



Registration of a Charge

Company Name: **EAGLE EYE DRAMA LIMITED**

Company Number: **11668580**



XBD6V470

Received for filing in Electronic Format on the: **23/09/2022**

Details of Charge

Date of creation: **21/09/2022**

Charge code: **1166 8580 0007**

Persons entitled: **CHANNEL FOUR INVESTMENTS LIMITED**

Brief description: **THE COMPANY HAS AGREED TO CREATE FIXED AND FLOATING CHARGES OVER ALL OF ITS PROPERTY IN FAVOUR OF THE CHARGEES AS SECURITY FOR ALL SUMS DUE OR OWING, NOW OR IN THE FUTURE, BY THE COMPANY TO THE CHARGEES.**

Contains fixed charge(s).

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

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **PAMELA BIRD**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 11668580

Charge code: 1166 8580 0007

The Registrar of Companies for England and Wales hereby certifies that a charge dated 21st September 2022 and created by EAGLE EYE DRAMA LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 23rd September 2022 .

Given at Companies House, Cardiff on 26th September 2022

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



Companies House



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

DEBENTURE

DATED

21 September

2022

(1) EAGLE EYE DRAMA LIMITED

(2) EAGLE EYE BWD2 LIMITED

(3) CHANNEL FOUR INVESTMENTS LIMITED

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THIS DEED is made on 21 September 2022

BETWEEN:

- (1) **EAGLE EYE DRAMA LIMITED**, a company registered in England and Wales with company number 11668580 whose registered office is at 35 Soho Square, London, England, W1D 3QX ("**EED**");
- (2) **EAGLE EYE BWD2 LIMITED**, a company registered in England and Wales with company number 14046177 whose registered office is at 35 Soho Square, London, England, W1D 3QX ("**EEBWD2**") (together with EED, being the "**Chargor**"); and
- (3) **CHANNEL FOUR INVESTMENTS LIMITED**, a company registered in England and Wales with company number 08950142 and having its registered office at 124 Horseferry Road, London SW1P 2TX (the "**Chargee**").

WHEREAS

- (A) EED has issued a secured convertible loan note instrument in favour of the Chargee on the date of this deed (the "**Loan Note Instrument**").
- (B) EEBWD2 is a wholly owned subsidiary of EED.
- (C) The Chargor has agreed to create fixed and floating charges over its property in favour of the Chargee as security for the Secured Liabilities (as defined hereinafter).

AGREED TERMS

1. Definitions and Interpretations

1.1 Definitions

In this deed the following expressions have the following meanings:

"Business Day" means a day (other than a Saturday, Sunday or public holiday) on which banks in London are open for normal banking business.

"Charged Property" means all assets subject to any Encumbrances created by or under this deed.

"Contracts" means all contracts and agreements between the Chargor and any other person, as the same may be amended, supplemented or otherwise modified from time to time including all rights to damages arising out of, or for, breach or default in respect thereof and all rights to perform and to exercise all remedies thereunder.

"Debts" means all existing and future book and other debts and rights to money and income liquidated and unliquidated owing to the Chargor including the benefit of all negotiable instruments, securities, guarantees and indemnities for such debts and rights but not including cash at bank.

"Designated Account" means any account of the Chargor with any bank which has been notified of the interest of the Chargee in such account and has agreed in writing not to permit withdrawals from such account except with the written consent of the Chargee or on such other terms as agreed by the Chargee.

"Encumbrance" means a mortgage, charge, assignment by way of security, pledge, lien, any form of distress, attachment, execution or other legal process or to be otherwise in

jeopardy or any other type of encumbrance or security interest or any other type of arrangement (including any sale and leaseback or sale and repurchase arrangement) having or intended to have a similar effect.

"Enforcement Event" means the occurrence of an Event of Default as such term is defined in the Loan Note Instrument (which event, if capable of being cured, is not cured within any applicable cure period specified in the Loan Note Instrument) or, at the discretion of the Chargee, if the Chargor requests that the Chargee exercises any of its powers under this deed.

"Financial Collateral" shall have the meaning given to such term in the Financial Collateral Regulations.

"Financial Collateral Regulations" means the Financial Collateral Arrangements (No. 2) Regulations 2003 (SI 2003/3226).

"Intellectual Property" means any existing and future right in respect of any patent, copyright, trade mark, service mark, invention, design, database, domain names, know-how, confidential information or any other kind of intellectual property whether registered or unregistered and any registration or application for registration, licence or permission relating to any of the foregoing.

"Investment" means, in relation to the Chargor, any:

- (a) stocks, shares, debentures, bonds or any form of loan capital of or in any legal entity;
- (b) unit in any unit trust or similar scheme;
- (c) warrant, coupons or other right to acquire any such investment,

and, to the extent not constituting a Debt, any income, offer, right or benefit in respect of any such investment.

"Law" includes common law, any statute, by-law, regulation or instrument and any kind of subordinate legislation; and any order, requirement, code of practice, circular, guidance note, licence, consent or permission made or given under any of the foregoing.

"LPA" means the Law of Property Act 1925.

"Project(s)" means entertainment content created, devised, owned, acquired, licensed or otherwise controlled by the Chargor or any of its subsidiaries including television programmes, documentaries, feature films, music videos, commercials, magazines, recorded music, books, online content, audio visual productions, digital content and video games and event-based entertainment projects;

"Real Property" means all freehold or leasehold property now or at any time in the future vested in the Chargor including the buildings on such freehold or leasehold property.

"Receiver" means a receiver, a receiver and manager, or an administrative receiver, in each case, appointed under this deed.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of EED to the Chargee under the Loan Note Instrument or of the Chargor to the Chargee under any other Security Document.

"Secured Parties" means each person to whom the Secured Liabilities (whether in whole or in part) are owed from time to time.

"Security Document" means any document including this deed executed by the Chargor or any third party which grants security rights or rights by way of guarantee or indemnity in respect of the Secured Liabilities.

"Security Financial Collateral Arrangement" shall have the meaning given to such term in the Financial Collateral Regulations.

"Value Added Tax" or **"VAT"** means value added tax or any other tax substituted therefor or in respect of turnover or value added sales.

1.2 *Interpretation*

In this deed (including any introduction):

- (a) the expressions **"Chargor"** and **"Chargee"** includes their respective successors and assigns;
- (b) the expression **"Chargor"** includes the person deriving title under the Chargor or entitled to redeem the charges created by this deed;
- (c) a reference to any statute or statutory provision includes that statute or statutory provision as amended, extended or re-enacted and to any by-law, regulation, order, instrument or subordinate legislation made under the relevant statute or statutory provision;
- (d) any reference to any agreement or document including Loan Note Instrument is a reference to such agreement or document as it may have been or may from time to time be amended, novated, supplemented or replaced by a document having a similar effect;
- (e) reference to the singular includes the plural and vice versa;
- (f) references to clauses and sub-clauses are to the clauses and sub-clauses of this deed;
- (g) reference to any gender includes other genders;
- (h) reference to persons includes individuals, bodies corporate, unincorporated associations, partnerships, governments, states and state agencies (whether or not having separate legal personality) and any reference to any party who is an individual will include his personal representatives;
- (i) the words **"including"** and **"in particular"** are to be construed as being by way of illustration or emphasis only and are not to be construed so as to limit the generality of any words preceding them;
- (j) the words **"other"** and **"otherwise"** are not to be construed as being limited by any words preceding them;
- (k) references to **"property"** include choses in action and other intangible property;
- (l) references to liabilities, property, rights, assets or other tangible or intangible things include the whole or any part of them, present and future, actual and contingent and in any part of the world;

- (m) any reference to any property or interest in property includes any such interest or property acquired by the Chargor after the date of this deed;
- (n) any covenant made by or obligation imposed on the Chargor in this deed will continue in force until all the Secured Liabilities have been irrevocably performed, paid and discharged in full; and
- (o) the headings to clauses and sub-clauses are to be ignored in construing this deed.

2. Covenant to Pay

EED covenants with the Chargee to pay, discharge and satisfy the Secured Liabilities when they become due for payment and discharge them in accordance with their respective terms.

3. Fixed Security & Licence

3.1 General

All Security created by the Chargor under this Clause 3 and Clause 4 (Floating Security) inclusive is:

- (a) granted in favour of the Chargee;
- (b) continuing security for the payment, discharge and performance of the Secured Liabilities (regardless of any intermediate payment);
- (c) granted with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994; and
- (d) granted in respect of all the right, title and interest (if any), present and future, of the Chargor in and to the relevant asset

3.2 Fixed Security

The Chargor

- (a) charges :
 - (i) by way of first fixed charge all existing and future fittings, plant, equipment, machinery, tools, vehicles, furniture and other tangible movable property;
 - (ii) by way of first fixed charge any Investment;
 - (iii) by way of first fixed charge any goodwill and rights and claims in relation to its uncalled share capital;
 - (iv) by way of first fixed charge all existing and future cash at any bank or other financial institution;
 - (v) by way of first fixed charge any Real Property;
 - (vi) by way of first fixed charge any Intellectual Property;
 - (vii) by way of first fixed charge the benefit of all rights in relation to any item under paragraphs (i) to (vi) above;

- (viii) by way of first fixed charge each of the assets which are specified in Clause 3.2(b);
- (ix) any money now or at any time after the date of this deed standing to the credit of any Designated Account; and
- (x) to the extent not otherwise subject to any fixed security in favour of the Chargor:
 - (A) any existing and future proceeds of any insurance of any Charged Property; and
 - (B) any sum now or at any time after the date of this deed received by the Chargor as a result of any order of the court under sections 213, 214, 238, 239 or 244 of the Insolvency Act 1986;
- (b) charges and agrees to assign absolutely and to the fullest extent assignable or capable of assignment without infringing any contractual provision restricting the same, all of its rights, title and interest under the Contracts and the Debts, and any guarantee or security for the performance of the Contracts or payment of any Debts provided that if any such guarantee or security is expressed to be non-assignable then the Chargor charges to the Chargee by way of fixed security its interest in and the benefit of it; and
- (c) charges to the Chargee by way of first fixed charge, all other existing and future assets of the Chargor not charged or assigned under this deed.

3.3 *Licence and Permitted Use*

Notwithstanding any other provision of this deed, the Chargee, hereby grants the Chargor an irrevocable (except in the case of an Enforcement Event which is continuing following any applicable cure period) exclusive licence to use and continue to use:

- (a) the Intellectual Property which has been charged hereunder; and
- (b) any and all rights under any agreements relating to Intellectual Property to which the Chargor is a party, successor in title, licensee or assignee and which have been charged or assigned hereunder,

without further action or consent of the Chargee for all purposes and activities in connection with the Chargor's development, production, financing and exploitation of Projects. The foregoing licence shall remain in force until the earlier of (a) release and reassignment of all rights to the Chargor upon the expiry of this deed, or (b) any Enforcement Event which is continuing following any applicable cure period. Subject to there not being any Enforcement Event, the Chargee hereby agrees at the Chargor's request and expense to enter into such further documentation as may be reasonably required from time to time by the Chargor (including without limitation any letters of non-default or non-crystallisation of floating charge) to demonstrate to any third party the permitted and un-encumbered use of the Intellectual Property in accordance with this clause 3.3 and/or (to the extent approved in writing by us) to enter into an assignment of rights to the extent required in relation to a Project.

4. Floating Security

4.1 *Creation of floating charge*

As continuing security for the payment, discharge and performance of the Secured Liabilities, the Chargor charges by way of first floating charge all its present and future assets not otherwise effectively mortgaged, charged or assigned under this deed.

4.2 *Conversion by notice*

Subject to clause 4.3, the Chargee may at any time by written notice to the Chargor convert the floating charge created under clause 4.1 (Creation of floating charge) with immediate effect into a fixed charge as regards any of the Chargor's assets specified in that notice, if:

- (a) an Enforcement Event has occurred; or
- (b) the Chargee considers those assets to be at risk of becoming subject to any Encumbrance (other than an Encumbrance created by this deed) or is otherwise at risk of ceasing to be within the ownership or control of the Chargor; or
- (c) the Chargee considers that it is desirable in order to protect the priority of the Encumbrance created by this deed

4.3 *Automatic Conversion*

Notwithstanding clause 4.2 and without prejudice to any law which may have a similar effect, the floating charge will automatically be converted (without notice) with immediate effect into a fixed charge as regards all the assets subject to the floating charge if:

- (a) the Chargor creates (or attempts or takes steps to create) any Encumbrance (other than an Encumbrance created by this deed) in over any Charged Property; or
- (b) the Chargor disposes (or attempts or takes any steps to dispose) of all or any asset subject to a floating charge (other than in its normal course of trading); or
- (c) any person levies (or attempts or takes any steps to levy) any distress, attachment, sequestration, execution or other process against any asset subject to the floating charge; or
- (d) a resolution is passed or an order is made for the winding-up, dissolution, administration or re-organisation of the Chargor or an administrator is appointed to the Chargor.

4.4 *Qualifying floating charge*

The floating charge created under this deed is a "qualifying floating charge" for the purposes of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

5. Debts

5.1 *Dealings with debts*

The Chargor will:

- (a) collect in and realise the Debts;

- (b) from time to time if required by the Chargee provide the Chargee with a list of the names and addresses of all debtors of the Chargor and the amount of the Debts owing from each of them and all other information relating to the Debts as the Chargee may require;
- (c) from time to time if required by the Chargee execute a legal assignment of any Debt to the Chargee in such terms as the Chargee may require and give notice of such assignment to the debtor;
- (d) pay, or procure that the proceeds of realisation of any Debt are paid into a Designated Account nominated by the Chargee and pay or otherwise deal with such proceeds in any Designated Account in accordance with any directions given by the Chargee from time to time; and
- (e) permit any bank or other institution with which a Designated Account is held to furnish directly to the Chargee from time to time upon request full particulars of all the Chargor's accounts with such bank or other institution and all other information relating to the Chargor as is available to such bank or other institution.

5.2 *Prohibited dealings*

The Chargor will not except with the prior written consent of the Chargee or in the ordinary course of business as generally conducted by the Chargor over a period of time sell, assign, charge, discount, factor or otherwise deal with any of the Debts, or compound, release or do anything by virtue of which the collection and recovery of any of the Debts may be impeded, delayed or prevented.

5.3 *No obligation to recover*

The Chargee will be under no obligation to take any steps to recover any of the Debts.

5.4 *Notice of assignment*

At any time the Chargee may give notice of assignment of the Debts to any debtor of the Chargor.

6. Investments

6.1 *Deposit of certificates*

The Chargor will immediately on demand deposit with the Chargee the certificates or other documents of title to any other Investment belonging to the Chargor and duly executed undated blank transfers in respect of any such Investment. The Chargor will promptly pay all monies which may from time to time be due in respect of any such Investment.

6.2 *Nominees*

If any Investment charged under clause 3.2(a)(ii) is registered in the name of a nominee for the Chargor, the Chargor will immediately on demand provide to the Chargee a power of attorney in favour of the Chargee in such terms as the Chargee may require duly executed by or on behalf of such nominee.

6.3 *Transfer into name of Chargee*

After the occurrence of an Enforcement Event:

- (a) the Chargee may transfer any Investment into its own name or into the name of a nominee and the Chargor agrees to waive and to ensure that any nominees holding any Investment on its behalf waive all rights of pre-emption which may relate to the transfer of any such Investment; and
- (b) pending any such transfer the Chargor will exercise all voting rights in respect of any Investment as directed by the Chargee.

6.4 *Uncertificated securities*

If any Investment is an uncertificated unit of a security, the Chargor will upon the execution of this deed (or in the case of any Investment issued or acquired after the date of this deed as soon as practicable after it is issued or acquired) send or procure the sending to the operator of a relevant system in which title to that Investment is evidenced and transferred of such instructions as the Chargee may require to effect the transfer of that Investment into the escrow balance of the Chargor's account with the said operator or after the occurrence of an Enforcement Event into an account in the name of the Chargee or a nominee for the Chargee.

7. **Intellectual Property**

The Chargor shall do all things necessary to safeguard and maintain its Intellectual Property now or hereafter used in or necessary for its business including:

- (a) maintaining any registrable Intellectual Property on the relevant register including payment of all renewal fees due in respect thereof;
- (b) observing all covenants and stipulations relating to such Intellectual Property;
- (c) obtaining all necessary registrations in relation to such Intellectual Property; and
- (d) commencing and diligently prosecuting, or permitting the Chargee in the name of but at the cost of the Chargor to commence and prosecute, all proceedings necessary to prevent any infringement of any such Intellectual Property or to recover damages in respect thereof.

8. **Representations and Warranties**

8.1 *Representations and Warranties*

The Chargor represents and warrants to the Chargee as set out in clauses 8.3 (Charged Property) and 8.4 (Validity).

8.2 *Duration and Scope*

- (a) The representations and warranties set out in clauses 8.3 (Charged Property) and 8.4 (Validity) will be deemed to be repeated by the Chargor on each day until the Secured Liabilities have been paid, performed and discharged in full in relation to the then existing circumstances.
- (b) References to Charged Property in clause 8.3(a) to 8.3(e) inclusive will not include property subject only to a floating charge in favour of the Chargee.

8.3 *Charged Property*

- (a) The Chargor is the legal and beneficial owner of the Charged Property.

- (b) Subject to clauses 3 and 4 above, the Charged Property is free from any Encumbrance.
- (c) The Chargor has not received or acknowledged notice of any adverse claim by any person in respect of the Charged Property or any interest in it.
- (d) All the Charged Property of a repairable nature is in good and substantial repair.
- (e) There is no breach of any Law which materially adversely affects the Charged Property.

8.4 *Validity*

- (a) The security interests created, and expressed to be created, under this deed are (subject to completion of all registrations required by law) legal, valid, binding and enforceable security having first rank and first priority over the Charged Property.
- (b) No charge or security expressed to be created pursuant to this deed is liable to be avoided or otherwise set aside on the liquidation or administration of the Chargor or otherwise.

9. **Negative Covenants**

Subject always to clause 3.3 above, the Chargor will not except with the prior written consent of the Chargee:

- (a) dispose or purport or agree to dispose of any interest in or lend or grant any licence or other right over any property mortgaged, charged or assigned under clause 0 (Fixed Security) or, save for full consideration in money or money's worth and in the ordinary course of the Chargor's business, dispose of any interest in or lend or grant any licence or other right over any of the property charged by way of floating charge under clause 4 (Floating Security); or,
- (b) create, agree to create or allow to arise or remain outstanding any Encumbrance over any Charged Property.

10. **Covenants Relating to Business**

The Chargor will:

- (a) carry on its business in a proper manner and not make any material alteration in the nature of its business save as permitted by the Loan Note Instrument;
- (b) keep proper accounting records and make all proper entries in relation to its affairs;
- (c) give to the Chargee and the other Secured Parties or any Receiver such information relating to its undertaking or property or otherwise relating to its affairs as either of them reasonably requires;
- (d) give the Chargee and the other Secured Parties or any Receiver at all times upon reasonable prior notice full and free access during normal business hours (or following an Enforcement Event, at any time) to all of its books, correspondence and records and the Chargee and the other Secured Parties or any Receiver and their respective representatives may examine, inspect or audit the same, take extracts therefrom and make photocopies thereof, and the Chargor will render to the Chargee and the other Secured Parties or any Receiver at the Chargor's cost

and expense such clerical and other assistance as may be reasonably requested with regard thereto;

- (e) give the Chargee and the other Secured Parties or any Receiver and their respective representatives at all times upon reasonable prior notice full and free access during normal business hours (or following an Enforcement Event, at any time) to enter into and upon any premises where any of the Charged Property is located for the purpose of examining, inspecting or auditing the same, observing its use or otherwise protecting their interests therein;
- (f) observe and perform all Laws, covenants and stipulations from time to time affecting any Charged Property or otherwise relating to its business provided however that the Chargor may contest any Law in any reasonable manner which shall not, in the sole opinion of the Chargee, adversely affect the Chargee's or the other Secured Parties' rights or the priority of their security over the Charged Property;
- (g) perform and comply in all material respects with its material obligations under the Contracts and all its other contractual obligations relating to the Charged Property; and,
- (h) not: (i) amend, modify, terminate or waive any provision of any Contract or any agreement giving rise to a Debt in any manner which could reasonably be expected to adversely affect the value of such Contract or agreement giving rise to a Debt as Charged Property except, prior to an Enforcement Event, in the ordinary course of business based on its reasonable business judgement; (ii) fail to exercise promptly and diligently each and every material right which it may have under each Contract and each agreement giving rise to a Debt (other than a right of termination) except, prior to an Enforcement Event, in the ordinary course of business based on its reasonable business judgement; or (iii) fail to deliver to the Chargee a copy of each material demand, notice or document received by it relating in any way to any Contract or any agreement giving rise to a Debt.

11. Covenants Relating to the Charged Property

11.1 *Repair*

The Chargor will keep the Charged Property of a repairable nature in good and substantial repair and condition. If the Chargor fails to comply with the covenants in this clause the Chargee will be entitled to repair and maintain the Charged Property and carry out works of reinstatement at the cost of the Chargor.

11.2 *Insurance*

- (a) The Chargor will except as provided in clause 11.2(c) keep all Charged Property which is of an insurable nature insured to its full replacement value against all risks which a prudent person carrying on a business similar to that of the Chargor would reasonably insure against and such other risks, if any, as the Chargee may from time to time specify (including terrorism).
- (b) All such insurances will be in an amount and form and with an insurer acceptable to the Chargee and the Chargor will, within 5 Business Days, produce the policy and the last receipt for such insurances to the Chargee and will apply all monies received by virtue of such insurances in accordance with the Loan Note Instrument. If the Chargor fails to comply with this clause the Chargee will be entitled to effect any relevant insurance at the cost of the Chargor.

- (c) The Chargor will ensure that every insurance policy contains a clause (in terms satisfactory to the Chargee) under which such insurance will not be prejudiced, vitiated or avoidable as against a mortgagee in the event of any misrepresentation, act or neglect or failure to disclose on the part of the insured party or parties (subject to the payment of any increased premium required by the insurer) and will not be invalidated as against a mortgagee for failure to pay any premium owing without the insurer giving to the Chargee ten working days' prior written notice.

11.3 *Identification plate*

The Chargor will if so requested by the Chargee, place and maintain on each item of property charged pursuant to clause 3.2(a), in a conspicuous place, a clearly legible identification plate containing the following wording:

"NOTICE OF CHARGE

This [description of item] and ancillary equipment is subject to a fixed charge in favour of [the person for the time being beneficially interested in the charge]"

11.4 *Compliance with covenants and payment of rent*

The Chargor shall:

- (a) observe and perform all covenants, stipulations and conditions to which each Real Property, or the use of it, is or may be subjected, and (if the Chargee so requires) produce evidence sufficient to satisfy the Chargee that those covenants, stipulations and conditions have been observed and performed;
- (b) diligently enforce all covenants, stipulations and conditions benefiting each Real Property and shall not (and shall not agree to) waive, release or vary any of the same; and
- (c) (without prejudice to the generality of the foregoing) where a Real Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time, and perform and observe all the tenant's covenants and conditions.

11.5 *Payment of rent and outgoings*

The Chargor shall:

- (a) where a Real Property, or part of it, is held under a lease, duly and punctually pay all rents due from time to time; and
- (b) pay (or procure payment of the same) when due all charges, rates, taxes, duties, assessments and other outgoings relating to or imposed on each Real Property or on its occupier.

11.6 *Taxes, charges relating to Charged Property*

The Chargor will pay promptly when due all taxes, assessments and governmental charges or levies imposed upon the Charged Property or in respect of its income or profits therefrom, as well as all claims of any kind against or with respect to the Charged Property except that no such charge need be paid if (i) the validity thereof is being contested in good faith by appropriate proceedings, (ii) such proceedings do not involve any material danger of the sale, forfeiture or loss of any of the Charged Property or any interest therein and (iii) such charge is adequately reserved against on the Chargor's books in accordance with generally accepted accounting policy in the United Kingdom.

11.7 *Notices*

The Chargor will advise the Chargee promptly, in reasonable detail, at its address set forth in the Loan Note Instrument, (i) of any Encumbrance on, or claim asserted against, any of the Charged Property and (ii) of the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Charged Property or the security created under this deed.

12. **Enforcement**

12.1 *Enforcement*

The security created by this deed will become immediately enforceable on and at any time after an Enforcement Event occurs.

12.2 *Powers arising*

Section 93 and section 103 of the LPA will not apply to this deed and the power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed will arise upon execution of this deed by the Chargor.

12.3 *Powers exercisable*

The power of sale and all other powers conferred by section 101 of the LPA as varied or extended by this deed will be exercisable immediately upon or at any time after an Enforcement Event has occurred.

12.4 *Appointment of Receiver*

- (a) At the request of the Chargor or, subject to paragraph 12.4(d) below, at any time after the occurrence of an Enforcement Event, the Chargee may appoint by writing a Receiver of any Charged Property upon such terms as to remuneration and otherwise as the Chargee thinks fit.
- (b) Any Receiver will be the agent of the Chargor for all purposes and the Chargor will be responsible for such Receiver's acts and defaults and for his remuneration, costs, fees, taxes and expenses to the exclusion of liability on the part of the Chargee.
- (c) Where two or more persons are appointed as Receivers under or pursuant to this deed any act authorised to be done by the Receivers may be done by all of them acting jointly or by any one or more of them acting severally.
- (d) The Chargee shall not be entitled to appoint a Receiver as a result only of the Chargor obtaining a moratorium or anything done with a view to obtaining a moratorium under section 1A of and schedule A1 to the Insolvency Act 1986.

12.5 *Removal of Receiver*

The Chargee may, to the fullest extent permitted by law, at any time by writing remove any Receiver (subject to the obtaining of any required order of the court in the case of an administrative receiver) whether or not the Chargee appoints any other person as Receiver in his place.

12.6 *Appointment of Administrator*

- (a) The Chargee may, without notice to the Chargor, appoint one or more persons to be an administrator of the Chargor pursuant to Paragraph 14 Schedule B1 of the Insolvency Act 1986 any time after the occurrence of an Enforcement Event.
- (b) Any appointment under this clause 12.6 shall:
 - (i) be in writing signed by a duly authorised signatory of the Chargee; and
 - (ii) take effect, in accordance with paragraph 19 of Schedule B1 of the Insolvency Act 1986, when the requirements of paragraph 18 of that Schedule B1 are satisfied.
- (c) The Chargee may (subject to any necessary approval from the court) end the appointment of an Administrator by notice in writing in accordance with this clause 12.6 and appoint a replacement for any administrator whose appointment ends for any reason.

12.7 *Right of appropriation*

To the extent that the Charged Property constitutes Financial Collateral and this debenture and the obligations of the Chargor hereunder constitute a Security Financial Collateral Arrangement, the Chargee shall have the right, at any time after the security constituted this debenture has become enforceable, to appropriate all or any of that Charged Property in or towards the payment and/or discharge of the Secured Liabilities in such order as the Chargee in its absolute discretion may from time to time determine. The value of any Charged Property appropriated in accordance with this clause shall be the price of that Charged Property at the time the right of appropriation is exercised as listed on any recognised market index, or determined by such other method as the Chargee may select (including independent valuation). The Chargor agrees that the methods of valuation provided for in this clause are commercially reasonable for the purposes of the Financial Collateral Regulations.

13. **Powers of Receiver and Chargee**

13.1 *Statutory powers*

A Receiver will be entitled to exercise all the powers conferred on a receiver by the LPA and, whether or not such a Receiver is an administrative receiver, may exercise all the powers conferred upon an administrative receiver by the Insolvency Act 1986, insofar as law permits.

13.2 *Additional powers*

By way of addition to and without limiting the powers referred to in clause 13.1 (Statutory Powers) a Receiver will have power (both before and after the commencement of any liquidation of the Chargor) to do every act and thing and exercise every power:

- (a) which the Chargor would have been entitled to do or exercise if no Receiver had been appointed; and
- (b) which such Receiver in his absolute discretion considers necessary or desirable for maintaining or enhancing the value of any Charged Property or for or in connection

with the enforcement of the charges created by this deed or the realisation of any Charged Property,

and may use the name of the Chargor in connection with any exercise of such powers.

13.3 *Uncharged property*

The powers of a Receiver may be exercised in relation to or in connection with any property of the Chargor whether or not such property forms part of the Charged Property.

13.4 *Exercise of powers by Chargee*

After the occurrence of an Enforcement Event all the powers of a Receiver by law or under clauses 13.1 (Statutory powers), 13.2 (Additional powers) and 13.3 (Uncharged property) may be exercised by the Chargee to the fullest extent allowed by law whether or not the Chargee goes into possession as mortgagee.

13.5 *Prior encumbrances*

At any time after the security given by this deed has become enforceable, the Chargee may redeem any prior Encumbrance against the Charged Property or procure a transfer of such Encumbrance to itself and may agree the accounts of the person entitled to that Encumbrance and any accounts so agreed will be binding on the Chargor.

14. Delegation of Powers by Chargee or Receiver

14.1 *Delegation*

The Chargee or any Receiver may from time to time delegate by power of attorney or in any other manner to any person the powers, authorities and discretions which are for the time being exercisable by the Chargee or a Receiver under this deed in relation to any Charged Property and any such delegation may be made upon such terms as the Chargee or such Receiver may think fit. Neither the Chargee nor any Receiver will be in any way liable or responsible to the Chargor for any loss or damage arising from any act or omission on the part of any such delegate.

14.2 *Possession*

If the Chargee, any Receiver or any delegate of the Chargee or any Receiver enters into possession of any Charged Property any of them may from time to time go out of possession.

15. Exclusion of Liability

15.1 *Liability to account*

The Chargee will not in any circumstances by reason of it taking possession of any Charged Property or for any other reason whatever, and whether as mortgagee in possession or on any other basis whatever, be liable to account to the Chargor for anything except the Chargee's own actual receipts or be liable to the Chargor for any loss or damage arising from any realisation of any Charged Property or from any act, default or omission of the Chargee in relation to any Charged Property or from any exercise or non-exercise by the Chargee of any power, authority or discretion conferred upon it in relation to any Charged Property by or pursuant to this deed or by the LPA unless such loss or damage is caused by the Chargee's own fraud, gross negligence or wilful misconduct.

15.2 *Losses on enforcement*

Upon the sale of any Charged Property on enforcement of the charges created by this deed, the Chargor will not have any right or claim against the Chargee in respect of any loss arising out of such sale however such loss may have been caused and whether or not a better price could or might have been obtained on the sale of such Charged Property by either deferring or advancing the date of such sale or for any other reason.

15.3 *Application to Chargee and Receiver*

The provisions of clauses 15.1 (Liability to account) and 15.2 (Losses on enforcement) will apply in relation to the liability of any Receiver and any delegate of the Chargee or any Receiver in all respects as though every reference in clauses 15.1 (Liability to account) and 15.2 (Losses on enforcement) to the Chargee were reference to such Receiver or (as the case may be) to such delegate.

16. **Reimbursement and Indemnity**

16.1 *Reimbursement*

Any sums paid or expended by the Chargee or any Receiver either:

- (a) as a result of the Chargee or any Receiver taking action which the Chargee or any Receiver considers necessary or desirable in connection with any Charged Property or to procure compliance with any covenant or obligation on the part of the Chargor contained in any Security Document; or
- (b) which is in respect of any action or thing expressed in this deed to be done at the cost of the Chargor,

and all costs, fees, taxes and expenses incurred by the Chargee or any Receiver under or in connection with this deed or its enforcement and/or the preservation of the Chargee's rights under this deed will be reimbursed by the Chargor to the Chargee on demand. The Chargee will also be entitled to charge the Chargor a reasonable fee to recover the cost of management time spent in connection with the preservation of its rights under this deed which will be payable by the Chargor on demand.

16.2 *Indemnity*

The Chargor will indemnify and keep indemnified upon demand the Chargee (whether or not acting as mortgagee in possession) and any Receiver against all liabilities, claims and expenses whether arising out of contract or in tort or in any other way (including any liability of the Chargee or any Receiver under any Environmental Law) which may at any time be incurred by either of them (or by any person for whom they may be vicariously liable) in connection with this deed or for anything done or omitted to be done in the exercise or purported exercise of their powers pursuant to this deed.

16.3 *Secured Liabilities*

All monies payable by the Chargor under this clause will form part of the Secured Liabilities and if unpaid will bear interest (both before and after judgment) at a rate equal to any default rate specified in the Loan Note Instrument and will form part of the Secured Liabilities.

17. Application of Sums Realised

Subject to claims having priority to the charges created by this deed all monies received by a Receiver will be applied in the following order:

- (a) in payment of all costs, fees, taxes and expenses incurred by the Receiver in or pursuant to the exercise of the powers set out in this deed and of all other outgoings properly payable by the Receiver;
- (b) in payment of all costs, fees, taxes and expenses incurred by the Chargee in or pursuant to the exercise of the powers set out in this deed and of all other outgoings properly payable by the Chargee;
- (c) in payment of remuneration to the Receiver;
- (d) in payment of the Secured Liabilities in such order as the Chargee may elect; and
- (e) the balance (if any) will be applied as required by law.

18. Protection of Persons Dealing with Chargee or Receiver

No person dealing with the Chargee or any Receiver will be concerned to enquire:

- (a) whether any event has happened upon which any of the powers contained in this deed may have arisen or be exercisable;
- (b) otherwise as to the propriety or regularity of any exercise of the powers conferred by this deed or of any act purporting or intended to be in exercise of such powers; or
- (c) whether any Secured Liabilities remain owing.

19. Notice of Subsequent Charge

If the Chargee receives notice of any subsequent charge or other interest affecting any Charged Property, it may open a new account for the Chargor in its books and may transfer any outstanding balance owing by the Chargor to such new account. If the Chargee does not do so then, unless it gives express written notice to the contrary to the Chargor, all payments made by the Chargor to the Chargee will as from the time of receipt of such notice by the Chargee be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Liabilities.

20. Further Assurance

20.1 Execution of further documents

As and when reasonably required by the Chargee or any Receiver in order to protect the collateral charged and/or assigned hereunder, the Chargor, at its own cost, will:

- (a) execute such further legal or other mortgages, fixed or floating charges or assignments in favour of the Chargee for itself or any Receiver from time to time requires over any Charged Property to secure the Secured Liabilities such further mortgages, charges or assignments to be prepared at the cost of the Chargor and to contain a power of sale which arises immediately upon execution, a clause excluding section 93 of the LPA and the restrictions contained in section 103 of the LPA and such other clauses for the benefit of the Chargee or any Receiver may reasonably require;

- (b) execute and do all such assurances, deeds, documents, acts and things for perfecting or protecting the mortgages, charges and assignments created by this deed or any Security Document and for facilitating or effecting any dealing by the Chargee or any Receiver under any authorities or powers granted under any Security Document; and
- (c) upon or with a view to assisting in any enforcement of any mortgage, charge or assignment created by this deed convey, transfer, assign or otherwise deal with any Charged Property in such manner as the Chargee or any Receiver may require.

20.2 *Documents of title*

Upon the Chargee's written request to the Chargor, the Chargor undertakes to deposit with the Chargee the deeds and documents of title relating to any property charged pursuant to clause 3.2(a) and, whenever required by the Chargee, the Investments and the Intellectual Property immediately after they come into the Chargor's possession or control.

21. **Power of Attorney by Chargor**

The Chargor irrevocably and by way of security appoints each of the Chargee, any person authorised in writing by or on behalf of the Chargee and any Receiver its attorney in each case (with full power to appoint substitutes and to delegate) severally in its name and on its behalf to execute any document or do any act or thing which the Chargor is obliged to execute or do whether under any Security Document or which the Chargee or the Receiver (or any substitute or delegate) may in their absolute discretion consider appropriate:

- (a) in connection with the exercise of any of their rights or powers arising under or by virtue of any Security Document, the LPA or the Insolvency Act 1986; or
- (b) to perfect, vest in or assure to the Chargee any security for the Secured Liabilities granted to the Chargee or which the Chargee may require to have granted to it under any Security Document.

The Chargor ratifies and confirms whatever any attorney does or purports to do under its appointment under this Clause 21.

22. **Set-off**

22.1 *Combination of accounts and set-off*

The Chargee may, at any time after an Enforcement Event has occurred and without notice to the Chargor:

- (a) combine or consolidate any of the accounts of the Chargor of any nature with the Chargee; and/or
- (b) set-off or transfer any monies standing to the credit of any such accounts in or towards satisfaction of the Secured Liabilities.

22.2 *Time deposits*

The Chargee may exercise its rights under clause 22.1 (Combination of accounts and set-off) even in a case where such monies have been deposited with the Chargee for a specific period and such period has not expired.

22.3 *Currency conversion*

Where such combination or set-off requires the conversion of one currency (the “**Original Currency**”) into another (the “**Other Currency**”), such conversion will be calculated using the rate of exchange at which in accordance with normal banking procedures the Chargee could purchase the Original Currency with the Other Currency after any premium and costs of exchange at the time of the combination or set-off.

23. **Discharge of Security**

23.1 *Discharge conditional*

Any discharge of the Chargor made by the Chargee in reliance on a payment or Security Document given by another person will be of no effect if that payment or Security Document is avoided, reduced or invalidated for any reason and the Chargee will be entitled to recover from the Chargor on demand the amount of such payment or the value of any such Security Document.

23.2 *Retention of Security*

Following any discharge of the Chargor made by the Chargee in reliance on a payment or Security Document given by another person the Chargee may retain the security constituted by this deed until the expiry of the maximum period within which such payment or Security Document can be avoided, reduced or invalidated for any reason provided that if such other person goes into liquidation or administration within that period the Chargee may retain the security constituted by this deed for as long as it thinks fit.

23.3 *Release of Security*

Upon repayment of the Secured Liabilities in full and at such time as the Chargee has no further obligation to advance any sums to the Chargor (which the Chargee has confirmed in writing to the Chargor), the Chargee agrees to, at the Chargor's request and cost, take whatever action is reasonably necessary to release and reassign (as applicable) the assets and rights charged and/or assigned hereunder to the Chargor and execute such documents and do such things as the Chargor shall reasonably require to give effect to this clause 23.3.

24. **Communications**

24.1 *Demands and other communications*

Any demand for payment, any process or other document connected with proceedings in the English courts which relate to this deed, or any other communication made or given on or to the Chargor under or in connection with this deed will be treated for all purposes as having been duly served on the Chargor if left at any address referred to in clause 24.2 (Addresses for service) or sent there by first class post or facsimile. Any such demand will be validly made whether or not it contains a statement as to the amount of the relevant Secured Liabilities or an inaccurate or incomplete statement of the Secured Liabilities.

24.2 *Addresses for service*

The addresses for service referred to in clause 24.1 (Demands and other communications) are:

- (a) the Chargor's registered office;
- (b) any address at which the Chargor carries on business;

- (c) any address shown on any current letterhead of the Chargor; and
- (d) the address of the Chargor shown in this deed or, if the Chargor has given written notice to the Chargee of any other address for service, the most recent address so notified.

24.3 *Facsimile service*

A document served by facsimile may be sent to any facsimile number shown on any current letterhead of the Chargor or specified in any notice of the kind referred to in clause 24.2(d).

24.4 *Proof and time of service*

In proving service of a document it will be sufficient to prove that it was:

- (a) left at the relevant location in which case it will be deemed to be received when so left;
- (b) properly addressed, stamped and posted in which case it will be deemed to be received on the next working day in the place of receipt following the day when it was posted; or
- (c) transmitted by facsimile in which case it will be deemed to be received when the sending facsimile machine produces a print out which confirms that transmission has taken place.

25. Assignment and Transfer

25.1 *Chargee*

The Chargee may at any time, with the prior consent of the Chargor, assign or transfer the whole of its rights under this deed to any person.

25.2 *Chargor*

The Chargor may not assign any of its rights or transfer any of its obligations under this deed or enter into any transaction which would result in any of these rights or obligations passing to another person.

26. Miscellaneous

26.1 *Delay and Waiver*

The rights of the Chargee under this deed will not be prejudiced by any delay in exercising them or by any other act done or omitted by the Chargee which but for this clause might have been deemed a waiver of such rights nor will any exercise of any such right preclude any further exercise of such right or any other right.

26.2 *Certificates*

A certificate by the Chargee as to any amount for the time being due by the Chargor under the Loan Note Instrument or any applicable rate of interest or currency exchange rate will be conclusive evidence of the amount so due in the absence of any manifest error.

26.3 *Severability*

Each of the provisions of this deed is severable and distinct from the others and if at any time one or more of such provisions is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this deed will not in any way be affected or impaired.

26.4 *Rights cumulative*

All rights of the Chargee are cumulative and any express right conferred on the Chargee under this deed may be exercised without prejudicing or being limited by any other express or implied right of the Chargee.

26.5 *Continuing Security*

This deed is a continuing security and extends to the balance from time to time of the Secured Liabilities irrespective of any intermediate payment of monies due to the Chargee.

26.6 *Other Security*

This deed is in addition to and will not in any way be prejudiced or affected by the holding or release by the Chargee or by any other person of any other security at any time held by the Chargee.

26.7 *Third Party Rights*

Except as expressly provided, a person who is not a party to this deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

27. Governing Law and Jurisdiction

27.1 *Law*

This deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

27.2 *Courts of England*

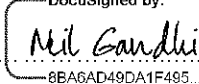
- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this deed (a "**Dispute**").
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) Notwithstanding paragraph (a) above, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

This deed has been executed and delivered as a deed on the date shown at the beginning of this deed.

SIGNATORIES

**EXECUTED and DELIVERED as a DEED by
EAGLE EYE DRAMA LIMITED**

in the presence of a witness:

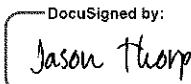
DocuSigned by:

8BA6AD49DA1F495...
Neil Gandhi

Name:

Occupation: **Accountant**

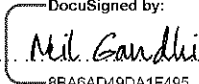
43 Church Road kt17 4dn
Address:

.....

DocuSigned by:

B607FA22B07341C.....
Name: **Jason Thorp**
Title: **Director**

**EXECUTED and DELIVERED as a DEED by
EAGLE EYE BWD2 LIMITED**

in the presence of a witness:

DocuSigned by:

8BA6AD49DA1F495...
Neil Gandhi

Name:

Occupation: **accountant**

43 Church Road, kt17 4dn
Address:

.....

DocuSigned by:

B607FA22B07341C.....
Name: **Jason Thorp**
Title: **Director**

**EXECUTED and DELIVERED as a DEED by
CHANNEL FOUR INVESTMENTS LIMITED**

in the presence of a witness:

DocuSigned by:
Pamela Bird
.....
20CDC3EFD1DC465
Pamela Bird

Name:

Occupation: **Lawyer**

124 Horseferry Road, SW1P2TX
Address:

.....

DocuSigned by:
Martin Baker
.....
D4D05C9CF1E648A.....
Name: **Martin Baker**
Title: **Director**