



Registration of a Charge

Company name: **SINATRA ON STAGE LIMITED**

Company number: **09411940**

Received for Electronic Filing: **02/07/2015**



X4ATEDMY

Details of Charge

Date of creation: **26/06/2015**

Charge code: **0941 1940 0001**

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

Brief description:

Contains fixed charge(s).

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

Contains negative pledge.

Chargor acting as a bare trustee for the property.

Authentication of Form

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

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S.859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION**

**FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL
INSTRUMENT.**

Certified by:

LEE AND THOMPSON LLP



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 9411940

Charge code: 0941 1940 0001

The Registrar of Companies for England and Wales hereby certifies that a charge dated 26th June 2015 and created by SINATRA ON STAGE LIMITED was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 2nd July 2015 .

Given at Companies House, Cardiff on 3rd July 2015

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



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated 26th June 2015

HEAD GEAR FILMS FN LTD.

Chargee

SINATRA ON STAGE LIMITED

Chargor

DEED OF CHARGE AND SECURITY AGREEMENT

RELATING TO THE THEATRICAL MUSICAL PRODUCTION PROVISIONALLY ENTITLED
"SINATRA: THE MAN AND HIS MUSIC"

THIS DEED is made on the 26th day of

June 2015

BETWEEN:

- (1) **Head Gear Films FN Ltd.**, (Company Number: SC313027) a company incorporated under the laws of Scotland of The Metrol Centre, Kirkhill Place, Kirkhill Industrial Estate, Dyce, Aberdeen, AB21 0GU, United Kingdom (the **Chargee** which expression shall include its successors in title and assigns); and
- (2) **Sinatra on Stage Limited** (Company Number: 09411940) a company incorporated under the laws of England and Wales whose registered office is at 1 Wardour Street, London, England W1D 6PA (the **Chargor**).

RECITALS

- (A) Pursuant to a loan agreement between the Chargor and the Chargee dated on or about the dated hereof (the **Head Gear Loan Agreement**), the Chargee has agreed to advance the Chargee Funding to enable the Chargor to produce and exhibit the theatrical musical production provisionally entitled "Sinatra: The Man and his Music" (the **Production**).
- (B) By way of security for the performance and discharge of the Secured Obligations, the Chargor is required to and agrees to assign and charge to the Chargee by way of security all its respective right, title and interest in and to the Production and the other collateral specified herein.

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

1.1 In this Deed:

Account means the Production Account and any other account held by the Chargor in connection with the Production and in each case, the full extent of the Chargor's interest in and rights in respect of such accounts;

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London;

Chargee Funding means the sum outlined in the Head Gear Loan Agreement which the Chargee has agreed to contribute in the form of a loan towards the financing of the Production pursuant to the Head Gear Loan Agreement;

Encumbrance means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title, option or other security interest or any other agreement or arrangement having a substantially similar effect to any of the foregoing;

Event of Default means an event or state of affairs described as such in Clause 9.1 or in the Head Gear Loan Agreement;

Head Gear Loan Agreement shall have the meaning ascribed to it in Recital A;

LPA means the Law of Property Act 1925;

Permitted Security means this Security and any other security permitted in writing by the Chargee;

Production shall have the meaning ascribed to it in Recital A;

the Production Account shall mean the account in the name of the Chargor held at Coutts, 440 Strand, London, WC2R 0QS with sort code: [REDACTED], account number: [REDACTED], and IBAN: [REDACTED];

Receiver means any person appointed by the Chargee in writing under this Deed to be a receiver, manager or administrative receiver;

Relevant Agreements means the Head Gear Loan Agreement, the Security Agreements, the and any other agreement referred to in the Head Gear Loan Agreement or otherwise concluded by the Chargor in relation to the Production;

Relevant Consents means all consents, authorisations, approvals, licences, exemptions, filings, registrations, notarisations and other requirements of governmental, judicial and public bodies and authorities required or advisable in connection with the execution, delivery, performance, validity, admissibility in evidence and/or enforceability of a Relevant Agreement or the performance by a Relevant Person of any of its obligations under a Relevant Agreement;

Relevant Person means the Chargor and any party to a Relevant Agreement (other than the Chargee);

Reservations means the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court, the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors, the time barring of claims under applicable limitation laws, defences of set-off or counterclaim and the possibility that an undertaking to assume liability for or to indemnify a person against non-payment of stamp duty may be void;

Secured Assets means all the assets in respect of which the Chargor creates (or is expressed to create) this Security or is at any time required to create this Security and, unless the context otherwise requires, a reference to a Security Asset includes:

- (a) any part of that Security Asset;
- (b) any proceeds of that Security Asset; and
- (c) any present and future assets of that type;

Secured Obligations means (a) all present and future monies, obligations and liabilities, whether actual or contingent, whether due, owing or incurred by the Chargor to the Chargee under the Head Gear Loan Agreement; and (b) all present and future obligations and liabilities (whether actual or contingent, and whether owed jointly or severally or in any other capacity whatsoever, in all currencies, whether or not for the payment of money and including any obligation to pay damages for breach of contract, any obligation to make restitution and all liabilities acquired by the Chargor from any third party) of the Chargor

under any Relevant Agreement or otherwise in connection with the Production in each case together with all costs, charges, taxes or expenses incurred by the Chargee which the Chargor is obliged to pay under any Relevant Agreement;

Security means the Encumbrances constituted or evidenced by this Deed over the undertaking, assets and property of the Chargor;

Security Agreements means this Deed and any other instrument which may have been or is at any time on or after the date of this Deed executed by the Chargor in favour of the Chargee to guarantee or secure the performance and discharge of the Secured Obligations or any of them;

Security Period means the period beginning on the date of this Deed and ending on the date on which the Chargee (acting reasonably) is satisfied that all of the Secured Obligations of the Chargor have been finally and irrevocably paid, performed and discharged in full and that the Chargee has no further obligation, actual or contingent, to advance sums under the Head Gear Loan Agreement;

Tax means all present and future taxes, imposts, levies, assessments, duties, charges, fees, deductions and withholdings in all relevant jurisdictions and all interest on them, additions to them and penalties and fines in respect of them, and **Taxation** will be construed accordingly;

UK Qualifying Expenditure means expenditure incurred on the pre-production and production of the Production which satisfies the requirements of Schedule 4 of the Finance Act 2014;

UK Tax Credit means the payable cash element constituting a tax credit pursuant to the Finance Act 2014 receivable by the Chargor in respect of UK Qualifying Expenditure;

UK Tax Credit Amount means the UK Tax Credit payable in respect of the Production; and

UK Tax Credit Collateral means the UK Tax Credit Amount, the right to claim and be paid the UK Tax Credit Amount, and all other rights in connection with the UK Tax Credit.

1.2 In this Deed, unless the contrary intention appears, a reference to:

1.2.1 this Deed or any other document is (without prejudice to any prohibition on amendments) a reference to this Deed or that document as amended (however fundamentally) from time to time;

1.2.2 an amendment includes an amendment, supplement, novation, re-enactment, replacement, restatement or variation and cognate terms will be construed accordingly;

1.2.3 a person includes any individual, company, corporation, unincorporated association, partnership or other body, government or other entity, whether or not having separate legal personality;

1.2.4 a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;

1.2.5 a party to this Deed or any other person includes its successors in title, permitted assigns and permitted transferees; and

1.2.6 a Clause is to a clause of this Deed.

1.3 In this Deed:

1.3.1 any reference to the **Production** shall, where the context so admits, include all theatrical, literary, dramatic, artistic and musical material incorporated into, synchronised with, or otherwise forming part of such theatrical musical production or produced for the purposes thereof and all negative and positive and tape, material, film and out-takes produced in connection with such theatrical musical production, including all film and sound recordings, including the soundtrack thereof and all other articles on which such film or part is recorded;

1.3.2 any reference to **copyright, films, sound recordings** or any other right shall (where the context requires or admits) be construed in accordance with the Copyright, Designs and Patents Act 1988 as amended from time to time, and the covenants implied by Sections 2(1) and 3(1) of the Law of Property (Miscellaneous Provisions) Act 1994 shall apply to the assignment hereby created;

1.3.3 any phrase introduced by the terms **including, in particular** or any cognate or other similar expression shall be construed as illustrative and not exhaustive, and shall not limit the sense of the words preceding that phrase; and

1.3.4 the words **other** and **otherwise** shall not be construed 'ejusdem generis' with any foregoing words where a wider construction is possible.

1.4 References in this Deed to the definitions in Clause 1.1 above can mean plural when singular and vice versa.

1.5 Headings are for ease of reference only and shall not affect the construction of this Deed.

2 COVENANT TO PERFORM

2.1 In consideration of the Chargee making or continuing to make available the Chargee Funding pursuant to the terms of the Head Gear Loan Agreement, the Chargor covenants with the Chargee to pay or discharge to Chargee the Chargee Funding on demand as and when due in accordance with the terms of the Relevant Agreements and to duly and punctually perform and discharge all its respective obligations and liabilities under the Relevant Agreements to which it is a party. The Chargor hereby covenants with the Chargee that it will duly and punctually perform, pay and discharge its Secured Obligations as and when they fall due.

2.2 The Chargor acknowledges that the entry by the Chargee into the Head Gear Loan Agreement and the agreement of the Chargee to advance the sums set out therein Chargor is of commercial benefit to the Chargor as it enables the Production to be financed and produced.

2.3 The Chargor agrees that its obligations under this Clause 2 shall not be exhausted by any failure or omission or delay by the Chargee or any third party to exercise any right or remedy under the Head Gear Loan Agreement or any of the Relevant Agreements. The Chargor agrees that any modification of the Head Gear Loan Agreement or any of the Relevant Agreements shall not affect the obligations of the Chargor pursuant to this Clause 2.

3 ASSIGNMENT AND CHARGE

3.1 By way of first-ranking security for the performance and discharge of the Secured Obligations, and subject to the proviso for re-assignment in Clause 15 below, the Chargor hereby:

3.1.1 assigns to the Chargee with full title guarantee (where relevant by way of present assignment of future copyright) all its right, title and interest to the extent thereof (both present and future, vested and contingent, statutory and otherwise) in:

- (a) the entire copyright and all other rights throughout the universe in the Production, and all those of its rights in relation to the underlying rights and materials (including any literary or dramatic work) on which the Production is based;
- (b) the entire copyright throughout the universe in the Production;
- (c) the music, musical compositions and sound recordings of the Production including the lyrics and all rights to exploit the same and to produce, publish, reproduce and synchronise all or any of the same;
- (d) all rights to distribute, lease, licence, sell, exhibit, broadcast or otherwise deal with the Production, the underlying material and all ancillary rights in the Production by all methods and means and in all media throughout the universe;
- (e) all literary, property and ancillary rights (including all novelisation, publishing, commercial tie-up, spin-off, sponsorship, merchandising, sequel and remake rights) of every kind and nature in the Production;
- (f) each Relevant Agreement to which it is a party;
- (g) all present and future policies of insurance in respect of the Production;
- (h) all moneys to be earned by it or payable to it or at its direction from the exploitation of any literary or dramatic work written, music composed and/or artistic work created for and/or used in the Production;
- (i) all its contracts and contract rights, agreements for personal services, book debts and personal property insofar as they relate to the Production and/or to any literary, property or ancillary rights (including all novelisation, publishing, commercial tie-up, spin-off, sponsorship, merchandising, sequel and remake rights) therein;
- (j) each Account (including all monies standing to the credit of each Account, all interest accrued on any Account and all debts represented by the foregoing);
- (k) any and all plant and machinery, fixtures, equipment or chattels now or hereafter belonging to the Chargor in connection with the Production;
- (l) any and all leasehold or freehold land (or the equivalent in any foreign jurisdiction) now or hereafter belonging to the Chargor in connection with the Production;

- (m) all other rights and tangible and intangible properties created or acquired by or to be created or acquired by it in connection with the Production;
- (n) the UK Tax Credit Collateral; and
- (o) all proceeds, products or other property derived from any and all of the foregoing, including from the distribution, exhibition, sale, rental, licensing or other exploitation of the Production or of any part of the Production and/or of any of the elements of the Production and/or of any rights in underlying material or ancillary, collateral, allied, subsidiary or merchandising rights,

3.1.2 with full title guarantee charges in favour of the Chargee, by way of first fixed charge (which so far as it relates to land in England and Wales vested in the Chargor at the date of this Deed shall be a charge by way of first-ranking legal mortgage), all of its right, title and interest (both present and future, vested and contingent, statutory and otherwise), in:

- (a) all pre-print elements of the Production capable of producing prints or additional pre-print elements including master negatives, negatives, duplicate negatives, colour reversal intermediates, colour separations, matrices, inter-positives and inter-negatives;
- (b) all positive prints, film, video tapes, disks, cut-outs and trims and all other physical properties of or relating to the Production whether now or hereafter in existence and wherever located;
- (c) all soundtrack elements relating to the Production including master magnetic tracks, optical soundtrack recordings and music cue sheets and all other sound recordings made in the course of the production of the Production or pursuant to any right acquired or to be acquired in connection with, or arising from, that production;
- (d) all material, whether in tangible or intangible form, incorporating or reproducing the Production, any music, musical compositions and/or sound recordings or other works produced in connection with the Production, or any part or element of any of them;
- (e) all rights and properties (including, without limitation, physical properties) created or acquired or to be created or acquired by the Chargor in connection with the Production;
- (f) all moneys from time to time standing to the credit of any account at any bank or financial institution into which any moneys payable to it in connection with the Production, its production, financing and/or exploitation are or will be paid, including each Account, and without prejudice to the foregoing it agrees to hold all such moneys on trust for the Chargee and consents to the Chargee giving notice of the Chargee's interest in each such account to the bank or other financial institution at which such account is or may be held;
- (g) (insofar as not effectively assigned pursuant to Clause 3.1.1 above) those assets referred to in Clause 3.1.1 above;

- (h) the UK Tax Credit Collateral; and
- (i) all proceeds, products or other property derived from any and all of the foregoing, including from the distribution, exhibition, sale, rental, licensing or other exploitation of the Production or of any part of the Production and/or of any of the elements of the Production and/or of any rights in underlying material or ancillary, collateral, allied, subsidiary or merchandising rights,

to hold the same unto the Chargee absolutely, throughout the universe, for the full period of copyright (or other rights) in the same wherever subsisting or acquired, and all renewals and extensions thereof, and thereafter (insofar as may be or become possible) in perpetuity; and

3.1.3 with full title guarantee charges in favour of the Chargee by way of first floating charge all the undertaking, property and assets whatsoever belonging to it now or at any time in the future, including any assets described in paragraphs 3.1.1 and 3.1.2 above that are not validly charged or assigned pursuant thereto, and the Chargor agrees not to part with, sell or dispose of any such assets, in whole or in part (except to the Chargee or (without prejudice to this Security) otherwise on arm's length terms in the ordinary course of its trade and for the purposes of carrying on the same).

3.2 The Chargor undertakes to hold on trust for the Chargee absolutely its entire interest and benefit in and to any Secured Assets that cannot be charged or assigned by it together with, without limitation, all proceeds, products and other property derived from, and any other rights and benefits to which it is beneficially entitled in respect of, such Secured Assets.

4 CONVERSION OF FLOATING CHARGE AND AUTOMATIC CRYSTALLISATION

4.1 The Chargee may at any time, by notice in writing to the Chargor, convert the floating charge created under this Deed into a fixed charge in relation to the assets specified in such notice.

4.2 Upon the occurrence of any Event of Default the floating charge created under this Deed will (in addition to the circumstances in which the same will occur under the general law) immediately and automatically, without any requirement for notice by the Chargee, convert into a fixed charge over all the assets of the Chargor that are the subject of the floating charge.

5 CONTINUING SECURITY

5.1 This Security is a continuing security and shall remain in force notwithstanding any intermediate payment, waiver, variation, release, indulgence, discharge or settlement of account in whole or in part in respect of the Secured Obligations or otherwise or any other act, omission, matter or thing whatsoever, and is in addition to and shall not merge into or otherwise prejudice or affect any guarantee, Encumbrance or other right or remedy now or hereafter held by or available to the Chargee (the **Additional Credit Support**), and shall not be in any way prejudiced or affected by:

5.1.1 the existence or terms of any Additional Credit Support;

5.1.2 the invalidity, in whole or in part, of any Additional Credit Support;

- 5.1.3 the Chargee now or hereafter dealing with, exchanging, releasing, modifying or abstaining from perfecting or enforcing any Additional Credit Support;
- 5.1.4 any other right that the Chargee may now or hereafter have; or
- 5.1.5 any act, omission, matter or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Deed (whether or not known to it), including any time or waiver granted to, any composition or arrangement with or any release of any person, any failure to observe any formality or other requirement in respect of any instrument or to realise the full value of any security, any amendment of any document or security, any insufficiency or change in the status, power or authority of any person or the unenforceability, illegality, invalidity or non-provability of any document or security.

6 FURTHER ASSURANCE

The Chargor shall when required by the Chargee (whether before or after this Security has become enforceable) promptly, and in any event within 5 days of a request from the Chargee, execute and do all such mortgages, charges, transfers, assignments, assurances, documents, acts and things in such form and otherwise as the Chargee may require for perfecting or maintaining the security intended to be hereby constituted, for further charging the Secured Assets in order to secure the Secured Obligations, for converting any floating charge forming part of this Deed into a fixed charge, for protecting the Chargee's interest in the Secured Assets or for effecting or facilitating the exercise by the Chargee of the powers, authorities and discretions conferred on it or any Receiver by this Deed or any statute. The Chargor shall from time to time when so required by the Chargee during the Security Period produce to or deposit with the Chargee all deeds and documents of title (to the extent the Chargor is in possession of the same) relating to the Secured Assets or any of them.

7 REPRESENTATIONS AND WARRANTIES BY THE CHARGOR

7.1 The Chargor represents and warrants to the Chargee that:

- 7.1.1 **status:** it is a limited liability company duly incorporated and validly existing under the laws of England and Wales;
- 7.1.2 **powers and authorisations:** (i) its memorandum and articles of association includes provisions that give it all necessary corporate power and authority to own its assets and to carry on its business as it is now being, and is intended to be, conducted; (ii) it is duly qualified to do business in all jurisdictions where a qualification is necessary and to enter into and perform the Relevant Agreements to which it is a party; and (iii) it has taken all necessary corporate and other action to authorise the execution, delivery and performance of the Relevant Agreements to which it is a party;
- 7.1.3 **binding effect:** this Deed constitutes its legal, valid and binding obligations enforceable (subject to the Reservations) in accordance with its terms;
- 7.1.4 **non-violation:** the execution, delivery and performance of the Relevant Agreements to which it is a party do not and will not violate in any respect any provision of (i) any law, judgment, regulation, treaty, convention, decree, order or consent to which it is subject or by which it, any material part of its assets or business or any Secured Assets is or are bound or affected; (ii) its memorandum or articles of association; or

(iii) any charge, indenture, agreement or other instrument to which it is a party or which is binding on it or any of its assets, and do not and will not result in the creation or imposition of any Encumbrance on its assets (other than in accordance with any Permitted Security);

7.1.5 no default: no event has occurred that constitutes a default (howsoever described) under or in respect of any law or any agreement or instrument to which it is a party or by which it or its assets may be bound (including, *inter alia*, the Relevant Agreements to which it is a party) and no event has occurred that (i) with the giving of notice or the passing of time or on any other condition being satisfied or determination being made would be likely to constitute a default (howsoever described) under or in respect of any such law, agreement or instrument and (ii) is likely either to have a material adverse effect on its assets, financial condition, prospects or operations or to affect materially and adversely its ability to perform and comply with any of the Secured Obligations;

7.1.6 third party consents: (i) (except in respect of registrations of this Deed and each other Security Agreement, and other security interest granted by any Relevant Person to any person in connection with the Production) all Relevant Consents have been obtained or effected (or, in the case of registrations, will be effected within any applicable required period) and (if obtained or effected) are in full force and effect; (ii) all fees and stamp, registration and similar Taxes (if any) payable in connection with any Relevant Consent have been paid if due; and (iii) there has been no default in the performance of or compliance with any of the terms or conditions of any Relevant Consent;

7.1.7 litigation: there is no litigation, arbitration or administrative or other proceeding current, pending or, to its knowledge, threatened, which:

- (a) if adversely determined, would have a material adverse effect on its assets, financial condition, prospects or operations or would materially and adversely affect its ability to perform and comply with its obligations under any Relevant Agreement to which it is a party; or
- (b) adversely affects or would, if adversely determined, adversely affect the production, completion and delivery of the Production or its distribution or exploitation or its ability to perform and comply with the Secured Obligations or any of its other obligations under the Relevant Agreements to which it is a party;

7.1.8 full disclosure: it has fully disclosed in writing to the Chargee all facts relating to the Chargor about which it knows or reasonably should know and that are material for disclosure to the Chargee in the context of the Relevant Agreements and all information (to the best of the Chargor's knowledge and belief having made due and diligent enquiry) is true and complete and no fact has not been disclosed which may cause disclosed information to be misleading;

7.1.9 information: all information (to the best of the Chargor's knowledge and belief having made due and diligent enquiry) furnished to the Chargee by it or on its behalf in connection with the Production (including in connection with any Relevant Agreement) was and remains true and complete in all material respects and there is

no fact or circumstance relating to its affairs that has not been disclosed to the Chargee, which non-disclosure renders any of that information misleading;

- 7.1.10 Encumbrances:** it is the sole lawful and beneficial owner of the Secured Assets free from any Encumbrance other than the Permitted Security, and none of the Secured Assets is, or during the Security Period will be, affected by any such Encumbrance in favour of any third party (save for the Permitted Security), nor is there in existence any agreement or arrangement under which any such Encumbrance may be created;
- 7.1.11 choice of law:** the choice of English law to govern this Deed and the submission by the Chargor to the exclusive jurisdiction of the English courts are valid and binding in its jurisdiction of incorporation;
- 7.1.12 recitals:** the Recitals to this Deed are true and accurate in all respects and the Relevant Agreements to which it is a party are valid and subsisting;
- 7.1.13 solvency:** it is solvent and able to pay its debts as they fall due and the transactions contemplated by the Relevant Agreements to which it is a party are of commercial benefit to it and are in its commercial interests;
- 7.1.14 insurance:** prior to the commencement of production of the Production all risks usually insured against will be insured against in accordance with customary practice of film producers and in accordance with the Relevant Agreements or as the Chargee may from time to time require; and
- 7.1.15 no infringement:** to the best of its knowledge, after diligent enquiry, the Production will not infringe any copyright, trademark, patent right or other personal or proprietary right or contain any matter libellous or defamatory of any person or persons.

- 7.2** The representations and warranties in Clause 7.1 are made on the date hereof and will be deemed to be repeated, with reference to the facts and circumstances then subsisting, on each day during the Security Period.

8 UNDERTAKINGS

- 8.1** The Chargor undertakes with the Chargee that, until the expiry of the Security Period, it will:
 - 8.1.1 compliance:** at all times comply or procure compliance with the terms (expressed or implied) of this Deed and the Relevant Agreements to which it is a party, and do all such acts as may be necessary to enforce such terms;
 - 8.1.2 performance:** at all times remain liable under the contracts and agreements charged or assigned hereunder to perform and comply with all the obligations assumed by it thereunder;
 - 8.1.3 pari passu:** ensure that at all times the Secured Obligations will be and remain its direct, general and unconditional liabilities, and will rank at least pari passu with all its other present and future secured liabilities, with the exception of any liabilities which are mandatorily preferred by law and not by any charge;

- 8.1.4 default:** notify the Chargee of the occurrence of any Event of Default immediately on becoming aware of it, and at the same time inform the Chargee of any action taken or proposed to be taken in connection therewith;
- 8.1.5 litigation:** promptly notify the Chargee of any current, pending or threatened litigation, arbitration or administrative or other proceeding, any dispute with any governmental regulatory body or law enforcement authority, any labour dispute and any other event which has or may have a material adverse effect on the Secured Assets or affects or may affect adversely the production, completion and delivery of the Production or its distribution or exploitation or its ability to perform or comply with the Secured Obligations or any of its other obligations under the Relevant Agreements to which it is a party;
- 8.1.6 authorisations:** obtain, maintain and promptly renew from time to time all Relevant Consents and comply with the terms thereof;
- 8.1.7 production of evidence:** promptly upon request produce to the Chargee (i) evidence sufficient to satisfy the Chargee that it has at all relevant times complied with the provisions of the Relevant Agreements to which it is a party; and (ii) such information concerning the Secured Assets as the Chargee may reasonably require to so satisfy it;
- 8.1.8 ranking of security:** without prejudice to Clause 8.2.1 below, ensure that any Encumbrance created by it over the Secured Assets (otherwise than in favour of the Chargee) after the date of this Deed shall, and be expressed to, be subject to and rank behind this Security; and
- 8.1.9 notices of charge / assignment:** upon the reasonable request of the Chargee at any time, give written notice(s) of the security hereby created in such form and to such persons as the Chargee may require.
- 8.2** The Chargor undertakes with the Chargee that, until the expiry of the Security Period, it will not without the prior written consent of the Chargee:
- 8.2.1 negative pledge:** create or permit to arise or subsist over all or any part of its rights or other assets (including the Secured Assets) any Encumbrance other than the Permitted Security;
- 8.2.2 termination etc:** terminate, waive, vary or cancel, or agree to any termination, waiver, variation or cancellation of, any term of, or any of its rights under, any Relevant Agreement to which it is a party;
- 8.2.3 disposals:** sell, transfer, dispose of or part with possession or control of or attempt to sell, transfer, dispose of or part with possession or control of the Secured Assets or any of them or of any interest in any Secured Assets other than (in the case of those Secured Assets subject to no Encumbrance but a floating charge under this Deed) in the ordinary course of its trade and on arm's length terms;
- 8.2.4 competing rights:** allow any counterclaim or set-off or other equity in respect of any sum payable in relation to the Production and/or rights in the Production;
- 8.2.5 change of business:** change the nature of its business or commence any business other than that presently being conducted by it; or

- 8.2.6 enforcement of rights:** require the Chargee to enforce any term of any Relevant Agreement against any party (it being acknowledged that the Chargee will not in any circumstances have any obligation to do so).

9 EVENTS OF DEFAULT

- 9.1** Each of the following events and circumstances is an Event of Default where the effect of such event or circumstance would or could be, in the reasonable opinion of the Chargee, prejudicial to the timely repayment of the Chargee Funding:

- 9.1.1 non-payment:** the Chargor or any other Relevant Person fails to pay any sum expressed to be payable by it to the Chargee under any Relevant Agreement at the time and otherwise in the manner specified in such Relevant Agreement, and such failure is not remedied within five (5) Business Days of the Chargor or Relevant Person receiving notice of such non-payment; or
- 9.1.2 breach of obligations:** the Chargor fails duly and promptly to perform any of the Secured Obligations, or any other Relevant Person fails duly and promptly to perform or comply with any obligation (in each case, other than a payment obligation) or undertaking expressed to be binding on or undertaken by it in or under the Relevant Agreements and, in the case of a failure which is, in the opinion of the Chargee, capable of being remedied, such failure has not been remedied to the Chargee's satisfaction within five (5) Business Days of the Chargor or Relevant Person receiving notice of such breach; or
- 9.1.3 misrepresentation:** any representation or warranty given or made or deemed to have been given or made by the Chargor or any statement furnished by the Chargor or any person on its behalf pursuant to this Deed or in any certificate, statement, legal opinion or notice delivered or made in, under or in connection with this Deed, is incorrect or misleading in any material respect; or
- 9.1.4 cross-default:** (i) any liability of any Relevant Person is not paid or repaid on the due date or, if payable or repayable on call or demand, is not paid or repaid when called or demanded or becomes due or capable of being declared due before the stated date of maturity (otherwise than at the election of any Relevant Person); (ii) any facility or commitment available to any Relevant Person relating to any such liability is withdrawn, suspended or cancelled by reason of any default (however described) of the person concerned; or (iii) any Relevant Person goes into default under or commits a breach of any agreement relating to any such liability including, without limitation, an event of default occurring under the Head Gear Loan Agreement; or
- 9.1.5 unlawfulness; invalidity:** (i) it becomes or proves to be unlawful or impossible in any material respect for any Relevant Person duly and promptly to perform or comply with any of the obligations or undertakings expressed to be binding on or undertaken by it in or under any Relevant Agreement or for the Chargee to exercise any rights vested in it under any Relevant Agreement; (ii) any Relevant Agreement for any other reason (other than irrevocable performance in full of the obligations thereunder in accordance with its terms) becomes invalid or unenforceable or ceases to be in full force and effect; or (iii) any Relevant Person does or causes or permits to be done any act or thing evidencing an intention to contest or repudiate any Relevant Agreement in whole or in part; or

- 9.1.6 revocation of consents:** any Relevant Consent is modified in a manner unacceptable to the Chargee or is not granted or is revoked or terminated or expires; or
- 9.1.7 material adverse change:** there occurs, in the opinion of the Chargee, a material adverse change in the business, assets or condition of any Relevant Person; or
- 9.1.8 cessation of business:** any Relevant Person changes or threatens to change the nature or scope of its business, or suspends or threatens to suspend all or a substantial part of its business operations, or suspends or threatens to suspend all or substantially all of its business operations, and in each case the Chargee determines that the result is or will be materially and adversely to affect the financial condition of that Relevant Person or its ability to observe or perform any of its obligations under any Relevant Agreement; or
- 9.1.9 composition; winding up:** any Relevant Person convenes a meeting of its creditors or proposes or makes any arrangement or composition with, or any assignment for the benefit of, its creditors (including any voluntary arrangement as defined in the Insolvency Act 1986) or negotiations are commenced with a view to the general readjustment or re-scheduling of all or any part of its liabilities, or a petition is presented or a meeting is convened for the purpose of considering a resolution, or other steps are taken, for making an administration order against or for the winding up or dissolution of any Relevant Person that is not withdrawn or dismissed within seven (7) days (other than for the purposes of and followed by a corporate reorganisation previously approved in writing by the Chargee, unless during or following that corporate reorganisation any Relevant Person becomes or is declared to be insolvent); or
- 9.1.10 receivership; distress:** (i) a trustee (in bankruptcy or otherwise), receiver, administrative receiver, manager or other encumbrancer is appointed over or takes any step with a view to taking possession of all or any part of the assets, rights or revenues of the Chargor; (ii) any person takes any step to levy, enforce upon or sue on any distress, execution, sequestration, attachment or other process against any of those assets, rights or revenues and such process is not discharged within twenty-eight (28) days; or (iii) the directors of any Relevant Person request any person to approve such a trustee (in bankruptcy or otherwise), receiver, administrative receiver, manager or other encumbrancer; or
- 9.1.11 administration:** an application is presented for the making of an administration order, or there is served on any person a notice of intention to appoint an administrator or any such appointment is made in relation to the Chargor, or a meeting is convened for the purpose of considering a resolution for the making of such an application or the serving of such a notice; or
- 9.1.12 insolvency:** any Relevant Person is, or is deemed for the purpose of any applicable law (including Section 123 of the Insolvency Act 1986) to be, unable to pay its debts as they fall due or insolvent, or admits its insolvency or inability to pay its debts as they fall due or suspends or threatens to suspend making payments with respect to all or any class of its debts; or
- 9.1.13 analogous proceedings:** anything occurs in any jurisdiction other than England and Wales that is, in the opinion of the Chargee, analogous to any of the events referred to in Clauses 9.1.9 to 9.1.12 above; or

- 9.1.14 Encumbrances enforceable:** any Encumbrance that may affect any of the assets of the Chargor in respect of the Production becomes enforceable; or
- 9.1.15 ranking of Encumbrances:** any Encumbrance that may for the time being affect any of the assets of the Chargor and that is created or evidenced by any of the Security Agreements ceases to rank in the manner expressed in the Security Agreements or as otherwise agreed in writing by the Chargee; or
- 9.1.16 crystallisation:** any event occurs which would result in the crystallisation of any floating charge over the whole or any part of the Secured Assets; or
- 9.1.17 security in jeopardy:** for any reason the Chargee certifies that in its opinion the security constituted by any of the Security Agreements or any of the Secured Assets themselves is or may be in jeopardy in any respect considered by it to be material.

9.2 This Security shall become immediately enforceable upon the occurrence of any Event of Default.

10 REMEDIES

10.1 At any time after this Security has become enforceable against the Chargor, the Chargee may in its absolute discretion, without prejudice to any other rights it may have and without prior notice to the Chargor or liability for any loss (whether or not due to negligence) or for any costs of any kind:

10.1.1 appoint in writing one or more persons to be a Receiver of any Secured Assets in any jurisdiction that permits appointment of a Receiver and from time to time determine the remuneration of the Receiver and remove the Receiver and appoint another in his place and any such Receiver shall be the agent of the Chargor (which shall alone be personally liable for the Receiver's acts, defaults and remuneration) and in particular, by way of addition to but without prejudice to any other powers he or the Chargee may have by law, the Receiver shall (notwithstanding that he is or may not be an administrator or an administrative receiver) have in relation to the Secured Assets of the Chargor all the powers set out in Section 14(1)(a) and Schedule 1 to the United Kingdom Insolvency Act 1986 and in addition shall have power to exercise all such other power and authority as the Chargee shall think fit to confer, and so that the Chargee may, in relation to such Secured Assets as are the subject of a first legal mortgage, charge or assignment hereunder, confer any powers or authority which it could give if it were an absolute beneficial owner thereof. The powers of the Receiver shall include, without limitation, the right and power to:

- (a)** enter upon any premises necessary and to take possession of, collect, get in or realise all or any such Secured Assets and to take, enforce, defend or abandon any actions, suits and proceedings in the name of the Chargor in relation to those Secured Assets as he or the Chargee shall think fit;
- (b)** settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is a creditor of the Chargor relating to those Secured Assets or any of them;
- (c)** assign, sell, lease, licence, grant options to sell, deal with or manage or concur in the assigning, selling, leasing, licensing, granting of options to sell,

dealing with or managing of any such Secured Assets and to vary, terminate or accept surrender of leases or licences in respect of any of those Secured Assets in such manner and generally on such terms and conditions as he or the Chargee may think fit and to carry any such transactions into effect in the name of and on behalf of the Chargor or otherwise;

- (d) take any steps that may be necessary or desirable to effect compliance with all or any of the agreements hereby assigned;
- (e) carry on and manage or concur in carrying on and managing the business of the Chargor solely in respect of the Production;
- (f) raise or borrow any money that may be required upon the security of all or any of those Secured Assets or without such security upon such terms as the Chargee or he may think fit; and/or
- (g) give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for the sole purpose of realising those Secured Assets;

10.1.2 exercise in relation to those Secured Assets the power of sale conferred by Section 101 of the LPA as though this Deed were a mortgage made by deed and to call in, collect, convert into money or otherwise deal with or dispose of those Secured Assets or any of them on an instalment basis or otherwise and generally in such manner and upon such terms as the Chargee may think fit; and/or

10.1.3 enforce this Security in any manner or order that the Chargee or the Receiver in its absolute discretion thinks fit.

10.2 The foregoing powers of sale and of appointing a Receiver shall be exercisable without any restrictions (such as, but not limited to, those contained in Sections 103 and 109 of the LPA). No purchaser, mortgagee or other third party dealing with the Chargee and/or Receiver or other person dealing with the Chargee and/or Receiver shall be concerned to enquire whether any of the powers which the Chargee or the Receiver has exercised or purported to exercise has arisen or become exercisable or whether the security created hereunder has become enforceable, the Secured Obligations have been performed or as to the propriety or validity of the exercise or purported exercise of any such power. The receipt of the Chargee or the Receiver shall be an absolute and conclusive discharge to a purchaser and shall relieve such person of any obligation to see to the application of any sums paid to or by the direction of the Chargee or the Receiver.

10.3 The power conferred under this Deed to appoint a Receiver shall be in addition to all statutory and other powers of the Chargee under the LPA (to the extent the LPA may be relevant to this Security) and the Receiver shall have and be entitled to exercise all powers conferred under the LPA in the same way as if he had been duly appointed thereunder. The power conferred under this Deed or by statute to appoint a Receiver shall be and remain exercisable by the Chargee notwithstanding any prior appointment in respect of all or any of the Secured Assets.

10.4 It shall be permissible for the Chargee to appoint more than one Receiver and in such event any reference in this Security to a Receiver shall apply to both or all of the Receivers so appointed and the appointment of Receivers so made shall be deemed to be a joint and

several appointment, so that the rights, powers, duties and discretions vested in the Receivers so appointed may be exercised by them all jointly or severally by each of them.

- 10.5** The Chargor declares that, as and when this Security becomes enforceable, it will hold the Secured Assets (subject to its rights of redemption) upon trust to convey, assign or otherwise deal with the same in such manner and to such person as the Chargee shall direct and declares that it shall be lawful for the Chargee by an instrument under the hand of its duly authorised officer to appoint a new trustee or trustees of the Secured Assets and in particular but without limitation at any time or times to appoint a new trustee or trustees thereof in place of the Chargor.
- 10.6** Any moneys obtained by the Chargee or any Receiver appointed hereunder whether by sale of any of the Secured Assets or obtained by carrying on the business of the Chargor in relation thereto or otherwise shall (save as may otherwise be required by law) be applied:
- 10.6.1** **first** in payment of all costs and expenses incurred and incidental to the powers conferred on the Chargee or Receiver hereunder;
- 10.6.2** **second** in or towards payment of the Secured Obligations; and
- 10.6.3** **third** in the payment of any surplus to the Chargor or otherwise to the person entitled thereto.
- 10.7** Neither the Chargee nor the Receiver will, by reason of either of them entering into possession of the Secured Assets or any of them, be liable to account as mortgagee in possession or for any default or omission of any nature whatsoever for which a mortgagee in possession might be liable, or be liable for any loss or damage occasioned by or upon realisation or diminution in value happening in or about the exercise of any power conferred hereby or by statute and the Chargor shall not have any right of action or claim against the Chargee on the grounds that a better price could or might have been obtained on any such realisation, sale or disposal. The Chargee and the Receiver shall be entitled to all the rights, powers, privileges and immunities conferred by statute on mortgagees and receivers.
- 10.8** The Chargee or any Receiver shall have the right at its complete discretion to give time or indulgence or to compound with and to make such other arrangements of whatever nature as it shall see fit with the Chargor or any other person without prejudice to the Chargor's liability hereunder or the Chargee's right and title to the Secured Assets, and any moneys received by the Chargee or Receiver from any other person may be applied by the Chargee to any account or transaction of such person or otherwise as the Chargee shall see fit.
- 10.9** At any time after this Security becomes enforceable, the Chargee or a Receiver may (but shall not be obliged to) do all such things and incur all such expenditure as the Chargee or such Receiver shall in its sole discretion consider necessary or desirable to remedy such defect or to protect or realise the Secured Assets or its interests under this Deed and, in particular, may pay any moneys which may be payable in respect of any of the Secured Assets, and any moneys expended in so doing by the Chargee or Receiver shall be deemed an expense properly incurred and paid by the Chargee and the Chargor shall reimburse the same on demand to the Chargee.
- 10.10** If the Chargor, without the prior agreement of the Chargee, creates or permits to arise or subsist any Encumbrance or third-party claim over the Secured Assets, the Chargee may open a new account for the Chargor in respect of the Production (and if the Chargee does not in fact open such new account it shall nevertheless be treated as if it had done so at the time

when it received actual notice (or was deemed to have received constructive notice) thereof), and as from that time all payments made by or on behalf of the Chargor to the Chargee shall be credited or be treated as having been credited to the new account, and such payments shall not operate to reduce the amount due from the Chargor to the Chargee at that time (but this Clause shall not prejudice any security that, apart from this Clause, the Chargee would have had but for the discharge by the Chargor of liabilities or obligations incurred after that time).

- 10.11** All monies received, recovered or realised by or on behalf of the Chargee under this Deed may at the sole discretion of the Chargee be credited by the Chargee to any suspense or impersonal account pending the application from time to time of such monies (together with accrued interest thereon) in or towards the discharge of any part of the Secured Obligations.

11 SET-OFF

- 11.1** In addition to any rights now or hereafter granted under applicable law, and not by way of limitation of any such rights, the Chargee is hereby authorised by the Chargor at any time after this Security becomes enforceable and from time to time, without notice to the Chargor (any such notice being expressly waived hereby), to set off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, any indebtedness evidenced by certificates of deposit, whether matured or unmatured) and any other indebtedness at any time held or owing by the Chargee to or for the credit of the account of the Chargor against and on account of the obligations and liabilities of the Chargor to the Chargee under this Deed including, but not limited to, all claims of any nature or description arising out of or connected with this Deed or any other Secured Obligations, irrespective of whether the Chargee shall have made any demand hereunder or in respect thereof and although said obligations and liabilities, or any of them, may be contingent or unmatured.
- 11.2** The Chargor hereby waives and agrees that it will not attempt to exercise any right to which it might otherwise be entitled to set off any liability or indebtedness of the Chargee to it on any account against the its liability or indebtedness to the Chargee hereunder.

12 POWER OF ATTORNEY

- 12.1** Subject to the occurrence of an Event of Default, the Chargor hereby irrevocably and by way of security appoints (within the meaning of Section 4 of the Powers of Attorney Act 1971) the Chargee and also appoints any Receiver jointly and severally to be its attorney and in its name and on its behalf and as its act and deed to sign, execute and do all acts, things and documents that the Chargor is obliged or that the Chargee or a Receiver is empowered to execute or do under this Deed and the Chargor hereby agrees forthwith on the request of the Chargee to ratify and confirm all such acts, things and documents signed, executed or done in pursuance of this power.
- 12.2** This appointment shall operate as a general power of attorney made under Section 10 of the Powers of Attorney Act 1971.

13 INDEMNITY

The Chargor agrees fully and effectively to indemnify, hold harmless and keep indemnified the Chargee and any Receiver from and against all actions, claims, proceedings, expenses, demands and liabilities now or hereafter brought against or incurred by either or both of

them, or against or by any person for whose act or omission either or both of them may be liable, resulting from any breach or non-observance by the Chargor of any of the provisions of this Deed or any failure by the Chargor to perform the Secured Obligations or any payment by the Chargor in respect of the provisions of this Deed or in respect of the Secured Obligations being set aside or declared void for any reason. The Chargee shall be entitled so to indemnify, hold harmless and keep indemnified the Receiver on behalf of the Chargor, which shall reimburse the Chargee accordingly. The liability of the Chargor to the Chargee under this Clause 13 shall form part of the Secured Obligations.

14 COSTS AND EXPENSES

The Chargor shall pay or reimburse to the Chargee or the Receiver (as the case may be), on demand all costs, charges and expenses incurred and all other money paid by the Chargee or any Receiver in the exercise by either of them of its or his rights, powers and discretions under this Deed, the administration, protection and the enforcement of this Security and the performance of the Secured Obligations or any other sum due from the Chargor to the Chargee or any Receiver (whether or not the same would be allowable upon a party and party or solicitor and own client taxation on the standard or indemnity basis by the Court), including all remuneration and expenses payable to the Chargee or Receiver, and all stamp and other duties and taxes (if any) to which this Deed or any other document executed in connection herewith may be subject, and all of the foregoing shall be deemed expenses properly incurred and paid by the Chargee hereunder and shall form part of the Secured Obligations.

15 RELEASE

The Chargee undertakes that it will, at the request and expense of the Chargor on or following the expiry of the Security Period, release this Security in relation to the Chargor and reassign to the Chargor any or all of the Secured Assets.

16 GENERAL

- 16.1** No failure or delay by the Chargee in exercising any right, power or privilege under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Chargee of any right, power or privilege preclude any further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided are cumulative and not exclusive of any rights or remedies provided by law.
- 16.2** Any release, settlement or discharge between the Chargor and the Chargee (including pursuant to Clause 15) shall be conditional upon no security or payment made or given to the Chargee being avoided, reduced, set aside or rendered unenforceable by virtue of any provision or enactment now or hereafter in force relating to bankruptcy, insolvency or liquidation and if any such security or payment is avoided, reduced, set aside or rendered unenforceable the Chargee shall be entitled to recover the full amount or value of any such security or payment from the Chargor and otherwise to enforce this Deed as if such release, settlement or discharge had not taken place.
- 16.3** Section 93 of the LPA dealing with the consolidation of mortgages shall not apply to this Deed and the Chargor may not without the prior written consent of the Chargee:

- 16.3.1** redeem this Security without at the same time redeeming every or any existing or future mortgage, charge or other security of whatever nature for the time being held by the Chargee on property wherever situate now or hereafter belonging to the Chargor; or
- 16.3.2** redeem any such mortgage, charge or other security of whatever nature without at the same time redeeming this Security.
- 16.4** The benefit of this Deed may be assigned by the Chargee, without regard to any set-off, counterclaim or equities between the Chargor and the Chargee or any intermediate holder.
- 16.5** A certificate signed by an officer of the Chargee as to the amount at any time of the Secured Obligations or any part thereof or any interest accrued thereon shall be binding and conclusive as between the parties hereto in the absence of manifest error.
- 16.6** If any one or more of the provisions contained in this Deed is or is found to be invalid, illegal, or unenforceable in any respect in any jurisdiction, that shall not affect or impair the validity, legality and enforceability of (i) those provisions in any other jurisdiction; or (ii) the remaining provisions of this Deed in any jurisdiction which shall remain in full force and effect. If any provision of this Deed is so found to be invalid or unenforceable but would be valid or enforceable if some part of the provision were deleted, the provision in question shall apply with such deletion(s) as may be necessary to make it valid. The parties agree that if any provision of this Deed is so found to be invalid or unenforceable and if the provision in the previous sentence does not apply, to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision which achieves to the greatest extent possible the same effect as would have been achieved by the invalid or unenforceable provision. The obligations of the parties under any invalid or unenforceable provision of this Deed shall be suspended whilst an attempt at such substitution is made.
- 16.7** This Deed shall remain the property of the Chargee notwithstanding any release or discharge or purported release or discharge hereof.
- 16.8** Unless expressly provided to the contrary (and it is hereby acknowledged that such provision is made in respect of any Receiver), a person who is not a party to this Deed may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of this Deed, no consent of any third party is required for any amendment (including any release or compromise of any liability) or termination of this Deed.
- 17 NOTICES**
- 17.1** Any communication in connection with this Deed must be, and any consent or agreement required under this Deed must be given, in writing and in English and, unless otherwise stated, may only be given in person, by post, by fax, or, by email (if specified) in accordance with the contact details set out in Clause 17.2 (subject to Clause 17.3 below).
- 17.2** The contact details for all communications in connection with this Deed are, in the case of:
- 17.2.1** the Chargee, Ashley House, 12 Great Portland Street, London W1W 8QN, United Kingdom (attention: Phil Hunt) with a copy to Lee & Thompson LLP, 4 Gees Court, St Christopher's Place, London W1U 1JD (facsimile number: +44 (0)20 3073 7601; attention: Christos Michaels);

17.2.2 the Chargor, 1 Wardour Street, London, England W1D 6PA (attention: Ivan Mactaggart).

17.3 Any party may change its contact details by giving 5 Business Days' notice to the other parties.

17.4 Where a party nominates a particular department or officer to receive a communication, a communication will not be effective if it fails to specify that department or officer.

17.5 Any communication in connection with this Deed will be deemed to be given as follows:

17.5.1 if delivered in person (including by courier), at the time of delivery;

17.5.2 if posted, 5 days after being deposited in the post, postage prepaid, in a correctly addressed envelope;

17.5.3 if by fax, at the time of transmission, provided that the sender receives a transmission report confirming successful transmission; and

17.5.4 if by email, at the time of transmission, provided that the sender receives a transmission report confirming receipt,

save that, in each case, a communication that would otherwise be deemed to have been given on a non-working day or after business hours in the place of receipt will only be deemed to have been given on the next working day in that place.

18 EXECUTION

18.1 This Deed may be executed in any number of counterparts, each of which when so executed shall be deemed as original and all of which shall together constitute one and the same deed.

18.2 Executed signature pages of this Deed sent by facsimile or transmitted electronically in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment, provided that treatment shall be without prejudice to the obligation of the parties to exchange original counterparts as quickly as practicable after execution of this Deed.

18.3 If one or more parties do not execute this Deed, it shall nevertheless be in full force and effect as between the Parties that have executed this Deed.

19 GOVERNING LAW

19.1 The validity, construction and performance of this Deed (and any claim, dispute or matter arising under or in connection with it or its enforceability) and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

19.2 The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed (including any dispute as to its existence, validity or termination), and are the most appropriate and convenient courts to settle any such dispute. Each Chargor agrees not to

argue to the contrary, and waives objection to those courts on the grounds of inconvenient forum or otherwise in relation to any proceedings in connection with this Deed.

- 19.3** Clause 19.2 is for the benefit of the Chargee only. To the extent allowed by law, the Chargee may take proceedings in any other court, and may take concurrent proceedings in any number of jurisdictions.

"SINATRA: THE MAN AND HIS MUSIC"
EXECUTION PAGE OF HEAD GEAR FILMS FN LTD. CHARGE

IN WITNESS whereof each of the parties hereto has executed this instrument as a deed on the date first above written.

EXECUTED as a DEED by)
HEAD GEAR FILMS FN LTD.)
acting by ~~a director~~ *an authorised attorney*)
in the presence of a witness: *dated 7th April 2015*)

[Redacted Signature]
.....
~~Director Signature~~ *Authorised*
Attorney Signature
.....
Thomas Harwood
.....
Print Name

[Redacted Signature]
.....
Witness Signature

Witness Name: *LAUREN BERGIN*

Witness Address: *12 GREAT PORTLAND ST*

LONDON W1M 8BN

Witness Occupation: *PA*

"SINATRA: THE MAN AND HIS MUSIC"
EXECUTION PAGE OF HEAD GEAR FILMS FN LTD. CHARGE

PAGE 2

EXECUTED as a DEED by
SINATRA ON STAGE LIMITED
acting by a director in the presence of a witness:

Director Signature

IVAN MACAGGART
Print Name

Witness Signature

Witness Name: CLEDNE CHEMERE LUNCE

Witness Address: FLAT 7, 28-30

ATLICKFIELD ROAD, LONDON W3 6EB

Witness Occupation: ASSOCIATE PRODUCER.