

# MR01

## Particulars of a charge

12 26631/£21



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

**You can use the WebFiling service to file this form online.**  
Please go to [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk)

☒ **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 for**  
You may not use this form to  
register a charge where  
instrument Use form M

For further information, please  
refer to our guidance at

This form must be delivered to the Registrar for registration  
21 days beginning with the day after the date of creation of the  
delivered outside of the 21 days it will be rejected unless it is acc  
court order extending the time for delivery



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



A13 06/11/2015 #96  
COMPANIES HOUSE

### 1 Company details

Company number 0 9 2 2 0 5 4 4

Company name in full Oldgarth Media Limited

For official use  
→ **Filing in this form**  
Please complete in typescript or in  
bold black capitals  
All fields are mandatory unless  
specified or indicated by \*

### 2 Charge creation date

Charge creation date d 3 0 m 1 0 y 2 0 1 5

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

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

Name Screen Actors Guild-American Federation of Television and  
Radio Artists

Name

Name

Name

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

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

MR01

Particulars of a charge

4	<b>Description</b>
	<p>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</p>
Description	<p>Security Agreement dated as of 30/10/2015, between Oldgarth Media Limited and Screen Actors Guild-American Federation of Television and Radio Artists (SAG-AFTRA) for the motion picture entitled "Kyra" aka "Beat-Up Little Seagull"</p> <p>All of Chargor's right, title and interest throughout the universe in and to the motion picture entitled "Kyra" aka "Beat-Up Little Seagull" and properties and things of value pertaining thereto, whether or not in existence or hereafter acquired including, without limitation, all of Chargor's right, title and interest in all of the following whether now owned or hereafter acquired (as defined in Exhibit A attached to the Security Agreement) (i) Accounts, (ii) Chattel Paper, (iii) Contracts, (iv) Copyright Licenses, (v) Copyrights, (vi) Documents, (vii) general Intangibles, (viii) Instruments, (ix) Insurance and Insurance Policies, (x) Inventory, (xi) Merchandising Rights, (xii) Music Rights, (xiii) Personal Property, (xiv) Physical Properties, (xv) Proceeds, (xvi) Product, (xvii) Rights in Product, (xviii) Trademarks, (xix) Trademark Licenses, (xx) All substitutions, and additions and accessions to any or all of the foregoing, and all guaranties of all security for any and all of the foregoing, and all books and records relating to any and all of the foregoing</p>
	<p><b>Continuation page</b> Please use a continuation page if you need to enter more details</p>
5	<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>
6	<b>Floating charge</b>
	<p>Is the instrument expressed to contain a floating charge? Please tick the appropriate box</p> <p><input type="checkbox"/> <b>Yes</b> Continue</p> <p><input checked="" 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>
7	<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>

MR01  
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

*Susan Lowry*

X

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

MR01

Particulars of a charge



**Presenter information**

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

Contact name  
Susan Lowry

Company name  
Screen Actors Guild-American

Federation of Television and Radio Artists

Address  
5757 Wilshire Boulevard, 7th Floor

Post town  
Los Angeles

County/Region  
California

Postcode  
9 0 0 3 6

Country  
United States of America

DX

Telephone  
323 549 6581



**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)**



A/m.

**FILE COPY**

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

Company number: 9220544

Charge code: 0922 0544 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 30th October 2015 and created by OLDGARTH MEDIA LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 6th November 2015.

Given at Companies House, Cardiff on 12th November 2015



**Companies House**



**THE OFFICIAL SEAL OF THE  
REGISTRAR OF COMPANIES**

"We hereby certify that this is a true copy of the original Security Agreement "

Susan Lowry 11-2-75  
Susan Lowry Date



Form 7E - Theatrical

## SECURITY AGREEMENT

PLEASE COMPLETE ALL BLANKS IN THIS SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of 30th October 2015, between Oldgarth Media Limited, Great Point Media Limited (collectively referred to as "Grantor") and Kyra Film Inc. ("Producer") (jointly and severally referred to as "Debtor" or "Grantor") and Screen Actors Guild-American Federation of Television and Radio Artists ("Secured Party" or "SAG-AFTRA") with respect to the motion picture entitled "Kyra" a/k/a "Beat-Up Little Seagull" (the "Picture"), makes the "Collateral," as that term is defined in Paragraph 2 below, security for all of Producer's present and future obligations, debts, and duties to SAG-AFTRA relating to the Picture under the current Screen Actors Guild-American Federation of Television and Radio Artists Agreement for Independent Producers of Theatrical Motion Pictures, and all present and future amendments and supplements thereto and replacements therefor (collectively, the "Basic Agreement"), and all present and future obligations, debts, and duties of Grantor under this Security Agreement, and all present and future amendments thereto and replacements therefor.

In consideration of the mutual representations, warranties, covenants, and agreements in this Security Agreement, and for good and valuable consideration which Debtor and Secured Party acknowledge as received and sufficient, the parties agree.

1. **Secured Obligations.** This Security Agreement secures the following obligations (collectively, the "Secured Obligations"):

(a) payment to SAG-AFTRA, as collective bargaining representative of the employees now or hereafter employed in making the Picture (the "Performers") all sums now or hereafter due under the Basic Agreement (singly and collectively, "Monetary Obligations") including, but not limited to, paying Performers the agreed compensation for services performed or to be performed in connection with the Picture, as well as compensation for overtime as applicable, meal period violations, rest period violations, premium pay, compensation owed under any guarantee for services performed or to be performed by Performers, all additional compensation payable to Performers when the Picture is distributed, exploited, or exhibited on free television or in supplemental markets including, but not limited to, all payments due by reason of the re-use of any part of the Picture's photography or soundtrack, applicable charges for liquidated damages and late payments, and pension and health contributions as applicable under the Basic Agreement for the benefit of the Performers;

(b) full, timely, and faithful performance of all terms and obligations contained in or contemplated by this Security Agreement, the Basic Agreement, or any other present or future agreement between Grantor and SAG-AFTRA in connection with the Picture, and all extensions, renewals, amendments, and modifications thereto including, without

limitation, delivering all written reports required under the Basic Agreement relating to distribution of the Picture in any market, territory, or media with respect to which payments are required, and obtaining from any distributor or buyer of the Picture a Distributor's or Buyer's Assumption Agreement and delivering same to SAG-AFTRA; and

(c) all new obligations relating to the Picture incurred after this Security Agreement is executed including, without limitation, all Monetary Obligations, absolute or contingent, now existing or hereafter arising, of Grantor to SAG-AFTRA.

2 **Grant of Security Interest.** As security for the full and timely payment and performance of all Secured Obligations, Grantor grants to SAG-AFTRA a continuing security interest of first priority, subject to Paragraph 3(h) below, in the following (collectively, the "Collateral"): All rights, title, and interest of Grantor throughout the universe in the Picture and all allied, ancillary, and subsidiary rights, and all properties and things of value pertaining to the Picture, whether now existing or hereafter made, acquired, or produced including, without limitation, all screenplays, motion picture photoplays, and all other tangible and intangible manifestations of any copyrightable interest relating to the Picture, and all existing or hereafter acquired rights, title, interest, and property of Grantor described in Paragraphs (i) through (xx) below to the extent they relate to the Picture or the Picture's production or exploitation (as further defined in the attached Exhibit A incorporated in this Security Agreement by reference)

- (i) Accounts;
- (ii) Chattel Paper;
- (iii) Contracts;
- (iv) Copyrights;
- (v) Copyright Licenses;
- (vi) Documents;
- (vii) General Intangibles;
- (viii) Instruments;
- (ix) Insurance and Insurance Policies;
- (x) Inventory;
- (xi) Merchandising Rights;
- (xii) Music Rights;
- (xiii) Personal Property;
- (xiv) Physical Properties;
- (xv) Proceeds;
- (xvi) Product;
- (xvii) Rights in Product;
- (xviii) Trademarks;
- (xix) Trademark Licenses; and
- (xx) All substitutions, additions, and accessions to all of the foregoing; all guaranties of and security for all of the foregoing; and all books and records relating to all of the foregoing.

///

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3 General Representations, Warranties and Covenants

(a) Grantor represents and warrants that.

(i) Grantor's mailing address, telephone, and facsimile numbers are.

Name Kyra Film, Inc.  
 Address: 18 E. 16th Street, 4th Floor  
New York, NY 10003  
 Telephone \_\_\_\_\_  
 Facsimile: \_\_\_\_\_

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Telephone \_\_\_\_\_  
 Facsimile: \_\_\_\_\_

(If additional space is required, please attach additional addresses as an exhibit.)

(ii) The address of Grantor's chief executive office and chief place of business is (if different from above mailing address):

Name Oldgarth Media Limited  
 Address: Hurst House, High Street  
Ripley, Woking GU23 6AZ

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_

(If additional space is required, please attach additional addresses as an exhibit.)

(iii) The address at which Grantor keeps its records concerning Accounts and Contracts is (if different from above mailing address):

Name: \_\_\_\_\_  
 Address: \_\_\_\_\_



111

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(If additional space is required, please attach additional addresses as an exhibit.)

(iv) The negatives in connection with the Picture will be processed by

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(v) The positive copies for distribution of the Picture will be made by (if different from above)

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(vi) The Physical Properties will be kept at (if different from above)

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(vii) The Picture will be distributed by (include territories, media, and license term for each distributor).

(b) Grantor shall keep at all times at least one complete set of its records concerning the Collateral at its chief place of business as designated above in Paragraph 3(a)(ii). Grantor shall not change the location of its chief place of business or chief executive office without giving SAG-AFTRA at least thirty (30) days prior written notice of that change and taking all steps that, in SAG-AFTRA's opinion, are necessary or advisable to continue the perfection and priority of the security interest granted under this Security Agreement.

(c) Upon SAG-AFTRA's request, Grantor shall execute and cause any third party which possesses or will possess any Physical Properties (including, without limitation,

4 of 24

any film laboratory) to execute a pledgeholder agreement or agreements (in a form satisfactory to SAG-AFTRA) designating SAG-AFTRA as pledgee.

(d) Grantor agrees to execute and deliver further agreements, contracts, documents, and instruments (in a form satisfactory to SAG-AFTRA) as SAG-AFTRA may require to perfect, protect, or maintain the security interest created under this Security Agreement.

(e) Grantor shall, upon SAG-AFTRA's request, deliver to SAG-AFTRA satisfactory evidence that the Picture and underlying literary rights have been properly registered in the United States Copyright Office, and in other places where motion picture copyrights are customarily secured.

(f) Grantor shall, upon SAG-AFTRA's request, execute and deliver to SAG-AFTRA a Mortgage and Assignment of Copyrights in a form acceptable to SAG-AFTRA and sufficient to constitute, when recorded in the United States Copyright Office, a first and prior lien upon the Copyrights, except for permitted senior security interests or liens disclosed in and subject to Paragraph 3(h) below.

(g) (i) If a corporation or a limited liability company ("LLC"), each Grantor represents and warrants that its correct and legal name is ① Oldgarth Media Limited  
② Great Point Media Limited  
③ Kyra Film Inc.

and (as applicable) that it is a corporation or LLC duly organized and existing under the laws of the State of ①+② foreign/UK ; ③ New York is in good standing in that state, either it or Producer is legally qualified to do business in any state in which Grantor or Producer is employing Performers, and is empowered and authorized to enter into and perform its obligations under this Security Agreement by its Articles of Incorporation, By-Laws and appropriate Resolutions of its Board of Directors, or its Articles of Organization and Operating Agreement.

(ii) If a partnership or joint venture, each Grantor represents and warrants that its correct legal name is \_\_\_\_\_

that it is a partnership or joint venture (as applicable) organized and existing under the laws of the State of \_\_\_\_\_, is in good standing in that state (as applicable), either it or Producer is legally qualified to do business in any state in which Grantor or Producer is employing Performers, and is authorized to enter into and perform its obligations under this Security Agreement by its Partnership Agreement or Joint Venture Agreement dated as of \_\_\_\_\_

All fictitious business names for the partnership or joint venture are as follows: \_\_\_\_\_

(iii) Grantor agrees not to change its name, identity, corporate structure, or

state of incorporation or organization unless it gives SAG-AFTRA at least thirty (30) days prior written notice of the change and takes all steps that, in the opinion of SAG-AFTRA, are necessary or advisable to continue the perfection and priority of the security interest granted under this Security Agreement. Grantor's failure to provide such prior written notice will not constitute a default under this Security Agreement if the change has no adverse effect on SAG-AFTRA's secured party status or rights under this Security Agreement, and Grantor provides written notice of the change to SAG-AFTRA within thirty (30) days of its effective date

- (h) Grantor represents and warrants that except as otherwise stated in this Security Agreement, Grantor holds and owns all Copyrights in and to the Literary Property, and owns or will own when the Picture is completed, full and unpaired title in and to the Collateral, free and clear of liens except for the lien and security interest created by this Security Agreement and the perfected security interest(s), if any, in favor of  
DGA, WGA

Grantor represents and warrants that it has not granted and will not grant a prior security interest or lien in any of the Collateral to any other entity or person other than as listed above, and as of the date of this Security Agreement, there are no adverse claims against any of the Collateral. If Grantor has granted or will grant a prior security interest or lien to any lender or completion guarantor in connection with the Picture, the parties have entered into or, upon SAG-AFTRA's request, will enter into a written Intercreditor Agreement with SAG-AFTRA, on SAG-AFTRA's standard form, which provides, inter alia, that lender and completion guarantor will assume or cause all of the obligations under this Security Agreement to be assumed if lender or completion guarantor, singly or jointly, exercise the right of foreclosure. If Grantor has granted or will grant a prior security interest or lien in the Collateral to any entity or person other than a lender or completion guarantor, Grantor shall obtain a written agreement (in a form satisfactory to SAG-AFTRA) from that entity or person acknowledging that its security interest shall be subject and subordinate to the security interest created under this Security Agreement. Any action by a subordinate secured party against any of the Collateral, including without limitation, retention of cash proceeds, violates the rights of SAG-AFTRA under this Security Agreement unless SAG-AFTRA expressly consents to such action in writing. Grantor's security interest in any part of the Collateral, if any, is subject and subordinate to the security interest created under this Security Agreement. Nothing contained in this Security Agreement constitutes SAG-AFTRA's agreement to subordinate its security interest to the rights of any lender or any other party.

- (i) Grantor covenants that SAG-AFTRA has and will have, at all times during the term of this Security Agreement, a first priority security interest in the Collateral subject to Paragraph 3(h) above. Grantor agrees to defend, at its own cost and expense, its title, rights, and property in the Collateral, and to defend this Security Agreement as creating a prior and superior security interest and first lien in the Collateral except for the permitted senior security interests or liens disclosed in and subject to Paragraph 3(h) above

Grantor further agrees that it (or Grantor's insurance company, as applicable) will defend at its own cost and expense the Collateral (including the right to exhibit and exploit the Picture), and SAG-AFTRA's rights (as Secured Party) against all claims of infringement and against all claims of anyone for any cause including, without limitation, claims arising out of or resulting from the use in the Picture of any story, adaptation, idea, impersonation, character, photograph, music, musical composition, or other material

(j) Grantor shall not permit any lien, charge, encumbrance, security interest, distribution agreement, or license to accrue or be acquired upon or against the Collateral or rights in the Collateral which may be, or become prior or superior to SAG-AFTRA's rights, title, interest, liens, and claims under this Security Agreement or otherwise, except as permitted under Paragraph 3(h) above. Grantor shall advise SAG-AFTRA promptly, in reasonable detail, of (i) any lien (other than liens created or permitted under this Security Agreement) on any of the Collateral of which it has knowledge; (ii) any material claim asserted against any of the Collateral of which it has knowledge, and (iii) any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or the lien created under this Security Agreement.

(k) The following liens, charges, security interests, encumbrances, and adverse claims (collectively, the "Liens") are permitted liens under this Security Agreement: (i) Liens existing (as of the date of this Security Agreement) disclosed in and subject to Paragraph 3(h) above; (ii) Liens for taxes, fees, assessments, or other governmental charges or levies either not delinquent or being contested in good faith by appropriate proceedings, provided those liens have no priority over SAG-AFTRA's security interest in the Collateral; (iii) Liens of materialmen, mechanics, warehousemen, or carriers, or other like possessory Liens arising in the ordinary course of business and securing obligations either not delinquent or being contested in good faith by appropriate proceedings diligently pursued; (iv) any judgment or attachment lien, execution on which has been effectively stayed, and which has been fully bonded against within twenty (20) days after its entry under the applicable judgment or law; and (v) junior liens granted to distributors or other guilds.

(l) Grantor agrees to pay all taxes, liens, and assessments levied against the Collateral when the same become due and before becoming delinquent, unless being contested in good faith by appropriate proceedings, provided they have no priority over SAG-AFTRA's security interest in the Collateral.

(m) Upon reasonable notice, at reasonable times, and during normal business hours, SAG-AFTRA has the right to inspect the books and records relating to the Collateral, the proceeds thereof, and the processing or collection thereof. Grantor further agrees, upon SAG-AFTRA's request, to furnish other reports, data and financial statements (including audit reports by independent certified public accountants), books and records relating to the Collateral and its proceeds, and chain-of-title documentation relating to the Picture as SAG-AFTRA may reasonably require.

(n) Grantor is not obligated to obtain the consent of any person in connection with executing, delivering, and performance of this Security Agreement.

4 **Events of Default.** Occurrence of any of the following events constitutes a default and an "Event of Default" for purposes of this Security Agreement, and Grantor shall provide SAG-AFTRA with immediate written notice thereof: (a) any warranty, representation, statement, report, or certificate now or hereafter made or delivered to SAG-AFTRA by Grantor or any of their officers, employees, or agents in connection with the Collateral which is false or misleading in a material respect; (b) Grantor fails to pay any Monetary Obligation when due (unless that failure is remedied within thirty (30) days after SAG-AFTRA gives Grantor written notice of this default); (c) Grantor sells, transfers, or assigns any rights or interest in the Collateral without complying with the requirements of Paragraph 14 below; (d) Grantor fails to perform when due any other Secured Obligation (unless that failure is remedied within thirty (30) days after SAG-AFTRA gives Grantor written notice of this default); (e) any levy, attachment, execution, or other writ is made on any part of the Collateral or a substantial part of Grantor's assets which continues for more than forty-five (45) days; (f) the appointment of a receiver, trustee, or custodian, for any of the property of, or assignment for the benefit of creditors by Grantor, or the commencement of any proceeding by Grantor under any reorganization, bankruptcy, insolvency, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction, now or hereafter in effect, or the filing of an answer admitting the material allegations of any such proceeding filed against Grantor; (g) commencement of any proceeding against Grantor under any reorganization, bankruptcy, insolvency, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction now or hereafter in effect, unless dismissed within forty-five (45) days after the date commenced; (h) any failure to pay when due any tax, levy, or assessment on any of the Collateral which results in or is secured by a lien on any of the Collateral, unless Grantor is contesting that lien in good faith by appropriate proceedings promptly instituted and diligently pursued, and Grantor posts a bond or takes other appropriate action to ensure that none of the Collateral is forfeited, sold, executed on, foreclosed on, or otherwise realized on as a result of the failure to pay any tax, levy, or assessment; (i) Grantor conceals, removes, or transfers any of the Collateral with intent to hinder, delay, or defraud its creditors, or makes or suffers any transfer of the Collateral which is fraudulent under any bankruptcy, fraudulent conveyance or similar law; (j) the winding up, liquidation, or dissolution of Grantor and distribution of its assets, or the adoption of a plan for same, provided that this will not constitute an Event of Default if Grantor is not otherwise in default under this Security Agreement, the successor-in-interest has assumed in writing all obligations under this Security Agreement in a form satisfactory to SAG-AFTRA, SAG-AFTRA approves of the creditworthiness of any successor-in-interest, and the successor-in-interest executes and delivers a Security Agreement in this form and all other documents and instruments reasonably specified by SAG-AFTRA to provide SAG-AFTRA with a first priority, perfected security interest in all present and future Collateral of the successor-in-interest subject to Paragraph 3(h) above; or (k) suspension of Grantor's corporate, LLC, or partnership status (as applicable) by any applicable regulatory authorities, unless such status is reinstated within forty-five (45) days.

5 **Remedies Upon Event of Default.** If an Event of Default occurs, SAG-AFTRA has all of the rights and remedies available to a secured party under the California Commercial Code (the "Code") in effect on the date of this Security Agreement, under other applicable law or in equity, under this Security Agreement, and under any other present or future agreement it has with Grantor in connection with the Collateral including, without limitation, the following

8 of 24

(a) Remedies: Obtaining the Collateral Upon Default Upon an Event of Default, SAG-AFTRA may do any one or more of the following:

(i) instruct the obligor or obligors on any Account, Instrument, General Intangible, or other obligation constituting Collateral to make any payment relating to the Collateral directly to SAG-AFTRA,

(ii) in accordance with Paragraph 5(b)(i) below, sell, assign, grant distribution rights in, or otherwise liquidate, or direct Grantor to sell, assign, grant distribution rights in, or otherwise liquidate, any of the Collateral and take possession of the Proceeds of the sale or liquidation; and

(iii) take possession or control of the Collateral by directing Grantor in writing to deliver it to SAG-AFTRA at any place or places designated by SAG-AFTRA, in which event Grantor shall at its own expense:

(a) immediately cause the applicable Collateral to be moved to the place or places designated by SAG-AFTRA and there delivered to SAG-AFTRA; and

(b) store and keep any Collateral so delivered to SAG-AFTRA at such place or places pending further action by SAG-AFTRA as provided in Paragraph 5(b) below.

Grantor's obligation to deliver the Collateral is of the essence of this Security Agreement and upon application to a court of equity having jurisdiction, SAG-AFTRA shall be entitled to a decree requiring specific performance of this obligation.

(b) Remedies: Disposition of the Collateral Any Collateral repossessed or controlled by SAG-AFTRA under Paragraph 5(a) above, and any Collateral whether or not repossessed or controlled by SAG-AFTRA may be sold, assigned, leased, licensed, or otherwise disposed of by SAG-AFTRA under one or more contracts, by territory, by media, or as an entirety, without gathering the property to be sold at the place of sale, and in general in a manner, at a time or times, at a place or places, and on terms that SAG-AFTRA may, in compliance with any requirements of applicable law, determine to be commercially reasonable.

(i) If an Event of Default occurs, SAG-AFTRA is entitled to sell, license, lease, or grant distribution rights in any of the Collateral, in a commercially reasonable manner, and in the condition in which the same existed when taken by SAG-AFTRA or after any completion, editing, overhaul, or repair which SAG-AFTRA determines to be commercially reasonable subject to any non-disturbance agreement between SAG-AFTRA and any distributor relating to the Picture. Any private sale or other like disposition of the Collateral by SAG-AFTRA, other than

a grant of distribution rights undertaken by SAG-AFTRA required solely to preserve the value of the Collateral (in which case, SAG-AFTRA shall give Grantor at least two (2) days prior written notice of that transfer), shall be made upon not less than ten (10) business days written notice to Grantor (which Grantor acknowledges is a commercially reasonable period of time) specifying the date on or after which the private sale or other like disposition is to occur. Any public sale or other like disposition shall be made upon not less than ten (10) business days written notice to Grantor (which Grantor acknowledges is a commercially reasonable period of time) specifying the date, time, and place of the sale and after publication of notice of the sale as required under applicable law. SAG-AFTRA may, in its discretion, establish reserves and minimum bids at any public sale, and adjourn any public sale from time to time without notice other than oral announcement at the time scheduled for that sale. If applicable law requires SAG-AFTRA to dispose of the Collateral within a period of time which does not permit giving notice to Grantor as specified above, SAG-AFTRA need give Grantor only such notice of disposition as is reasonably practicable in view of the applicable law

(ii) SAG-AFTRA may, directly or through any affiliate, purchase any of the Collateral at any public disposition and, if permissible under applicable law, at any private disposition of the Collateral.

(iii) Any sale or other disposition of the Collateral does not relieve Grantor of any liability Grantor may have if any Collateral is defective as to title, physical condition, or otherwise at the time of sale.

(iv) As a condition of any sale, SAG-AFTRA may (but is not obligated to) require each purchaser to assume in writing the obligation to pay additional compensation arising from purchaser's distribution, exhibition, or exploitation of the Picture payable under the applicable Basic Agreement of any guild holding a security interest in the Collateral.

(v) Notwithstanding anything to the contrary in Paragraph 5(b)(i) above, SAG-AFTRA's rights under this Security Agreement are not subject to any non-disturbance provisions referenced therein if the distributor is the Grantor, affiliated with the Grantor, or the distributor has entered into a security agreement with SAG-AFTRA relating to the Collateral.

(c) Standards for Determining Commercial Reasonableness. Grantor and SAG-AFTRA agree that a sale or other disposition (collectively, the "sale") of any Collateral which complies with the following standards will be conclusively deemed commercially reasonable:

(i) notice of the sale is given at least ten (10) business days before the sale and, if required under applicable law, in the case of a public sale, notice of the sale is published at least seven (7) business days before the sale in a newspaper of general circulation in the county where the sale will be conducted;

- (ii) notice of the sale describes the Collateral in general, non-specific terms, describes the Debtor and Secured Party, states the method of intended disposition, states the date, time, and place of a public sale or the time after which any other disposition is to be made, and states that the Debtor is entitled to an accounting of the unpaid indebtedness, and the charge, if any, for such accounting;
- (iii) the sale is conducted at a place designated by SAG-AFTRA with or without the Collateral being present;
- (iv) the sale commences at any time between 8:00 a.m. and 6:00 p.m.;
- (v) payment of the purchase price in cash or by cashier's check or wire transfer is required; and
- (vi) SAG-AFTRA may (but is not obligated to) direct any prospective purchaser to ascertain directly from Grantor information concerning the Collateral.

Specification of the above procedure does not imply that other methods of selling and otherwise disposing of Collateral are not commercially reasonable. Grantor acknowledges that SAG-AFTRA is not obligated to follow the foregoing procedure and may, in its discretion, follow other procedures which it considers commercially reasonable.

(d) Application of Proceeds. SAG-AFTRA shall apply proceeds realized from its disposition of the Collateral as follows:

- (i) first, to pay all expenses and fees (including, but not limited to, reasonable attorneys' fees) which SAG-AFTRA incurs in obtaining, taking possession of, removing, insuring, completing, repairing, appraising, storing, or disposing of any Collateral and otherwise in connection with SAG-AFTRA's exercise of its rights and remedies;
- (ii) next, any surplus then remaining to satisfy the Secured Obligations in the order SAG-AFTRA determines in its sole discretion; and
- (iii) next, any surplus then remaining shall be paid to Grantor subject to Paragraph 14(b) below and the requirements for such disposition under the Code. If permitted by applicable law, Grantor remains liable to the extent of any deficiency between the amount of the proceeds derived from SAG-AFTRA's sale of the Collateral and the aggregate amount of the sums referred to in Paragraphs 5(d)(i) and 5(d)(ii) above.

(c) Remedies Cumulative The rights, powers, and remedies provided in this Security Agreement are cumulative and do not exclude the exercise of any rights, powers, or remedies otherwise available to SAG-AFTRA. No failure or delay by SAG-AFTRA to



exercise any right, power, or privilege under this Security Agreement or any other agreement between Grantor and SAG-AFTRA relating to the Collateral impairs any such right, power, or privilege, and no course of dealing between Grantor and SAG-AFTRA shall be construed to be a waiver thereof. No single or partial exercise of any right, power, or privilege or single or partial waiver of a breach or default under this Security Agreement, the Basic Agreement, or any other agreement between Grantor and SAG-AFTRA in connection with the Collateral precludes any further or other exercise of the same or any other right, power, or privilege nor constitutes a waiver of any other breach or default. No notice to or demand on Grantor in any case shall entitle Grantor to any further notice or demand in similar or other circumstances or constitute a waiver of any right of SAG-AFTRA to take any action without notice or demand. The failure of SAG-AFTRA at any time or times to require Grantor to strictly comply with any of the provisions of this Security Agreement or any other present or future agreement between Grantor and SAG-AFTRA shall not waive or diminish any right of SAG-AFTRA later to demand and receive strict compliance therewith. Any waiver, consent, or approval under this Security Agreement must be in writing to be effective.

(f) Discontinuance of Proceedings. If SAG-AFTRA institutes any proceeding to enforce any right, power, or remedy under this Security Agreement and discontinues or abandons that proceeding for any reason, Grantor and SAG-AFTRA will be restored to their former positions and rights with respect to the Collateral subject to the security interest created under this Security Agreement, and all rights, remedies, and powers of SAG-AFTRA will continue as if no such proceeding had been instituted.

6. Grantor waives (subject to Paragraph 8 below and the Code). (a) presentment for payment, demand, protest, and notice of the foregoing, and all other notices and demands to which Grantor might be entitled including, without limitation, notice of all of the following: (i) the acceptance hereof, the creation, existence, or acquisition of any Secured Obligations; (ii) the amount of the Secured Obligations from time to time outstanding; (iii) any adverse change in Producer's financial position; (iv) any other fact which might increase Grantor's risk; (v) any default, partial payment, or non-payment of any part of the Secured Obligations; and (vi) all agreements and arrangements between SAG-AFTRA and Producer and any changes, modifications, or extensions of them; (b) any right to require SAG-AFTRA to (i) institute suit against or to exhaust its rights and remedies against Producer or any other person; (ii) to proceed against any property, real or personal, tangible or intangible which secures any part of the Secured Obligations; (iii) to exercise any right of offset or other right with respect to any reserves or credits held by SAG-AFTRA or any indebtedness of SAG-AFTRA to Producer unless such reserves were provided to SAG-AFTRA to secure the payment of obligations relating to the Picture, or (iv) to exercise any other right or power, or pursue any other remedy SAG-AFTRA may have; (c) any defense arising by reason of (i) any disability or other defense by Producer or any endorser, guarantor, co-maker, or other person; or (ii) the cessation from any cause of any liability of Producer or any endorser, guarantor, co-maker, or other person with respect to any part of the Secured Obligations; and (d) all rights of subrogation, reimbursement, indemnity, and all rights of recourse to or with respect to any assets or property of Producer and any collateral or security for any of the Secured Obligations.

7 SAG-AFTRA may do any of the following (subject to the Code) without notice to, or

12 of 24

further consent by Grantor, and without affecting or impairing in any way SAG-AFTRA's rights under this Security Agreement: (a) accept partial payments of, compromise, settle, renew, extend the time for payment of, discharge the performance of, refuse to enforce, and release parties responsible for, any of the Secured Obligations; (b) grant any other indulgence to Producer or any other person in respect of any of the Secured Obligations and any other matter; (c) accept, release, waive, surrender, enforce, exchange, modify, impair, or extend the time for the performance, discharge, or payment of, any property, real, personal or mixed, tangible or intangible securing any of the Secured Obligations or any guaranty of any of the Secured Obligations, or on which SAG-AFTRA may have a lien, refuse to enforce its rights, or make any compromise, settlement, or agreement relating to any such property; (d) release, substitute, or add any one or more endorsers or guarantors of any part of the Secured Obligations including, without limitation, one or more parties to this Security Agreement, (e) amend or change any term or provision relating to any of the Secured Obligations by agreement with Producer; (f) apply any sums received from Producer, any guarantor, endorser, or cosigner, or from the disposition of any collateral or security, to any indebtedness owing from such person or secured by such collateral or security; (g) exercise any right or remedy it may have relating to any of the Secured Obligations or any property, real, personal, mixed, tangible or intangible securing any of the Secured Obligations or any guaranty of those obligations, including but not limited to judicial foreclosure, exercise of a power of sale, and taking a deed, assignment or transfer in lieu of foreclosure as to any such property. No such action or proceeding will affect SAG-AFTRA's rights under this Security Agreement notwithstanding the effect of any such action or proceeding upon, or destruction of, Grantor's rights of subrogation against Producer. SAG-AFTRA is not obligated to marshal any assets in favor of Grantor, or against, or in payment of any of the Secured Obligations

8 Notwithstanding anything contained in Paragraphs 6 or 7 of this Security Agreement, if SAG-AFTRA (a) receives a Buyer's Assumption Agreement (in the form contained in the Basic Agreement) executed by a third party ("Buyer") who assumes all or part of Grantor's obligations to SAG-AFTRA relating to the Picture; (b) approves of the financial responsibility of Buyer in writing, and (c) Grantor is otherwise in compliance with the requirements of Paragraph 14 below, Grantor will not be held liable for the obligations assumed by Buyer ("Assumed Obligations") and will be entitled to raise such Buyer's Assumption Agreement as a defense to demands for payment made upon Grantor by SAG-AFTRA relating to the Assumed Obligations. If a Grantor is also a distributor of the Picture and has delivered a Distributor's or Buyer's Assumption Agreement to SAG-AFTRA, SAG-AFTRA shall concurrently send to such Grantor copies of default notices given to Producer under this Security Agreement relating to non-satisfaction of any Assumed Obligations

9. Each Grantor is fully aware of Producer's financial condition and is executing and delivering this Security Agreement based solely upon its own independent investigation of all pertinent matters. Grantor is not relying upon any representation or statement of SAG-AFTRA concerning the Producer, any other Grantor, or any other matter. Grantor represents and warrants that it is in a position to obtain, and Grantor assumes full responsibility for obtaining, any additional information concerning the Producer's financial condition, and any other pertinent matter. Grantor is not relying upon, or expecting SAG-AFTRA to furnish to it any information now or hereafter in SAG-AFTRA's possession concerning the same or any other matter. Grantor acknowledges it has no right to require SAG-AFTRA or any other person to provide any

financial or other information concerning Producer, or any other matter, fact, or occurrence to Grantor. By executing this Security Agreement, Grantor knowingly accepts the full range of risks encompassed within this Security Agreement including, without limitation, the possibility that Producer will incur additional Secured Obligations for which recourse may be had against the Collateral after Producer's financial condition or ability to pay such Secured Obligations deteriorates

10. If any payment made on any of the Secured Obligations shall for any reason be required to be returned by SAG-AFTRA, whether on the ground that such payment constituted a preference or for any other reason, then for purposes of this Security Agreement, and notwithstanding any prior termination of this Security Agreement, such payment on the Secured Obligations shall be treated as not having been made, and this Security Agreement shall in all respects be effective with respect to the Secured Obligations as though such payment had not been made; and if the Collateral has been released or returned to Grantor, then Grantor shall execute and deliver all such documents and take all such actions, as the case may be, as are necessary in the reasonable judgment of SAG-AFTRA to grant a first priority, perfected security interest, subject to Paragraph 3(h) above, in all of the Collateral to SAG-AFTRA to secure all of the Secured Obligations, all in accordance with the terms of this Security Agreement

11 This Security Agreement is irrevocable. Grantor waives all benefits of California Civil Code Section 2815, and agrees that the obligations of Grantor hereunder may not be terminated or revoked in any manner.

12 Grantor waives and agrees not to plead, invoke, or set up any statute of limitations as a defense to any action or proceeding for payment of any Monetary Obligations, performance of any other Secured Obligation, or enforcement of any term or provision of this Security Agreement. In any action by SAG-AFTRA upon any of the Secured Obligations or the security interest hereunder, other than the filing of a lawsuit predicated on a breach of this Security Agreement, SAG-AFTRA is entitled to recover from Grantor its costs incurred in those proceedings, including attorneys' fees in a reasonable amount, and those costs will be included in the Monetary Obligations secured under this Security Agreement.

13 Attorney In Fact

(a) Grantor irrevocably appoints SAG-AFTRA its true and lawful attorney-in-fact, with full power of delegation, substitution, and assignment (but not the obligation), to execute, deliver, file, and record on its behalf and in its name Financing Statements, renewals thereof, and all other statements and agreements consistent with the terms of this Security Agreement necessary or desirable to perfect, protect, evidence, renew, or continue the security interest in the Collateral created hereunder, or to effectuate the purposes and intents of this Security Agreement, Grantor ratifies and confirms all SAG-AFTRA may do in that regard, acknowledging that this power of attorney is coupled with an interest.

(b) If an Event of Default occurs, Grantor irrevocably appoints SAG-AFTRA its true and lawful attorney-in-fact, with full power of delegation, substitution, and assignment (but not the obligation) to do all of the above in Paragraph 13(a) and in addition, to

14 of 24

execute, deliver, file, and record, on Grantor's behalf and in Grantor's name in connection with the Collateral, contracts, documents, and instruments, to endorse and negotiate checks, drafts, and other orders for the payment of moneys payable to Grantor in connection with the Collateral, and to do other acts as SAG-AFTRA, in its sole discretion, deems necessary or desirable to carry out the purposes and intents of this Security Agreement. Grantor ratifies and confirms all SAG-AFTRA may do in that regard, acknowledging that this power of attorney is coupled with an interest, and agrees to pay all related costs and expenses.

(c) Grantor shall pay the cost of filing documents in all state and federal public offices and other places where SAG-AFTRA deems it desirable or necessary to perfect, continue, or protect the security interest created under this Security Agreement, and the cost of all searches in all such offices which SAG-AFTRA deems necessary

14 Continuing Assignment of and Security Interest in Collateral.

(a) This Security Agreement creates a continuing assignment of, and security interest in, the Collateral and remains in full force and effect until terminated by Grantor and SAG-AFTRA by mutual written agreement. If Grantor sells, transfers, assigns, or otherwise disposes of any of the Collateral or rights therein, Grantor agrees that such sale, transfer, assignment, or disposition of the Collateral is subject to the security interest created under this Security Agreement.

(b) Except for the granting of distribution rights in the Picture which is governed by Paragraph 14(c) below, Grantor shall provide SAG-AFTRA with written notification of any sale, transfer, assignment, or other disposition of any of the Collateral (collectively, "Transfer") ten (10) business days before the Transfer and shall require the purchaser, transferee, or assignee, before or concurrent with the Transfer, to execute and deliver to SAG-AFTRA a Buyer's Assumption Agreement, a security agreement (substantially in the form of this Security Agreement), UCC-1(s), any other documentation necessary to perfect SAG-AFTRA's security interest in the acquired rights, and any other document required under the Basic Agreement or this Security Agreement (collectively, the "Guild Security Documents") unless SAG-AFTRA expressly waives those requirements in writing. Grantor will not be relieved of any obligations under this Security Agreement or the Basic Agreement unless (i) SAG-AFTRA approves in writing the financial responsibility of the purchaser, transferee, or assignee; and (ii) the purchaser, transferee, or assignee delivers SAG-AFTRA Security Documents to SAG-AFTRA. No failure of SAG-AFTRA to request any of the foregoing, or Grantor's failure to provide any of the foregoing, affects SAG-AFTRA's first priority, perfected security interest in the Collateral, subject to Paragraph 3(h) above, which will continue in full force and effect.

(c) Without limiting the generality of Paragraph 14(b) above, Grantor agrees that all grants of distribution rights, licensing agreements, or similar agreements in connection with the Picture are and will continue to be expressly subject and subordinate to SAG-AFTRA security interest created under this Security Agreement. Grantor shall promptly furnish SAG-AFTRA with the names and addresses of all distributors. Nothing in this Security Agreement constitutes SAG-AFTRA's acceptance, ratification of, or

subordination of its interest to the rights of any party under any contract or agreement which Grantor has entered into or may subsequently enter into with respect to the Collateral including, without limitation, any distribution, or license agreement. No failure of SAG-AFTRA to request any of the foregoing, or Grantor's failure to provide any of the foregoing, affects SAG-AFTRA's first priority, perfected security interest in the Collateral, subject to Paragraph 3(h) above, which will continue in full force and effect.

(d) Notwithstanding anything contained in this Paragraph 14, if a "Qualified Distributor" (as defined in the Basic Agreement) acquires rights to distribute the Picture and assumes responsibility for the payment of Residuals for the specific territories and media acquired by such QD, or guarantees in a written form satisfactory to SAG-AFTRA all of Producer's obligations with respect to the payment of Residuals, then SAG-AFTRA (i) agrees to modify the definition of Collateral to exclude those territories and media for the term acquired by such QD including renewals and extensions; (ii) agrees to acknowledge such QD's continuing rights of full, unlimited but non-exclusive access to and use of any and all physical items and elements relating to the Picture; and (iii) shall not require the delivery of SAG-AFTRA Security Documents with respect to the rights acquired by such QD

(e) No delay or omission by SAG-AFTRA in exercising any right under this Security Agreement waives such right or releases SAG-AFTRA's security interest in the Collateral.

15. Severability. If any term or provision of this Security Agreement is held to be invalid under any law, statute, judicial decision, rule or regulation of any competent jurisdiction, the remainder of its terms and provisions will remain in full force and effect.

16. Integration. This Security Agreement and other written documents as may be executed in connection with this Security Agreement are the final, entire, and complete agreement between Grantor and SAG-AFTRA relating to the grant of a security interest in the Collateral and supersede all prior and contemporaneous negotiations, oral representations, and agreements, all of which are merged and integrated into this Security Agreement. There are no oral understandings, representations, or agreements between the parties relating to the grant of a security interest in the Collateral which are not in this Security Agreement or in other written agreements signed by the parties in connection with this Security Agreement

17. Governing Law. This Security Agreement and the rights and obligations of the parties shall be construed in accordance with and be governed by the laws of the State of California and the United States of America without reference to the principles of conflict of laws thereof.

18. Jurisdiction and Service of Process. Grantor and SAG-AFTRA agree that any legal action or proceeding with respect to this Security Agreement, or any action or proceeding to execute or otherwise enforce any judgment or arbitration award obtained against Grantor or any of its properties, may be brought in proceedings in Los Angeles County, California. By executing and delivering this Security Agreement, Grantor irrevocably submits to such jurisdiction provided, however, that SAG-AFTRA may bring suit in the courts of any country or

16 of 24

place where Grantor or any of its assets may be found and by executing and delivering this Security Agreement, Grantor irrevocably submits to that jurisdiction. Grantor irrevocably waives any objection which it may have now or in the future to the venue of any suit, action, or proceeding arising out of or relating to this Security Agreement or any other contract between Grantor and SAG-AFTRA, or between Grantor and Performers brought in the State of California, and irrevocably waives any claim that any such suit, action, or proceeding brought in the State of California is in an inconvenient forum. If any agent appointed by Grantor refuses to accept service, Grantor agrees that service upon it by mail sent to the mailing address specified by Grantor in this Security Agreement constitutes sufficient notice and effective service. Nothing in this Paragraph 18 affects the right to serve process in any other manner permitted by law or limits the right of SAG-AFTRA to bring proceedings against Grantor in the courts of any other jurisdiction.

19. Notices

(a) To SAG-AFTRA: The Grantor shall give notices to SAG-AFTRA required under this Security Agreement in writing by certified mail (return receipt requested), messenger, or telecopier (but if telecopied, such notice shall be concurrently sent by mail) addressed as indicated below. The date of messengering or telecopying will be deemed the date of service. The date of receipt will be deemed the date of service for all notices sent by certified mail, return receipt requested.

Mail/Messenger: Screen Actors Guild-American Federation of  
Television and Radio Artists  
5757 Wilshire Boulevard, 7<sup>th</sup> Floor  
Los Angeles, California 90036-3600  
Attention: Legal Department, General Counsel &  
Deputy General Counsel  
Telecopier: (323) 549-6624

With a courtesy  
copy to: Bush Gottlieb  
500 N. Central Avenue, Suite 800  
Glendale, California 91203  
Attention: Joseph Kohanski Esq.  
Telecopier: (818) 973-3201

SAG-AFTRA may change its address by giving written notice to Grantor at the address for Grantor in Paragraph 3(a) of this Security Agreement.

(b) To Grantor: SAG-AFTRA shall give notices to Grantor required under this Security Agreement in writing by mail, messenger, or telecopier addressed to Grantor at the mailing address(es) indicated above in Paragraph 3(a). The date of messengering or telecopying will be deemed the date of service. The date of receipt will be deemed the date of service for all notices sent by certified mail, return receipt requested. Notice sent by mail will be deemed effective five (5) days from the date of mailing within the United States or seven (7) days from the date of mailing across national borders. Notice to

17 of 24

Grantor will be deemed effective if made in this manner and sent to the mailing address shown in Paragraph 3(a) above, or if Grantor has notified SAG-AFTRA in writing of a change in address, to the Grantor's last address so notified. Demands or notices addressed to the Grantor's address at which SAG-AFTRA customarily communicates with the Grantor shall also be effective. Grantor may change its address or addresses by giving written notice to SAG-AFTRA at SAG-AFTRA's address in this Paragraph 19(a).

20 General.

(a) All rights of SAG-AFTRA under this Security Agreement will inure to the benefit of its successors and assigns. All obligations of Grantor under this Security Agreement will bind their respective successors, assigns, and all persons who become bound as a debtor under this Security Agreement or applicable law

(b) If there is more than one Grantor, the term "Grantor" as used in this Security Agreement means each Grantor, their obligations under this Security Agreement are joint and several, and the compromise of any claim with, or the release of, any Grantor will not constitute a compromise with, or release of, any other Grantor.

(c) Section headings are for convenience only and do not affect the interpretation or construction of this Security Agreement.

(d) This Security Agreement does not create any rights enforceable by any person not a party to this Security Agreement.

(e) Secured Party is authorized to (i) date this Security Agreement (if not otherwise dated) the date it is delivered to Secured Party and (ii) re-date this Security Agreement if necessary in order to meet the requirements of any office where filing or registration is necessary to perfect, protect, or maintain the security interest created under this Security Agreement.

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(f) This Security Agreement may be executed in two or more counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one instrument.

(g) The parties agree that signatures to this Security Agreement transmitted by facsimile or via electronic delivery shall be presumed authentic and shall be deemed originals

The parties have caused this Security Agreement to be executed and delivered by their authorized officers as of the date first above written

PRODUCER/  
GRANTOR:

KYRA FILM INC.

By:

(signature)

Christine Vachon

(please type name)

Title:

Secretary

(please type title)

GRANTOR:

OLDGARTH MEDIA LIMITED

By:

(signature)

JIM REEVE

(please type name)

Title:

DIRECTOR

(please type title)

GRANTOR:

GREAT POINT MEDIA LIMITED

By:

(signature)

JIM REEVE

(please type name)

Title:

DIRECTOR

(please type title)



**SCREEN ACTORS GUILD-AMERICAN FEDERATION OF  
TELEVISION AND RADIO ARTISTS**

By

  
(signature)

Leif L. Larson

(please type name)

Title:

Manager, Theatrical Contracts

(please type title)

**EXHIBIT A**  
**TO SCREEN ACTORS GUILD-**  
**AMERICAN FEDERATION OF TELEVISION AND RADIO ARTISTS**  
**THEATRICAL SECURITY AGREEMENT**

**DEFINITIONS**

"Debtor" as used in this Exhibit A means each Debtor identified in the foregoing Security Agreement and all persons who become bound as a debtor under this Security Agreement, the Code, or other applicable law.

(i) **"Accounts"**: has the meaning ascribed to that term in the Code and include all receivables and all other rights to receive the payment of money including, but not limited to, the rights to receive the payment of money under present or future contracts or agreements (whether or not earned by performance), from the sale, distribution, exhibition, disposition, leasing, subleasing, licensing, sublicensing, and other exploitation of the Picture, Rights in Product, the Literary Property, or any part thereof or any rights therein in any medium whether now known or hereafter developed by any means, method, process, or device in any market including, without limitation, all of Debtor's rights, title, and interest in, to, and under any distribution agreement relating to the Picture, as the same may from time to time be amended, reviewed, modified, supplemented, extended, or replaced including, but not limited to, Debtor's rights to receive film rentals, license fees, distribution fees, producer's shares, royalties, and other amounts of every description from: (a) theatrical exhibitors, non-theatrical exhibitors, television networks and stations, airlines, cable television systems, pay television operators whether on a subscription or per program charge basis, distributors of the Picture by videotape, cassette, cartridge or disc, and other exhibitors; (b) other distributors, subdistributors, lessees, sublessees, licensees, and sublicensees (including any affiliate or subsidiary); and (c) any other person (including any affiliate or subsidiary) who distributes, exhibits, or exploits the Picture, Rights in Product, the Literary Property, or rights relating thereto.

(ii) **"Chattel Paper"**: means all "chattel paper" as that term is defined in the Code, relating to the Picture.

(iii) **"Contracts"**: mean all contracts of Debtor relating to the Picture including, without limitation, (a) all rights of Debtor to receive moneys due and to become due to it thereunder or in connection therewith; (b) all rights of Debtor to damages arising out of, or for, breach or default in respect thereof; and (c) all rights of Debtor to perform and to exercise all remedies thereunder.

(iv) **"Copyrights"**: mean all copyrights, rights in copyrights, interests in copyrights, and all copyrightable tangibles or intangibles, now or hereafter existing, obtained upon the Picture, the Literary Property (as defined below), or any part thereof, in the United States or foreign territories, and all applications, registrations, and recordings relating thereto filed in the United States Copyright Office, or in any other government office or agency in the United States or foreign territories, and the right, but not the obligation, to make publication thereof for copyright purposes, to register copyright claims, and the right, but not the obligation, to renew

and extend such copyrights, and the right, but not the obligation, to sue in the name of copyright including, without limitation: (a) all rights of every kind and nature [including, but not limited to, Copyright(s)] in and to any literary, musical, dramatic, or other literary material of any kind or nature upon which, in whole or in part, the Picture is or may be based, or which may be or has been used or included in the Picture including, but not limited to, all scripts, scenarios, teleplays, bibles, stories, treatments, novels, outlines, books, titles, concepts, manuscripts, or other properties or materials of any kind or nature in whatever state of completion, and all drafts, versions and variations thereof (collectively, the "Literary Property"); (b) the right to print, reprint, publish, reproduce, sell, distribute, perform, display, and make derivative works based on works presently or hereafter owned by or licensed to Debtor, in whole or in part, and all other rights which Debtor presently has or hereafter acquires pursuant to any Copyright License including, without limitation, copyright assignments, exclusive and nonexclusive licenses, and publishing agreements; and (c) all of Debtor's right, title, and interest in all physical materials embodying works with respect to which Debtor owns or holds rights in any copyrights including, without limitation, plates, films, color separations, and mechanical art.

(v) "Copyright Licenses": mean all of the following relating to the Picture (a) any written agreement, naming Debtor as licensor or licensee, granting any right in and to any Copyrights or Copyright registration in the United States; or (b) all present and future agreements (including, without limitation, assignments and consents) as any such agreements may from time to time be amended or supplemented, under which Debtor now has or hereafter acquires any direct or beneficial interest in any Copyright, or is a grantor of rights to any third party with respect to any Copyright, whether as a party to any such agreement or as an assignee of any rights under any such agreement.

(vi) "Documents": mean all "documents" as that term is defined in the Code, relating to the Picture including, without limitation, documents and receipts of any kind or nature issued by any pledgeholder, warehouseman, or bailee relating to the Picture or any element thereof.

(vii) "General Intangibles": has the meaning ascribed to that term in the Code and include all general intangibles relating to the Picture including, without limitation, all literary property rights, patents and patent rights, trademarks, trade names, goodwill, inventions, processes, common law and statutory copyrights, music rights, rights in produced and unproduced screenplays and musical works, licenses, agreements, leases, royalties, franchises, Contracts, rights under Contracts (including rights under joint venture agreements), Chattel Paper, Documents, permits, negotiable and non-negotiable Instruments, judgments, deposit accounts, choses in action, and all general intangibles, whether or not included in the foregoing including, without limitation, shipping documents, warehouse receipts, policies of insurance, and other documents accompanying or relative to drafts drawn under any letter of credit and any such drafts.

(viii) "Instruments": has the meaning ascribed to that term in the Code and include all cash and cash equivalents of Debtor derived from or relating to the Picture and all drafts, checks, certificates of deposit, notes, bills of exchange, and other writings relating to the Picture which evidence a right to the payment of money and are not themselves security agreements or leases and are of a type which is, in the ordinary course of business, transferred by delivery with any necessary endorsement or assignment.

(ix) "Insurance and Insurance Policies" mean all insurance and insurance policies placed at any time upon the Picture, the insurable properties thereof, or any other insurable Collateral

(x) "Inventory": means all "inventory" as that term is defined in the Code, relating to the Picture including, without limitation, all inventory, merchandise, goods, and other personal property now or hereafter owned by Debtor which are held for sale or lease, are furnished or to be furnished under a contract of service, or which constitute raw materials, work in process, materials used or consumed or to be used or consumed in Debtor's business, the processing, packaging, delivery, or shipping of the same, and all finished goods.

(xi) "Merchandising Rights" mean all collateral, allied, ancillary, subsidiary, publishing, and merchandising rights relating to the Picture including, but not limited to, rights derived from, appurtenant to, or related to the Picture or the Literary Property including, but not limited to, all rights to use, exploit, and license others to use or exploit all novelization, publishing, commercial tie-up, and merchandising rights of every kind and nature (including, but not limited to, all novelization, publishing and merchandising rights, and commercial tie-ups arising out of or connected with or inspired by the Picture or the Literary Property, the title or titles of the Picture, the characters appearing in the Picture, the Literary Property, or the names or characteristics of such characters).

(xii) "Music Rights": mean all Debtor's rights presently owned or later acquired by Debtor in and to all music and musical compositions created for, used in, or to be used for the Picture, all related Copyrights and all rights to perform, copy, record, re-record, produce, publish, reproduce, or synchronize all music and musical compositions as well as all other rights to exploit such music including, but not limited to, record, soundtrack recording, and music publishing rights.

(xiii) "Personal Property": means the following personal property of Debtor, wherever located, whether now owned or hereafter acquired: (a) the title or titles of the Picture and all of Debtor's rights to the exclusive use thereof (including, but not limited to, rights protected in accordance with trademark, service mark, unfair competition, or other laws, rules, or principles of law or equity); and (b) all inventions, processes, formulae, licenses, patents, patent rights, Trademarks, Trademark rights, service marks, service mark rights, trade names, trade name rights, logos, indicia, and other source identifiers relating to the Picture, and renewals and extensions thereof, domestic and foreign, whether now owned or hereafter acquired, and the accompanying goodwill and other like property rights relating to the Picture, and the right, but not the obligation, to register claims under trademark or patent, and to renew and extend such trademarks or patents and the right, but not the obligation, to sue in the name of Debtor or in the name of SAG-AFTRA for past, present, or future infringement of trademark or patent.

(xiv) "Physical Properties" mean all physical properties relating to the Picture and all versions thereof (including, but not limited to, all physical properties relating to the development, production, completion, delivery, exhibition, distribution, or other exploitation of the Picture, and all versions thereof or any part thereof including, but not limited to, the Literary Property, exposed film, developed film, positives, negatives, prints, answer prints, special effects, pre-print

materials including, but not limited to, interpositives, negatives, duplicate negatives, internegatives, color reversals, intermediates, lavenders, fine grain master prints and matrices, and all other forms of pre-print elements which may be necessary or useful to produce prints or other copies or additional pre-print elements, whether now known or hereafter devised, soundtracks, recordings, audio and video tapes and discs of all types and gauges, cutouts, trims, all other physical properties of every kind and nature relating to the Picture in whatever state of completion, and all duplicates, drafts, versions, variations, and copies of each).

(xv) "Proceeds": has the meaning ascribed to that term in the Code and include any proceeds relating to the Picture including, without limitation, (a) all proceeds of any insurance, indemnity, warranty, or guaranty payable from time to time with respect to any of the Collateral; (b) all payments (in any form) made or due and payable from time to time in connection with any requisition, confiscation, condemnation, seizure, or forfeiture of any of the Collateral by any governmental body, authority, bureau, or agency (or any person acting under color of governmental authority); and (c) all other amounts from time to time paid or payable in connection with any of the Collateral

(xvi) "Product": means the Picture, whether produced for theatrical, non-theatrical, television release, or for release in any other medium, whether recorded on film, videotape, cassette, cartridge, disc, or on or by any other means, method, process, or device whether now known or hereafter developed, with respect to which Debtor has, acquires, or agrees to acquire all or part of the theatrical, videotape, cassette, disc, or television distribution rights

(xvii) "Rights in Product": mean all of the following: (a) any rights, whether arising under written contracts or otherwise, to sell, produce, distribute, exhibit, lease, sublease, license, sublicense, subdistribute, or otherwise exploit Product including, without limitation, rights under so-called "pick up" arrangements and other contracts and agreements relating to the acquisition of Product or any interest therein in any market including, without limitation, theatrical, non-theatrical, stage, television (including broadcast, cable, and pay television), and home markets, whether by film, videotape, cassette, cartridge, disc, or by any other means, method, process or device now known or hereafter developed; (b) any rights to sell trailers and advertising accessories relating to Product; and (c) any rights to exploit any element or component of Product or any ancillary rights relating to Product including, without limitation, merchandising and character rights, stage rights, novelization rights, sound track recording rights, and music publishing rights relating to any music embodied in or written for Product including the right to grant licenses to print, perform, or mechanically reproduce such music.

(xviii) "Trademarks": mean all of the following created specifically for, or included in, the Picture: (a) service marks, logos, and other source identifiers and the goodwill associated therewith, now existing or hereafter adopted or acquired, (b) all registrations and recordings thereof, and all applications in connection therewith owned by Debtor, relating to the Picture, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, or otherwise; and (c) all renewals thereof.

(xix) "Trademark Licenses": mean all agreements relating to the Picture providing for the grant to Debtor of any right to use any Trademark.