execution

- 12 3 The power of attorney granted by this Clause 12, is as regards the Guarantor, its delegates and any such Receiver (and as the Company hereby acknowledges) granted irrevocably and for value as part of the security constituted by this Agreement to secure proprietary interests of and the performance of obligations owed to the respective donees within the meaning of the Powers of Attorney Act 1971
- 12 4 The Guarantor shall use all reasonable endeavours to procure that the Receiver shall exercise its powers in a manner consistent with the IPA and the contracts entered into by the Company with third parties relating to the production and distribution of the Film
- 13 No purchaser or other person dealing with the Guarantor or its delegate or any Receiver appointed hereunder shall be bound to see or inquire whether the right of the Guarantor or such Receiver to exercise any of its or his powers has arisen or become exercisable or be concerned with notice to the contrary, or be concerned to see whether any such delegation by the Guarantor shall have lapsed for any reason or been revoked
- 14 If the Guarantor shall advance any sums pursuant to the terms of the Guarantee, the Company shall deliver to the Guarantor copies of all lists of booking, revenue statements and accounts which the Company shall be entitled to receive
- 15 Notices may be served by either party hereto on another by facsimile or by posting the same through the post in a first class prepaid letter to the other at its current trading address and shall be deemed to have been served at the expiration of one (1) business day after the time of sending the facsimile and two (2) business days after the time of posting (as the case may be) and in proving such service it shall be sufficient to show that the facsimile was sent or that the letter containing the notice was properly addressed and put into the post prepaid as aforesaid In the case of notices to the Guarantor a copy shall be sent at the same time to
- Film Finances Limited, 15 Conduit Street, London W1S 2XJ (Attention James Shirras)
- In the case of notices to the Company, a copy shall be sent at the same time to Wiggan LLP, Jessop House, Jessop Avenue, Cheltenham, Gloucestershire GL50 3WG (Attention Guy Sheppard)
- 16 The Company acknowledges that the Guarantor has entered into agreements with certain insurers who insure certain of the Guarantor's obligations in relation to the Film and that pursuant to those arrangements, such insurers shall have the right to assume (whether by assignment or operation of law) the Guarantor's obligations and rights under this Agreement, subject to the terms hereof Without prejudice to the foregoing, the Guarantor shall have a full and unfettered right to assign the whole or any part of the benefit of this Agreement to any such insurers and the expression the "Guarantor" wherever used herein shall be deemed to include the assignees and other

successors, whether immediate or derivative, of the Guarantor who shall be entitled to enforce and proceed upon this Agreement in the same manner as if named herein. The Guarantor shall be entitled to impart any information concerning the Company to any such insurers, assignee or other successor or any participant or proposed insurers, assignee, successor or participant. Save in accordance with the IPA, the Company shall not be entitled to assign or transfer or otherwise deal with (whether absolutely or by way of security) all or any of its rights and obligations hereunder.

- 18 For the purposes of the satisfaction or discharge of all or any part of the Secured Sums, the Guarantor may convert all or any monies received, recovered, realised or held by the Guarantor hereunder from their existing currencies of account into such other currency or currencies, and at such rate(s) of exchange, as the Guarantor shall reasonably think fit.
- 19 The Guarantor agrees to consent to the Company discharging the security herein created upon the later of the Guarantor being fully and unconditionally released from its obligations under the Guarantee and the Guarantor being paid all of the Secured Sums, and the Guarantor shall at such time execute such reasonable documentation as shall confirm the termination of the Power of Attorney attached as the First Schedule hereto and the letter attached as the Second Schedule hereto.
- 20 Each of the provisions hereof shall be severable and distinct from one another and if at any time any such provision is or becomes invalid, illegal or unenforceable in any respect under the law of any jurisdiction, neither the validity, legality and enforceability of each of the remaining provisions hereof, nor the validity, legality and enforceability of such provision under the law of any other jurisdiction, shall in any way be affected, prejudiced or impaired thereby. The rights, powers and remedies provided hereby are cumulative and are in addition to, and are not, nor are they to be construed as, exclusive of or to be prejudicial to, any right of set-off or other rights, powers and remedies provided by law or by any other agreement between the Guarantor and the Company. No failure on the part of the Guarantor to exercise, or delay on its part in exercising, any of the rights, powers and remedies provided hereby or by law or by any other agreement shall operate as a waiver thereof, nor shall any single or partial waiver or exercise of any such right, power or remedy preclude any further or other waiver or exercise thereof.
- 21 This Agreement shall be governed by and construed in accordance with English law and the parties hereby irrevocably submit to the non-exclusive jurisdiction of the English courts PROVIDED THAT the foregoing shall not prejudice the ability of the Guarantor to take proceedings against the Company in relation hereto before any other court of competent jurisdiction, whether concurrently or not.
- 22 In this Agreement, unless the context otherwise requires -
  - 22.1 words importing the singular shall include the plural and vice versa,
  - 22.2 references to the "Guarantor", the "Financiers" or the "Company" shall be

construed so as to include their successors, transferees and assigns, and from time to time,

- 22 3 references to any statute shall include any statutory modification, extension or re-enactment of it or of any part of it for the time being in force and shall also include all instruments and regulations deriving validity from that statute;
- 22 4 references to this Agreement or any other deed, agreement or document shall be to this Agreement or, as the case may be, such other deed, agreement or document as the same may have been or may be from time to time amended, varied, altered, modified, supplemented or novated.

IN WITNESS whereof this Agreement has been executed and delivered as a Deed by the Company on the date set out above



**THE SECOND SCHEDULE**

Date 2013

The Manager  
[ ]

Dear Sir

**EX MACHINA (the "Film")**

**Account No. [ ] (the "Production Account")**

We have entered into an agreement (the "Agreement") with Film Finances, Inc (the "Guarantor") relating to a guarantee of completion given by the Guarantor in respect of the Film. Under the Agreement the Guarantor has the right in certain circumstances (with which you are not to be concerned) to take over control of the production of the Film, including the right to withdraw funds from the Production Account on the sole signature of its own representative.

Please be advised and instructed therefore that if you receive written notice from the Guarantor that it has assumed control of production of the Film, the only authorised signatories on the Production Account shall be the signatory or signatories who will be designated by the Guarantor by signature of your form of signature card.

Please confirm by signing the enclosed copies of this letter that you will be bound by and observe the advice and instructions set forth above, which may not be revoked without the prior written consent of the Guarantor and that you will not exercise any right of lien, set-off or combination against the Production Account.

We hereby release you from all claims, demands and liability arising out of your compliance with the above advice and instructions.

Yours faithfully  
for and on behalf of

---

**AVA FILMS LIMITED**

AGREED AND ACCEPTED

---

Manager for and on behalf of [Coutts & Co]

Dated . . 2013

**THE THIRD SCHEDULE**  
**COMPLETION GUARANTOR ACCESS LETTER**

Dated as of \_\_\_\_\_, 2013

Molnare TV & Film Limited  
34 Fouberts Place  
London  
W1F 2PX  
Attention  
Telephone  
Facsimile

**EX MACHINA** (the "Film")

Dear Sir/Madam,

You acknowledge that you now have or will have in your possession in the name of Ava Films Limited ("**Producer**") certain of the digital, print, preprint, film or sound materials (the "**Materials**") for the Film

Producer and Film Finances, Inc. (the "**Guarantor**") have entered into an agreement (the "**Completion Agreement**") whereby the Guarantor has the right to take over or otherwise take an active role in the production of the Film. This includes the right to take possession of, or to order facility work for and prints and other film or soundtrack materials of the Film and to issue instructions for and on behalf of Producer with respect to the Film and Materials

It is agreed as follows:

- 1 You are hereby instructed and directed (subject to arrangements satisfactory to you being made for payment for any services you render to Guarantor or its designees) to honour any instructions and orders of the Guarantor and Guarantor's designees, regardless of any protest, objection or contrary instructions or orders of Producer or its affiliates or designees
- 2 All services and materials ordered by the Guarantor or its designees will be at the expense of the Guarantor. For the avoidance of doubt, nothing in this letter requires you to give up possession of the Materials until you have received payment for the services rendered in accordance with the direction of Guarantor or its designees, although you must always give access to the Materials to Guarantor or its designees notwithstanding any unpaid charges incurred by Producer or anyone else

- 3 You shall not allow Producer or any other entity to remove the Materials from your premises without the prior written consent of Guarantor.
- 4 Producer hereby waives any claim for damages or otherwise which it may have against you for any act which you may take in accordance with the direction by Guarantor or its designees

The instructions and assurances given in this letter cannot be modified or withdrawn except in writing by Producer and Guarantor. This agreement shall be governed by the laws of England and Wales

Please confirm your agreement to the foregoing by signing in the space provided below

Yours sincerely,

("Producer")

By \_\_\_\_\_

Its \_\_\_\_\_

Acknowledged and agreed by

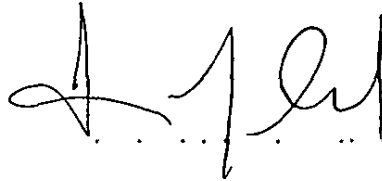
("Facility")

By \_\_\_\_\_

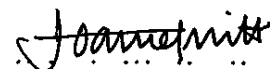
Its \_\_\_\_\_



Executed as a deed on behalf of  
**AVA FILMS LIMITED**  
Acting by one director

)  )

in the presence of:-

witness signature  )

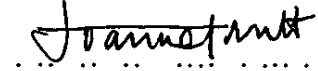
witness name **JOANNE SMITH** )

Witness address **420 OXLEY APTS**  
**2 CAYENNE COURT**  
**LONDON SE12PP**

Executed as a deed on behalf of  
**MACHINA MOVIES LIMITED**  
Acting by one director

)  )

in the presence of:-

witness signature  )

witness name **JOANNE SMITH** )

Witness address **420 OXLEY APTS**  
**2 CAYENNE COURT**  
**LONDON SE12PP**

Executed as a deed on behalf of  
**FILM FINANCES, INC** by its duly  
authorised signatory )

)  
)  
)

in the presence of:-

witness signature . . . . . )

witness name . . . . . )

Witness address .. . . . )

Executed as a deed on behalf of )  
**AVA FILMS LIMITED** )  
Acting by one director )

in the presence of -

witness signature .

witness name .

Witness address

Executed as a deed on behalf of )  
**MACHINA MOVIES LIMITED** )  
Acting by one director )

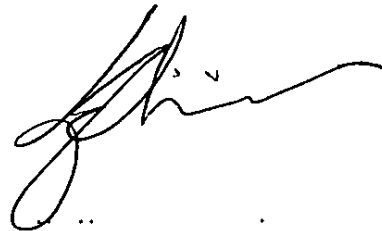
in the presence of -

witness signature . . . . .

witness name . . . . .

Witness address

Executed as a deed on behalf of )  
**FILM FINANCES, INC** by its duly )  
authorised signatory )



in the presence of -

witness signature  ..

witness name Katrina Stagner.

Witness address Film Finances, 15 Conduit Street  
London W1S 2XJ