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COMPANIES FORM No. 395

Particulars of a mortgage or charge

100817/58

395

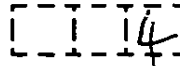
A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number



06751947

Name of company

* Hanway Lennon Ltd

Date of creation of the charge

6 January 2009

Description of the instrument (if any) creating or evidencing the charge (note 2)

Charge and Deed of Assignment entered into between Hanway Lennon Ltd ("Chargor") and Aver Media LP ("Chargee") ("Deed") in respect of the film provisionally entitled "Nowhere Boy"

Amount secured by the mortgage or charge

The payment, satisfaction and discharge of the Secured Liabilities by the Chargor

(All capitalised terms used but not defined herein have the meaning assigned to them in Annex 1 attached to this Form 395)

Names and addresses of the mortgagees or persons entitled to the charge

Aver Media LP, of 275 MacPherson Avenue, Suite 101, Toronto, Ontario M4V 1A4, Canada

Postcode

Presentor's name address and
reference (if any):

Wiggin LLP
95 The Promenade
Cheltenham
Gloucestershire

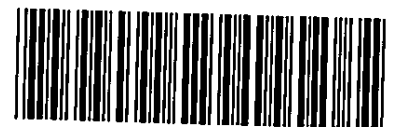
GL50 1WG

Time critical reference

For official Use (06/2005)
Mortgage Section

Post room

TUESDAY



ALXG86H3

A20

13/01/2009

358

COMPANIES HOUSE

CHFP025

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block lettering

*insert full name
of Company

Short particulars of all the property mortgaged or charged

Please do not
write in
this margin

Please complete
legibly, preferably
in black type, or
bold block
lettering

1. Guarantee

- 1.1 The Chargor has guaranteed to the Chargee the performance by the Borrowers of all of their respective obligations to the Chargee pursuant to the Aver Loan Agreements (including repayment of the Debt) and has covenanted with the Chargee to pay or discharge to the Chargee on demand the Debt in accordance with the terms of the Aver Loan Agreements.
- 1.2 Without limiting the generality of the foregoing, the Chargor has acknowledged and agreed that the guarantee pursuant to the Deed and set out in Clause 1.1 above binds the Chargor, by way of independent obligation, to pay as if it were its own debt, without set-off or counterclaim whatsoever, the Debt in accordance with the Aver Loan Agreements.

(continued on Continuation Sheet)

Particulars as to commission allowance or discount (note 3)

N/A

Signed

Wiggin LLP

Date

12 JANUARY 2009

On behalf of ~~XXXXXXXXXXXX~~ (chargee) †

A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge.
(See Note 5)

Notes

† delete as
appropriate

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his;
(a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
(b) procuring or agreeing to procure subscriptions, whether absolute or conditional,
for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is: Companies House, Crown Way, Cardiff CF14 3UZ

COMPANIES FORM 395 (Cont.)

Particulars of a mortgage or charge
(continued)

Continuation Sheet 1
to Form 395
Page 1

Name of Company: Hanway Lennon Ltd
Company Number: 06751947

Short particulars of all the property mortgaged or charged (continued)

- 1.3 The obligations of the Chargor pursuant to the Deed and set out in this Clause 1 are independent of the obligations of the Borrowers and a separate action or actions may be brought against the Chargor whether or not an action is brought against the Borrowers and whether or not the Borrowers are joined in any such action or actions. The Chargor has agreed that its obligations pursuant to the Deed and set out in this Clause 1 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 Aver Loan Agreements or any of the Relevant Agreements.
- 1.4 The guarantee of the Chargor given pursuant to the Deed and set out in Clause 1.1 hereof shall continue to be effective or reinstated, as the case may be, if, and to the extent that, at any time payment of any amount of the Debt is rescinded or otherwise required to be returned by the Chargee upon the insolvency, bankruptcy or re-organisation of either of the Borrowers or any event analogous thereto.
- 1.5 The Chargor agrees that any modification of the Aver Loan Agreements or any of the Relevant Agreements shall not affect the obligations of the Chargor pursuant to the Deed and set out in this Clause 1.
2. **Charges**
- 2.1 The Chargor, as owner with full title guarantee and as third party security for the payment, satisfaction and discharge of the Secured Liabilities, has charged in favour of the Chargee (subject only to the Chargee's obligation to release specified in sub-Clause 23.1.1 of the Deed) by way of first fixed charge, all of the Chargor's right, title and interest (whether now owned or hereafter acquired) in and to the following -
- 2.1.1 all copies made or to be made of the Film; and
- 2.1.2 any other films and any sound recordings made in the course of the production of the Film or pursuant to any right acquired in connection with, or arising from, the production of the Film; and
- 2.1.3 all copies made or to be made of the scripts and musical scores of the Film and any sketches and designs produced in connection with the Film; and
- 2.1.4 all digital material, physical negative, internegative, interpositive and positive sound and visual material made or to be made incorporating or reproducing all or any part of the Film; and
- 2.1.5 any agreements for the provision of any goods, services, facilities or finance for the Film and the benefit of any insurance policy taken out for or in connection with the production or exploitation of the Film; and

- 2.1.6 the benefit of all revenues accruing to the Chargor or the Chargor's order or on the Chargor's behalf in respect of the exhibition, distribution and exploitation of the Film and/or the Rights and/or the Ancillary Rights; and
 - 2.1.7 the Accounts (including all monies standing to the credit of each Account, all interest accrued on each Account and all debts represented by the foregoing); and
 - 2.1.8 all other rights and properties, including physical properties acquired or to be acquired by the Chargor in connection with the Film; and
 - 2.1.9 the proceeds of any or all of the foregoing.
- 2.2 The Chargor, as owner with full title guarantee and as third party security for the repayment, satisfaction and discharge of the Secured Liabilities, has charged in favour of the Chargee by way of first floating charge all of the Chargor's undertaking, rights and assets, whether now owned or hereafter acquired or created (including (without limitation) any assets expressed to be charged or assigned pursuant to paragraphs 2.1 and 3 to the extent the same are not for the time being effectively charged by way of first fixed charge or effectively assigned (whether at law or in equity) by way of security to the Chargee). Paragraph 14, schedule B1 Insolvency Act 1986 (incorporated by schedule 16 Enterprise Act 2002) shall apply to any floating charge created pursuant to the Deed, which floating charge is accordingly a qualifying floating charge for such purposes.
3. **Assignment and Trust**
- 3.1 The Chargor, as owner with full title guarantee and as third party security for the payment, satisfaction and discharge of the Secured Liabilities, has assigned and agreed to assign absolutely to the Chargee (subject only to the right of re-assignment in favour of the Chargor specified in Clause 23.1.2 of the Deed), all of the Chargor's right, title and interest (whether now owned or hereafter acquired or created) in and to the following -
- 3.1.1 the Rights; and
 - 3.1.2 all Ancillary Rights; and
 - 3.1.3 the benefit of all revenues accruing to the Chargor or to the Chargor's order or on the Chargor's behalf in respect of the exhibition, distribution and exploitation of the Film and/or of the Rights and/or of the Ancillary Rights; and
 - 3.1.4 all those rights of the Chargor in relation to all music composed and sketches and designs made for or used in the production of the Film including the following -
 - (a) the right to adapt the same for the purpose of and to reproduce the same in the form of the Film and any such other films as are mentioned in paragraph 3.1.2 above; and
 - (b) the right (except for musical performing rights if the composer is a member of the Performing Rights Society Limited) to perform the same in public by exhibition of the Film and any such films as aforesaid; and
 - (c) such rights as the Chargor may own to broadcast the same by radio and television and to include it in cable programmes whether by live performance of living persons or by performances of the Film; and
 - 3.1.5 the benefit of all agreements entered into or to be entered into by the Chargor (or its agent) relating to the Film (including the Sales Agency Agreement and the Distribution Agreements) with all rights granted and all monies receivable thereunder and any interest thereon and the benefit of

all subsisting undertakings, warranties, representations, covenants, agreements and acknowledgements therein contained; and

3.1.6 the Accounts (including all monies standing to the credit of each Account, all interest accrued on each Account and all debts represented by the foregoing); and

3.1.7 the proceeds of any or all of the foregoing.

3.2 The Chargor shall hold on trust for the Chargee (which trust the Chargor hereby declares) the Chargor's entire interest and benefit in and to the Collateral or any part thereof which cannot be charged or assigned by the Chargor together with all proceeds, money and other rights and benefits to which the Chargor is beneficially entitled in respect of such Collateral.

4. **Negative Pledge**

Other than the Security Interests, there shall be no charges or other security interests, encumbrance or arrangements having the effect of conferring security interests created by the Chargor or permitted by the Chargor to arise over the Collateral or over any other of the Chargor's property otherwise than in favour of the Chargee or with the Chargee's prior written consent. Notwithstanding anything to the contrary contained herein, if the Chargor charges or otherwise encumbers any of the Collateral in any manner contemplated by this paragraph 4 the charges created in favour of the Chargee shall rank in priority to such other charges or encumbrances whether they be fixed, floating or otherwise.

Annex 1
Definitions

Definitions

Accounts means any accounts opened by the Chargor in connection with the Film;

Ancillary Rights means all the ancillary rights in the Film including soundtrack album rights, music publishing, all inter-active and computer assisted rights, all sponsorship, commercial tie-up and other merchandising rights of whatsoever kind or nature in the Film as all such terms are customarily understood in the motion picture and television industry of the United Kingdom;

Aver Distribution Funding means collectively Facility A, Facility B and Facility C;

Aver Distribution Loan Agreement means the loan agreement between Chargee and the Commissioning Producer pursuant to which Chargee agreed to make available the Aver Distribution Funding;

Aver Funding means collectively the Aver Distribution Funding and the Aver Tax Credit Funding, including the Aver Reserve;

Aver Loan Agreements means collectively the Aver Distribution Loan Agreement and the Aver Tax Credit Loan Agreement;

Aver Reserve means the amounts set-aside from the Aver Funding to pay Chargee's interest, fees and expenses in the amounts specified in Exhibit B to the Interparty Agreement;

Aver Tax Credit Funding means the amount of £953,478 to be advanced by Chargee pursuant to the Aver Tax Credit Loan Agreement;

Aver Tax Credit Loan Agreement means the loan agreement dated on or about the date of the Interparty Agreement between Chargee and the Film Production Company pursuant to which Chargee agreed to make available the Aver Tax Credit Funding;

Borrowers means respectively Commissioning Producer and Film Production Company;

Collateral means the Chargor's right, title and interest in and to the property charged pursuant to the Deed and set out in Clauses 2.1 and 2.2 hereof and the property assigned pursuant to the Deed and set out in Clause 3 hereof;

Commissioning Producer means Lennon Films Limited (Company Number 06739020) a company incorporated under the laws of England and Wales whose registered office is at Flat 3, 38 Catharine Street, Liverpool L8 7NL;

Debt means all amounts due, owing, payable or outstanding to the Chargee pursuant to the Aver Loan Agreements or otherwise in connection with the Film;

Distribution Agreements means any licence or other exploitation agreement concluded in respect of the Rights;

Facility A means the amount of £534,600 to be advanced by Chargee in accordance with the terms of the Aver Distribution Loan Agreement;

Facility B means the amount of £740,000 to be advanced by Chargee in accordance with the terms of the Aver Distribution Loan Agreement;

Facility C means the amount of £995,061 to be advanced by Chargee in accordance with the terms of the Aver Distribution Loan Agreement;

Film means the feature film currently entitled "Nowhere Boy";

Film4 Rights means all those rights granted to Film4, a division of Channel Four Television Corporation pursuant to a production finance and licence agreement dated on or about the date of the Interparty Agreement between Film4, Commissioning Producer and Film Production Company in relation to the Film;

Film Production Company means Nowhere Boy Productions Limited (Company Number: 06739147) a company incorporated under the laws of England and Wales whose registered office is at Flat 3, 38 Catharine Street, Liverpool L8 7NL;

Guarantor means Film Finances Inc., a company incorporated under the laws of California care of Film Finances Limited, 15 Conduit Street, London W1S 2XJ;

Interparty Agreement means the interparty agreement and Deed of Assignment between, the Chargee, the Chargor, Film Production Company, Ecosse Films Limited, Hanway Films Limited, UK Film Council, Channel Four Television Corporation, North West Vision & Media, Lip Sync Productions LLP, Commissioning Producer and Film Finances, Inc.;

Master Licence Agreement means the master license agreement between the Chargor and the Commissioning Producer in relation to the Film;

Relevant Agreements means the Deed, the Master Licence Agreement, all Distribution Agreements and corresponding notices of assignment relating to the Film to which the Chargor is a party, the Interparty Agreement, the Collection Agreement and any other agreements to which the Chargor and the Chargee are a party;

Rights means the following throughout the Territory for the full period of copyright and thereafter (so far as is possible) in perpetuity (a) all rights to distribute, lease, licence, sell or otherwise exploit or deal with the Film in all media (whether now known or hereafter invented or devised) (b) all rights to exhibit and broadcast the Film; (c) the Ancillary Rights; (d) all such other rights in and to the Film or any material on which it is based or which is incorporated in the Film as are needed for the full exploitation of the rights described in (a), (b) and (c) above; and (e) all rights to distribute, lease, licence, sell or otherwise exploit or deal with any of the rights referred to above, but excluding the Film4 Rights;

Sales Agency Agreement means the sales agency agreement relating to the Film dated on or about the date of this Agreement between the Chargor and the Sales Agent;

Sales Agent means Hanway Films Limited, a company incorporated under the laws of England and Wales whose principal place of business is at 24 Hanway Street, London W1T 1UH;

Secured Liabilities means all or any money and liabilities which shall from time to time (and whether on or at any time after demand) be due, owing or incurred in whatsoever manner to the Chargee by the Borrowers or the Chargor in relation to the Film whether actually or contingently, solely or jointly and whether as principal or surety (or guarantor), including any money and liabilities of the Borrowers or Chargor owed to a third party which have been assigned or novated or otherwise vested in the Chargee and whether pursuant to the Aver Loan Agreements or otherwise;

Secured Parties means Chargee, UK Film Council, Film4, North West Vision & Media and the Guarantor, and each is a 'Secured Party';

Security Agreements means the charges, security agreements and mortgages and assignments of copyright in relation to the Film listed in Schedule 2 to the Interparty Agreement, and each is a 'Security Agreement';

Security Interests means the security interests granted to the Secured Parties pursuant to the Security Agreements, and each is a 'Security Interest'; and

Territory means the world.



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

**COMPANY NO. 6751947
CHARGE NO. 4**

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES
HEREBY CERTIFIES THAT A CHARGE AND DEED OF
ASSIGNMENT DATED 6 JANUARY 2009 AND CREATED BY
HANWAY LENNON LTD FOR SECURING ALL MONIES DUE OR
TO BECOME DUE FROM THE BORROWERS OR THE COMPANY
TO AVER MEDIA LP ON ANY ACCOUNT WHATSOEVER UNDER
THE TERMS OF THE AFOREMENTIONED INSTRUMENT
CREATING OR EVIDENCING THE CHARGE WAS REGISTERED
PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT
1985 ON THE 13 JANUARY 2009

GIVEN AT COMPANIES HOUSE, CARDIFF THE 14 JANUARY
2009



Companies House
— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES