

## COMPLETION GUARANTY

This Agreement (this "Agreement" or the "Completion Guaranty") dated as of January 8, 2017 is entered into by Mediacap Finance LLC ("Beneficiary") and UniFi Completion Guaranty Insurance Solutions, Inc. d/b/a UniFi Completion Guarantors ("UniFi"), acting in its capacity as agent and attorney-in-fact for Atlantic Specialty Insurance Company, a New York insurance company ("Completion Guarantor"), with respect to the feature length motion picture currently entitled "Independent Spirit" (the "Film"). Beneficiary and Completion Guarantor are each sometimes referred to herein as a "Party").

### RECITALS

1. Beneficiary has agreed to make certain loans or advances to Producer to, among other things, fund Production and Delivery subject to the terms of the Funding Agreement.
2. Independent Films LLC ("Producer") has requested Completion Guarantor to guaranty Production and Delivery in favor of Beneficiary.
3. Completion Guarantor is willing to guaranty Production and Delivery in favor of Beneficiary subject to the terms, conditions, limitations and exclusions hereof.

NOW THEREFORE, subject to and in consideration of the mutual agreements contained herein, each Party agrees as follows:

### ARTICLE 1 - DEFINITIONS

- 1.1 Defined Terms. Initially capitalized terms (including those used in the Recitals hereinabove) used herein are defined either in the body of this Agreement or in the Schedule of Definitions attached hereto as Schedule I.

### ARTICLE 2 - UNIFI

- 2.1 Appointment. Completion Guarantor acknowledges it has appointed Joseph Fitzgerald and UniFi, acting through any one of Steve Mangel, Steven Leib, Michael Levine and Beth DePatie, as Completion Guarantor's agent and attorney-in-fact (with Joseph Fitzgerald and UniFi authorized to act singly or together) for all purposes in connection with this Agreement pursuant to a Special Power of Attorney, a duly signed copy of which has or will be furnished to Beneficiary.

### ARTICLE 3 - PRODUCTION ELEMENTS

- 3.1 Production Elements. The Parties have approved each production element with respect to the Film listed below (collectively, the "Production Elements"), each of which remains subject to non-material changes:

3.1.1 The budget dated January 5, 2017 which lists a grand total of \$10,361,079, a copy of the top-sheet of which is attached hereto as Exhibit "A-1" (the "Budget").

3.1.2 The cash flow schedule dated January 5, 2017, a copy of which is attached hereto as Exhibit "A-2" (the "Cash Flow Schedule").

3.1.3 The key cast and key crew listed in Exhibit "A-3" attached hereto (the "Key Cast" and "Key Crew") including each "Essential Element," if any, which is denoted by the symbol "EE" beside his/her name therein, or any permitted replacements made by Producer or Completion Guarantor that have been approved, if applicable, in accordance with the terms of the Interparty Agreement and the Distributor Assignments.

3.1.4 The location of New Orleans, Louisiana and environs for the principal photography and Los Angeles, California and environs for the post-production (collectively, the "Location").

3.1.5 The production account with Account No.: 123456789, maintained at Chase Bank, located at 2200 St Charles Ave New Orleans, LA 70130, Attention: John Smith, ABA Routing No.: 109876543 (the "Production Account").

3.1.6 The shooting schedule dated January 5, 2017, copies of the first and last page of which are attached hereto as Exhibit "A-4" with 31 days of first unit principal photography (the "Shooting Schedule"), and the post calendar dated January 5, 2017, copies of the first and last page of which are attached hereto as Exhibit "A-5" with 22 weeks of post-production (the "Post Calendar" and together with the Shooting Schedule, the "Schedule").

3.1.7 The screenplay entitled *Independent Spirit*, written by Jackson Johns and is 102 pages in length, copies of the cover and last page of which are attached hereto as Exhibit "A-6" (the "Screenplay").

## ARTICLE 4 - FUNDING

4.1 **Strike Price.** The “Strike Price” is \$10,386,079, which includes (a) direct costs of \$9,273,285, (b) contingency (regardless of the amount, if any, which is included in the Budget) of \$902,328 (the “Contingency”) (which, if applicable, will be supplemented by Producer Deferral of \$25,000), and (c) the guaranty fee (regardless of the amount, if any, which is included in the Budget) of \$185,466 (the “Guaranty Fee”). The Strike Price does not include any Interest or Charges.

4.2 **Cost Exclusions.** Production Advances will not be made available or used to pay or cover the costs for (a) Interest or Charges, regardless of the amount therefore, if any, which is included in the Budget; and (b) any exclusion designated below (collectively, the “Cost Exclusions”), regardless of the amount therefore, if any, which is included in the Budget. The Cost Exclusions and any expenditures relating thereto are excluded from coverage under the Completion Guaranty and Completion Guarantor assumes no obligation, makes no guaranty, and shall have no liability therefor.

<b>Cost Exclusion Description</b>	<b>Budget Account Number</b>	<b>Excluded Amount</b>
None	Account No.:	\$
	Account No.:	\$
	Account No.:	\$
<b>Total Cost Exclusions</b>		<b>\$0</b>

4.3 **Funding.** Each Production Advance shall be funded in accordance with the Cash Flow Schedule, subject to acceleration as provided for herein, by electronic funds transfer directly to the Production Account (except for the Guaranty Fee, which will be paid directly to Completion Guarantor) or as otherwise instructed or approved in writing by Completion Guarantor. Unless the Parties shall agree otherwise in writing, the Production Advances shall be paid by Beneficiary in U.S. Dollars.

4.4 **Prior Funding.** As of January 8, 2017, Completion Guarantor has credited to the Strike Price prior advances totaling \$2,000,000, which includes Pre-Closing Deposits totaling \$600,000 (the “Prior Funding”). Accordingly, the Strike Price remaining to be funded after crediting the Prior Funding thereto is \$8,321,079 (the Strike Price minus the Prior Funding being hereinafter referred to as the “Minimum Remaining Funding Amount”).

4.5 **Accelerated Funding.** Producer (with Completion Guarantor’s prior written approval) or Completion Guarantor may, upon written notice to Beneficiary, accelerate Beneficiary’s funding of any Production Advance. In such event, Producer or Completion Guarantor will promptly pay or cause to be paid the amount of any applicable Accelerated Interest and Charges to Beneficiary.

4.6 **Additional Funding.** Beneficiary may at all times, without prejudice to its respective rights under this Agreement and without discharging or in any way increasing Completion Guarantor’s liability or obligations under the Completion Documents, make further advances to Producer or grant Producer any time or indulgence, or deal with, exchange, release, modify or abstain from perfecting, foreclosing or enforcing any security interest or other guaranty or rights which Beneficiary may have from or against Producer, provided that such action shall not hinder or interfere with Production and Delivery. If Beneficiary elects to make any advance in excess of its Funding Commitment, then Completion Guarantor’s liability and obligations under the Completion Documents shall not increase by reason of Beneficiary having provided such additional advances unless (a) Completion Guarantor has requested the same in writing, or (b) Completion Guarantor has been paid a fee in relation to such additional advances in an amount satisfactory to Completion Guarantor.

4.7 **No Duty to Administer or Advance Funds.** Beneficiary shall not be required to supervise or administer, and agrees to not interfere with, Producer’s or Completion Guarantor’s use of any Production Advance.

## ARTICLE 5 - PRODUCTION AND DELIVERY

5.1 **Production.** “Production” collectively means all of the phases of production of the Film and the completion thereof, comprising pre-production, principal photography and post-production, including the manufacture of the Delivery Items.

5.2 **Pre-existing Material.** If Producer or the director shall select any Pre-Existing Material that cannot be licensed or otherwise acquired at a total cost not to exceed the Pre-Existing Material Budget, then Completion Guarantor may require Producer to use alternative Pre-Existing Material unless Producer or a person other than Completion Guarantor shall pay for any such excess costs. The licensing or other acquisition and cost of any Pre-Existing Material for use in the Film shall be at the sole discretion of Completion Guarantor if Completion Guarantor shall take over Production and Delivery.

5.3 **Delivery Defined.** “Delivery”, and any capitalized grammatical variation thereof, means tendering of, and/or if applicable providing access by means of a laboratory access letter to, the Delivery Items by the applicable Delivery Date to each Distributor in accordance the terms of the applicable Distributor Assignment and subject to the notice, inspection and cure procedures therein, if any. Notwithstanding anything herein contained to the contrary, (a) the Film will be conclusively deemed to be Delivered to a Distributor if such Distributor shall,

directly or indirectly, cause or authorize the exploitation or disposition of the Film by any means, in any media and in any territory throughout the world (other than and excluding non-public festival/market screenings and/or private screenings to potential buyers) and (b) if pursuant to the terms of any Distributor Assignment the delivery of certain Delivery Items is subject to the Distributor's prior payment of the cost to manufacture and/or ship such Delivery Items, then, except as may be provided in such Distributor Assignment, Completion Guarantor shall have no obligation to deliver any such Delivery Items sooner than the latter of either (1) the Delivery Date applicable to such Distributor as set forth herein or (2) thirty (30) days following the date full payment of the cost therefor has been paid into the Production Account or otherwise received by Completion Guarantor.

5.4 Delivery Date Defined. The "Delivery Date" means, as it applies to each Distributor including Sales Agent, the applicable date set forth in this section below. Each Delivery Date is subject to (a) one or more extensions of any duration with the written consent of Beneficiary; (b) one or more automatic extensions due to any delays, not to exceed one hundred twenty days (120) in the aggregate, by reason of (i) applicable law or judicial order; (ii) Events of Force Majeure, (iii) Events of Essential Element Force Majeure; and/or (iv) any other exigencies that result in any stoppage, postponement or interruption of Production and Delivery, as determined by Completion Guarantor in its sole discretion.

5.4.1 The Delivery Date applicable to Sales Agent is April 15, 2017; and

5.4.2 The Delivery Date applicable to each Distributor (other than Sales Agent) is May 31, 2017.

5.5 Arbitration of Delivery Disputes. Any dispute regarding Delivery shall be resolved by Arbitration pursuant to the terms of the pertinent Interparty Agreement or Distributor Assignment, as applicable.

#### ARTICLE 6 - COMPLETION GUARANTOR RIGHTS AND OBLIGATIONS

6.1 Conditions Precedent. Completion Guarantor's liability and obligations hereunder are subject to the (a) full payment of the Guaranty Fee within ten (10) Business Days following the execution hereof or otherwise as Completion Guarantor shall direct; (b) full funding of the Minimum Remaining Funding Amount in accordance with the Cash Flow Schedule (subject to acceleration as herein provided) unless Completion Guarantor may agree otherwise in writing, provided that Beneficiary's obligation to continue funding of the Minimum Remaining Funding Amount shall be forever discharged if and after the Film is Abandoned; and (c) funding of any Production and Delivery costs to the extent such costs, subject to the terms, conditions, limitations and exclusions hereof, are not fully covered by this Agreement. The Guaranty Fee is fully earned upon the execution hereof and is non-refundable.

6.2 Cooperation. Beneficiary shall cooperate with all reasonable requests of Completion Guarantor that are not inconsistent with the terms of this Agreement, the Interparty Agreement or the Distributor Assignments, as applicable, and which do not require expenditures by Beneficiary beyond its Minimum Funding Amount. Subject to the foregoing provisions, Beneficiary agrees to use commercially reasonable efforts to cooperate with Completion Guarantor in pursuing any claims against any third person responsible for stopping, impairing, hindering, delaying or increasing the costs of Production and Delivery.

6.3 Completion Sums. Completion Guarantor has the right to incur or advance Completion Sums at any time in its sole discretion. Completion Sums will be fully recoverable as provided in the Completion Agreement or by other agreement by and between Producer and Completion Guarantor, subject, if applicable, to the terms of the Interparty Agreement. The termination of or release of Completion Guarantor's obligations hereunder shall not affect Completion Guarantor's right to recover all Completion Sums. Beneficiary agrees that, as between Beneficiary and Completion Guarantor, Completion Guarantor is solely entitled to any Excess Incentives until Completion Guarantor's full recoupment of all Completion Sums, and to the extent Beneficiary shall collect same, Beneficiary will promptly pay such Excess Incentives to Completion Guarantor until Completion Guarantor's full recoupment of all Completion Sums.

6.4 Abandonment.

6.4.1 If the Film is Abandoned, then Beneficiary shall automatically be discharged from funding each then-remaining Production Advance, if any, and, subject to the terms, conditions, exclusions and limitations hereof, Completion Guarantor shall pay to Beneficiary an amount equal the sum of the (a) Obligations then outstanding exclusive of the Pre-Delivery Deposits, if any, included therein that are refunded to any Distributors by Completion Guarantor, (b) Charges then outstanding, (c) Interest then outstanding on each of the foregoing until the date of Completion Guarantor's payment of the foregoing amount in full, and (d) Arbitration Costs or Attorneys' Fees and Costs, as the case may be, that Completion Guarantor owes to Beneficiary, if any.

6.4.2 Upon the payment in full of all amounts owed to Beneficiary under this Section 6.4, all of Beneficiary's Rights shall automatically be assigned to Completion Guarantor. All Rights of Beneficiary must be assignable and fully assigned to Completion Guarantor not later than concurrently with the payment in full of all amounts owed to Beneficiary under this Section 6.4.

6.5 Failure to Deliver.

6.5.1 Except if the Film is Abandoned, if there is a failure to Deliver to Sales Agent (either as acknowledged in writing by Completion Guarantor or as determined pursuant to an Arbitration), then:

(a) subject to the terms, conditions, exclusions and limitations hereof, Completion Guarantor shall pay to Beneficiary an amount equal the sum of the (i) Obligations then outstanding exclusive of the Pre-Delivery Deposits, if any, included therein that are refunded to any Distributors by Completion Guarantor, (ii) Charges then outstanding, (iii) Interest then outstanding on each of the foregoing until the date of Completion Guarantor's payment of the foregoing amount in full, and (iv) Arbitration Costs or Attorneys' Fees and Costs, as the case may be, that Completion Guarantor owes to Beneficiary, if any; and

(b) upon the payment in full of all amounts owed to Beneficiary under Section 6.5.1(a), all of Beneficiary's Rights shall automatically be assigned to Completion Guarantor. All Rights of Beneficiary must be assignable and fully assigned to Completion Guarantor not later than concurrently with the payment in full of all amounts owed to Beneficiary under Section 6.5.1(a).

6.5.2 Except if the Film is Abandoned, if there is a failure to Deliver to any Distributor other than Sales Agent (either as acknowledged in writing by Completion Guarantor or as determined pursuant to an Arbitration), then:

(a) subject to the terms, conditions, exclusions and limitations hereof, Completion Guarantor shall pay to Beneficiary an amount equal to the sum of the (i) Minimum Guarantee, if any, payable pursuant to the terms of the pertinent Distributor Assignment exclusive of the Pre-Delivery Deposits, if any, included therein that are refunded to such Distributor by Completion Guarantor, (ii) applicable Interest on the foregoing from the applicable Delivery Date until the date of Completion Guarantor's payment of the foregoing amount in full, and (iii) Arbitration Costs or Attorneys' Fees and Costs, as the case may be, which Completion Guarantor owes to Beneficiary, if any; and

(b) Upon the payment in full of all amounts owed to Beneficiary under Section 6.5.2(a), all of Beneficiary's Rights in and to (each pertinent Distributor Agreement (and any related Distributor Assignment) with respect to which there was a failure to Deliver shall automatically be assigned to Completion Guarantor. Such Rights of Beneficiary must be assignable and fully assigned to Completion Guarantor not later than concurrently with the payment in full of all amounts owed to Beneficiary under Section 6.5.2(a).

6.6 Payments. Unless the Parties shall agree otherwise in writing any payments by Completion Guarantor to Beneficiary under this Agreement shall be paid in U.S. Dollars.

6.7 Obligations to Distributors. Completion Guarantor has no obligation to refund any Pre-Delivery Deposits to Distributors except as otherwise expressly provided in a Distributor Assignment.

6.8 Maximum Liability. Completion Guarantor's maximum liability to make payment to Beneficiary under this Agreement shall not exceed the sum of the Strike Price, the Charges, the Interest, and either the Arbitration Costs or the Attorneys' Fees and Costs, as the case may be, if any; provided, however, Completion Guarantor's obligations hereunder shall terminate and Completion Guarantor will be relieved and absolved of any further obligations hereunder upon the earliest to occur of (a) the date by which Delivery (to all Distributors) has been effected or is deemed to have been effected, (b) Completion Guarantor's discharge of all of Completion Guarantor's obligations under this Agreement, (c) Beneficiary's written consent, and (d) the Repayment Date. Completion Guarantor's liability to Beneficiary hereunder shall be unaffected by the expenditure at any time of Completion Sums.

## ARTICLE 7 - EXCLUSIONS

7.1 Excluded Costs; No Liability. Unless and to the extent provided for in the Budget and not otherwise excluded from coverage hereunder, Completion Guarantor assumes no obligation, makes no guaranty, and shall have no liability under this Agreement for any stoppage, cancellation, abandonment, postponement, interruption, curtailment, suspension, relocation of or interference with, any material impairment, hindrance or delay to, any increase to the cost of, or any other cost, expense, loss or damage incurred or sustained in connection with, Production and Delivery that directly or indirectly, arises or results from any of the following causes, events or matters regardless if any other cause, event or matter contributes concurrently or in any sequence thereto:

7.1.1 War and Military Action. Any war, including undeclared or civil war; any warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or any insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these. With respect to any action that comes within the terms of this exclusion and involves nuclear reaction or radiation, or radioactive contamination, this War and Military Action exclusion is in addition to and does not supersede the Nuclear Hazard Exclusion.

7.1.2 Acts of Terrorism. Any act of Terrorism, including any action in hindering or defending against any actual or expected act of Terrorism, wherever occurring throughout the world. With respect to any such activity that also comes within the War and

Military Action Exclusion, that exclusion is in addition to and does not supersede this exclusion, and this exclusion is in addition to and does not supersede the Chemical and Biological Weapons Exclusion or the Nuclear Hazard Exclusion.

7.1.3 Chemical and Biological Weapons. Any use of chemical, biological or biochemical substances or electromagnetic waves as weapons against the general public.

7.1.4 Nuclear Hazard. Any nuclear reaction or radiation or radioactive contamination.

7.1.5 Political Authority. Any order of a government or sovereign power (de jure or de facto) or a public, municipal or local authority which results in (a) any seizure, confiscation, nationalization, commandeering, requisition, expropriation, destruction, loss of use or possession, of or damage to property; or (b) any inability to obtain or maintain or any revocation, cancellation, invalidation or withdrawal of any visa, permit, permission or license; or (c) any stoppage, injunction, prohibition, interruption, postponement, alteration, or relocation of Production and Delivery unless such action is caused or taken as a result of any action or inaction of Producer or any other person within the scope of their services in respect of the Film.

7.1.6 Errors and Omissions. Any losses reasonably expected to be covered by E&O Coverage.

7.1.7 Chain of Title Defects. Producer not having obtained title to or a license to use any story, script, screenplay, music or other "chain-of-title" rights in connection with the Film, including copyrights and titles, or the Film infringing the rights of others or claims being made that the production, distribution or exploitation of the Film infringes the rights of others.

7.1.8 Labor Disturbance. Any strike, lockout, boycott, forced or attempted or threatened unionization or other labor disturbance stopping, hindering, impairing, delaying, preventing or otherwise affecting Production and Delivery, including, without limitation, any failure to recognize the authority or jurisdiction of any Guild or any withdrawal of cast or crew in accordance with demands or work stoppages, due to the actions of any Guild; any failure by any person to timely execute and deliver to any Guild any security, subordination or other agreement, in form and substance satisfactory to such Guild, and to satisfy all other undertakings required by such Guild as a condition to its members being permitted to render services in connection with the Film; or, any additional payments, including fringes, surcharges or penalties levied by any Guild as a result of any violation of, or as necessary to be in full compliance with, the applicable governing rules or regulations of such Guild as determined by Completion Guarantor in its good faith business judgment.

7.1.9 Currency Loss. Any adverse movement of currency exchange rates on any amount of any Production Advance or production expenditures by Producer (or in the event Completion Guarantor shall take over Production and Delivery, by Completion Guarantor).

7.1.10 Non-Bonded Items. Providing, supplying or delivering any item that is not denoted as a Delivery Item in the Delivery Schedules, the Interparty Agreement or any Distributor Assignment or by any means or to any place other than as set forth therein.

7.1.11 Advertising and Promotion. Any advertising or promotion costs, including costs for test screenings and previews (except to the extent provision is made therefor in the Budget and the Schedule and is not subject to any other exclusion or limitation hereunder), and any costs with respect to the exploitation or other disposition of the Film, including costs for the creation and shipping of film copies, foreign language versions or any other versions of the Film other than the original version in the language specified in the Screenplay, censoring costs or any other costs for editing work required by any Distributor or other person, but without prejudice to Completion Guarantor's obligation to complete Production and Delivery.

7.1.12 Changes. Except as required for Production and Delivery, (a) any cutting, re-cutting, editing, re-editing, re-recording, scoring, re-scoring, dubbing, subtitling or making any other changes in, or additions to the Film after Production and Delivery or to Delivery Items that are made (other than any such changes undertaken by Producer during the ordinary course of Production and Delivery in accordance with the Budget and the Schedule), and (b) the creation of new versions of the Film (e.g., TV or video versions, if applicable) new recordings or any other changes or adaptations of the Film or any of the Delivery Items (except to the extent provision is made therefor in the Budget and any Delivery Schedule and is not subject to any other exclusion or limitation hereunder), that are required or desired by Producer, any Distributor or any other person unless any such cost shall have been incurred by, at the direction of, or with the written approval of Completion Guarantor.

7.1.13 Deferments. Any deferment or other contingent payment that is payable to any person in connection with Production and Delivery or the exploitation or other disposition of the Film except to the extent provision is made therefor in the Budget and is not subject to any other exclusion or limitation hereunder.

7.1.14 Residuals. Any payments becoming due (including any sums held in reserve to cover obligations) to any co-authors, cast or crew members or rights holders in connection with the exploitation or other disposition of the Film by any means, in any media and in any territory throughout the world, e.g., TV rerun fees, residuals and royalties.

7.1.15 Enhancements. Any costs associated with filming or recording of scenes or other elements of the Film not included in the Screenplay (but without prejudice to Completion Guarantor's obligation to complete Production and Delivery), including any costs associated with any Enhancement unless Completion Guarantor consents in writing that such Enhancement will be covered by this Agreement and the additional guaranty fee required by Completion Guarantor, if any, has been paid.

7.1.16 Professional Fees. Any fees and expenses for legal, accounting, tax or other professional services related to Production and Delivery or the exploitation or other disposition of the Film, including any costs to bring or defend any litigation relating to the Film, except to the extent provision is made therefor in the Budget and is not subject to any other exclusion or limitation hereunder. This exclusion shall not prejudice any obligation of Completion Guarantor hereunder to pay any Arbitration Costs or Attorneys' Fees and Costs, as the case may be.

7.1.17 Artistic Quality. The artistic quality or artistic interpretation of the Film except as required for Production and Delivery.

7.1.18 Certifications. Any failure to issue any age approval ratings, licences and classifications, certificates of origin or similar certifications or documentation for the Film in the country in which it is being produced or elsewhere except as required for Production and Delivery.

7.1.19 Rating and Censorship. Any failure of the Film to conform to the requirements, guidelines and standards of the Motion Association of America ("MPAA") or any other rating or censorship board or organization; except, that Completion Guarantor shall ensure (a) the Film will be capable of qualifying for a rating not more restrictive than each rating, if any, required for Delivery, and (b) the payment of the certification fees in connection therewith to the extent provision is made therefor in the Budget and is not subject to any other exclusion or limitation hereunder.

7.1.20 Incentives. Any failure of the Film to satisfy the criteria for qualification for Incentives or to qualify for any reduced proceeds if such criteria is not fully satisfied or, having satisfied said criteria, any failure to timely or properly receive payment thereof.

7.1.21 Credit. Any failure of the director or any other cast member or crew member rendering services in connection with the Film to receive credit in the main or end titles of the Film, in advertising of the Film, or otherwise.

7.1.22 35mm Delivery Items. Any failure to deliver any 35mm Delivery Items including any Delivery Items that must be created from any 35mm element (whether or not such 35mm element is itself a Delivery Item) (a) unless at the relevant time there is a laboratory in the United States capable, in Completion Guarantor's opinion, of creating commercially acceptable 35mm Delivery Items; or (b) if at the relevant time there is no laboratory in the United States capable, in Completion Guarantor's opinion, of creating commercially acceptable 35mm Delivery Items but there is such a laboratory outside the United States, then the Budget specifically includes sufficient provision (or sufficient additional provision acceptable to Completion Guarantor is made by Producer or any person other than Completion Guarantor) to cover the costs of creating the 35mm Delivery Items at, and delivering the 35mm Delivery Items from, such laboratory outside the United States to each applicable Distributor.

7.1.23 Failure to Distribute. Any failure of Producer or any other person to satisfy a theatrical release, a minimum screen, a minimum prints and advertising expense, commitment or any other requirement relating to the theatrical release of the Film or any other exploitation or other disposition of the Film by any means, in any media and in any territory throughout the world.

7.1.24 Producer Conduct. Any (a) insolvency and/or financial default of Producer, or (b) any claims made against Producer based upon any breach of contract, tortious or criminal conduct by Producer or its employees, directors, officers or agents.

7.1.25 Beneficiary Conduct. Any (a) insolvency and/or financial default of Beneficiary, or (b) dishonest, fraudulent or criminal act of Beneficiary or its employees, directors, officers or agents that materially impairs, hinders or delays Production and Delivery.

## ARTICLE 8 - INSURANCE AND LOSS RECOVERY

8.1 Insurance Recoveries. Completion Guarantor acknowledges its approval of the adequacy of the insurance that has been obtained for Production and Delivery. Insurance recoveries with respect to the Film shall be paid pursuant to the terms of the pertinent Interparty Agreement. If the Film is Abandoned, any payments due from Completion Guarantor to Beneficiary hereunder shall be reduced by the sum of any insurance recoveries that are paid to Beneficiary under the motion picture package insurance policy for the Film or otherwise in connection with Production.

8.2 Uninsured or Underinsured Losses. Completion Guarantor shall be automatically subrogated to the rights and interests of each Beneficiary to the extent Completion Guarantor shall pay any uninsured or underinsured loss caused by any third person.

## ARTICLE 9 - LIENS OR SECURITY AND SUBORDINATION

9.1 Liens or Security.

9.1.1 Producer has granted liens or security in the Film and other items of related collateral for the purpose of securing the payment of all monies payable, and the performance of all obligations of Producer, to (a) Beneficiary (on behalf of the Secured Parties) pursuant to one or more of the Funding Documents, and (b) Completion Guarantor pursuant to one or more of the Completion Documents.

9.1.2 Completion Guarantor shall have the right to file and record any deed, charge, mortgage, pledge, assignment, lien, notarial bond, cession, financing statement and similar documents or instruments, including Uniform Commercial Code Financing Statements, in any state or jurisdiction where Completion Guarantor believes such documents or instruments should be filed in order to perfect the liens or security granted by Producer to Completion Guarantor with regard to the Film. Completion Guarantor shall also have the right to register a Copyright Mortgage and Assignment with the U.S. Copyright Office. If the Film is Abandoned or if there is a failure to Deliver and in either case Completion Guarantor has made or will make full payment to Beneficiary of the amounts then owed to Beneficiary hereunder, then promptly following Completion Guarantor's or UniFi's request therefor, Beneficiary shall, at Completion Guarantor's expense, execute and deliver any and all necessary assignments or instruments, not inconsistent with this Agreement or the Interparty Agreement (or the pertinent Distributor Assignment, as the case may be), as Completion Guarantor or UniFi may reasonably require to evidence and effectuate any assignment of Beneficiary's Rights to Completion Guarantor pursuant to this Agreement. Nothing contained in this Agreement or any of the other Completion Documents shall in any way adversely affect any rights and remedies at law or in equity that Completion Guarantor may have against Producer or any other party to the Completion Agreement.

9.2 Subordination. Subject to Completion Guarantor's rights of assignment as herein provided, Completion Guarantor's liens or security in the Film and other items of related collateral shall be subordinate to any liens or security therein that have been granted by Producer to Beneficiary to secure Beneficiary's Obligations.

ARTICLE 10 - GENERAL PROVISIONS

10.1 Notices. In order to be effective under the terms hereof, any consent, waiver, approval, claim, notice, request, demand or other communication provided for hereunder to be given shall be (a) in writing, (b) delivered by hand to the party's address specified herein, and (c) delivered either by hand, by nationally recognized overnight courier (e.g., DHL, FedEx, UPS or equivalent), by facsimile or by electronic transmission in either a Tagged Image Format File ("TIFF") or Portable Document Format ("PDF") (or, with respect to an approval or consent, by email without a TIFF or PDF attachment being required). Any writing so sent and delivered shall be addressed to each Party, as the case may be, at their respective addresses and shall be deemed to have been received by the Party to which sent (i) on the day of delivery if delivered during the sender's regular working hours on a Business Day by hand, facsimile (with confirmation of successful transmission issued by sender's facsimile machine), TIFF or PDF electronic transmission (when shown sent by sender's email system, and provided that no subsequent delivery failure notification is issued by the sender's email server) or nationally recognized overnight courier; (ii) on the next Business Day if such writing is not sent during the sender's regular working hours on a Business Day; or (iii) on such later date if the recipient gives verifiable proof of receipt on such later date. The address for notices to each Party (until notice of a change thereof is served as provided herein) shall be, as follows:

<p>To Beneficiary:</p> <p>Mediacap Finance LLC            900 Wilshire Blvd.            Los Angeles, CA 90015            Attention: Laurence Fitzgerald            Fax No.: +1 310 786 1143            Email: <a href="mailto:lfitzgerald@mediacapfinance.com">lfitzgerald@mediacapfinance.com</a></p>	<p>With a copy to:</p> <p>_____            _____            Attention: _____            Fax No.: _____            Email: _____@_____</p>
<p>To Completion Guarantor:</p> <p>Atlantic Specialty Insurance Company            c/o UniFi Completion Guaranty Insurance Solutions, Inc.            d/b/a UniFi Completion Guarantors            22287 Mulholland Highway #367            Calabasas, CA 91302-5190 USA            Attention: Steven Leib            Fax No.: +1 310 955 1351            Email: <a href="mailto:steven@unifibonds.com">steven@unifibonds.com</a></p>	<p>With a copy to:</p> <p>Atlantic Specialty Insurance Company            c/o OneBeacon Entertainment            1100 Glendon Avenue, Suite 900            Los Angeles, CA 90024 USA            Attention: Joe Fitzgerald, Sr. VP and            Chief Operating &amp; Underwriting Officer            Fax No.: +1 866 934 4992            Email: <a href="mailto:jfitzgerald@onebeacon.com">jfitzgerald@onebeacon.com</a></p>

10.2 Service of Process. Service of any process, summons, notice or other communication in any judicial or other proceeding may be made in the manner provided herein and shall be deemed effective as provided herein. Each Party hereby expressly waives application of the procedures for service of process pursuant to The Hague Convention for Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters.

10.3 Construction. This Agreement shall be deemed drafted equally by the Parties. Its language shall be construed as a whole and according to its fair meaning. Any presumption or principle that the language is to be construed against any Party shall not apply. The headings in this Agreement are only for convenience and are not intended to affect construction or interpretation. The terms and conditions of each schedule, exhibit, rider and endorsement attached hereto are by reference incorporated in this Agreement. Any references to paragraphs or subparagraphs, sections or subsections, clauses or sub clauses, schedules, exhibits, riders and endorsements are to those parts of this Agreement, unless the context clearly indicates to the contrary. Also, unless the context clearly indicates to the contrary: (a) the plural includes the singular and the singular includes the plural, (b) or is used both conjunctively and disjunctively, (c) any, all, each, or every means any and all, and each and every, (d) includes and including are each without limitation, (e) herein, hereof, hereunder and other similar compounds of the word here refer to the entire Agreement and not to any particular paragraph, subparagraph, section or subsection, clause or sub clause, (f) references to this Agreement or any other agreement, document or instrument shall refer to such agreement, document or instrument and any permitted amendment, modification, supplement, extension, renewal, replacement and restatement thereof, and (g) all pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the entities or persons referred to may require.

10.4 Successors and Assigns. This Agreement will be binding upon and will inure to the benefit of the respective successors and assigns of each Party, provided that no Party shall assign its rights or obligations to any third person without the written consent of each other Party, which consent shall not be unreasonably withheld except as expressly permitted hereunder. No such consent shall be necessary for an assignment arising from (a) a corporate reorganization, (b) a merger, or (c) the acquisition of substantially all of the assigning Party's stock or assets.

10.5 Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable in any jurisdiction then, as to such jurisdiction only, such provision shall to the extent of such prohibition or unenforceability be deemed severed from the remainder of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

10.6 Cumulative Rights and Remedies. Each and all of the several rights and remedies provided for in this Agreement or at law or in equity shall be cumulative and no one of them shall be exclusive of any other right or remedy. The exercise of any one or more of such rights or remedies shall not be deemed to be a waiver of or an election not to exercise any other such right or remedy. The right of Beneficiary to make any legal demand or claim or commence any legal action or proceeding against Completion Guarantor in connection with this Agreement or the other Completion Documents shall be forever barred and surrendered unless Completion Guarantor receives written notification of such legal demand or claim not later than two (2) years from the date hereof.

10.7 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OR CHOICE OF LAW RULES OF SUCH STATE, AND THE FEDERAL LAWS OF THE UNITED STATES, AS APPLICABLE.

10.8 Arbitration.

10.8.1 If any Delivery dispute arises under any Distributor Assignment, such dispute shall be resolved in accordance with the terms of the applicable Interparty Agreement or Distributor Assignment.

10.8.2 Any controversy, dispute, or claim arising out of, in connection with, or in relation to the interpretation, performance, or breach of this Agreement, except for disputes subject to arbitration in accordance with the terms hereof, shall be resolved, at the request of either party, by a prompt, confidential and binding arbitration conducted under the auspices of the Independent Film & Television Alliance in effect as of the date the request for arbitration is filed and its rules (the "Rules"). The parties shall mutually select one (1) arbitrator ("IFTA Arbitrator") with experience and expertise in the entertainment industry. If the parties cannot agree upon an IFTA Arbitrator after a reasonable period, one shall be appointed pursuant to the Rules. The IFTA Arbitrator shall have the power to grant equitable relief in the appropriate circumstances. The arbitration shall be held in either a Beverly Hills or Los Angeles, California location. In any arbitration conducted hereunder, the parties shall be entitled to conduct appropriate discovery with respect to the subject matter of the arbitration and the IFTA Arbitrator shall have the authority to enter appropriate discovery orders and to impose appropriate sanctions against any party not complying with a discovery order. The decision of an IFTA Arbitrator acting under this Agreement shall be final and binding on all parties.



10.9 Submission to Jurisdiction; Service of Process. Each Party hereby submits generally, unconditionally and exclusively to the jurisdiction of the State of New York in New York County and to the jurisdiction of the federal courts of the United States District Court for the Southern District of New York for the purposes of any action, suit or other proceeding arising out of or based upon this Agreement or the subject matter hereof that is brought by any Party hereto and consents to service of process by any means authorized by New York law. Each Party hereby waives and agrees not to assert by way of motion, as a defense or otherwise in any such action, suit or proceeding, any claim that it is not subject to the jurisdiction of the above-named courts, that any of its respective property is exempt or immune from attachment or execution, that any such action, suit or proceeding is brought in an inconvenient forum, that the venue of any such action, suit or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by any of the above-named courts.

10.10 WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW WHICH CANNOT BE WAIVED, EACH PARTY HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR OTHER PROCEEDING ARISING OUT OF OR BASED UPON THIS AGREEMENT. EACH PARTY HEREBY FURTHER WAIVES ANY RIGHTS OF SETOFF, AND THE RIGHT TO IMPOSE COUNTERCLAIMS (OTHER THAN THOSE RIGHTS OF SETOFF AND COUNTERCLAIMS ARISING SOLELY AND DIRECTLY FROM THE FILM OR THIS AGREEMENT) IN ANY ARBITRATION OR LITIGATION IN ANY COURT WITH RESPECT TO, IN CONNECTION WITH, OR ARISING OUT OF THE OTHER COMPLETION DOCUMENTS, OR ANY OTHER CLAIM OR DISPUTE HOWSOEVER ARISING, BETWEEN BENEFICIARY AND COMPLETION GUARANTOR. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING AND, THIS WAIVER SHALL APPLY TO ANY AMENDMENTS AND MODIFICATIONS TO THIS AGREEMENT. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including, without limitation, contract claims, tort claims, breach of duty claims, and all other common law and statutory claims. Each Party hereby acknowledges this waiver is a material inducement to enter into a business relationship on which each Party has already relied in entering into this Agreement and will continue to rely in their related future dealings in connection with this Agreement. Each Party hereby further warrants and represents that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel.

10.11 Amendments. No modification, rescission, waiver, release, termination or amendment of any provision of this Agreement shall be effective as to Completion Guarantor or Beneficiary, except by a written agreement signed by an authorized signatory of Completion Guarantor and Beneficiary.

10.12 Conflict; Controlling Agreement. If there is any inconsistency between the terms and conditions of any Interparty Agreement or Distributor Assignment on the one hand and the Completion Documents on the other hand, then, as between each Party, the terms and conditions of such Interparty Agreement or Distributor Assignment, as the case may be, shall control.

10.13 Breach of Completion Agreement. Any action, inaction, breach, misfeasance or malfeasance under the Completion Agreement by Producer or any other party thereto shall not excuse any performance by Completion Guarantor or constitute a defense available to Completion Guarantor with respect to Completion Guarantor's obligations hereunder to Beneficiary except if such action, inaction, breach, misfeasance or malfeasance by the breaching party thereunder is made pursuant to Beneficiary's instruction or direction or with Beneficiary's written approval or consent in violation of or inconsistent with the terms hereof, which leads to any stoppage, impairment, hindrance or delay of, or increases the cost of or otherwise adversely affects Production and Delivery. Beneficiary shall have no obligation or liability hereunder with respect to any such action or inaction by Producer or any other party to the Completion Agreement unless such action or inaction is taken at the instruction or direction of Beneficiary or with the written approval or consent of Beneficiary. Beneficiary shall not be bound by any of the terms or conditions of the Completion Agreement.

10.14 Beneficiary Indemnification Rights. This Agreement shall not derogate from the rights of Beneficiary to indemnification, if any, from Producer or any other person under the terms of any of the Funding Documents or otherwise.

10.15 Additional Security. This Agreement is in addition to any other security Beneficiary may now or hereafter hold to secure the obligations owed to Beneficiary in connection with Film under the applicable Funding Documents or otherwise, and so long as Beneficiary does not impair, hinder or delay Production and Delivery, Beneficiary may, but shall not be obligated to, enforce its rights hereunder without first having recourse to any other security and without first taking any steps or proceedings against Producer or any other person.

10.16 Costs, Fees and Expenses. If any action, suit or other proceeding is brought by any Party for the enforcement of this Agreement, to declare rights or obligations hereunder, or as a result of an alleged breach, default or misrepresentation by any Party, the prevailing Party shall be entitled to recover its Attorneys' Fees and Costs. Excepting the express obligations of each Party hereunder, such Party shall not be liable for consequential, incidental, indirect, punitive or special damages, loss of profits, data, business or goodwill, however arising.

10.17 Authority to Act. Each Party warrants it is not required to obtain any authorizations, approvals or consents from any government bodies or regulatory authorities for the execution and delivery of this Agreement and its performance hereunder, its execution, delivery and performance of all of the terms and provisions under this Agreement has been duly authorized by proper

corporate or other action under the laws of the state of its incorporation, formation or organization, and no consent of any third person to its execution, delivery and performance under this Agreement is otherwise required.

10.18 Reservation of Rights. Beneficiary's agreements under this Agreement are for the benefit of Completion Guarantor only and do not limit Beneficiary's rights and remedies as against Producer or any other person. Accordingly, Beneficiary reserves all rights and remedies, at law or in equity, against Producer and any other person that do not materially adversely affect the rights or the obligations of Completion Guarantor under this Agreement. Subject to the foregoing limitation, this Agreement shall not interfere with, abrogate or otherwise diminish any of the rights and remedies of Beneficiary.

10.19 No Third-Party Beneficiary. No Party intends that any rights, obligations or restrictions contained herein shall inure to the benefit of any third person.

10.20 No Financial Guaranty. This Agreement is not intended to and does not provide a financial guaranty to Beneficiary in the event any person fails to pay any amounts or satisfy any obligations in connection with the Film.

10.21 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument, respectively. The delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in TIFF or PDF format shall be equally effective as delivery of a manually executed counterpart of this Agreement. Each Party delivering an executed counterpart by facsimile or transmitted electronically in TIFF or PDF format shall also endeavor to deliver a manually executed counterpart of this Agreement, but failure to do so shall not affect the validity, enforceability, or binding effect of this Agreement.

10.22 Final Agreement. Each Party intends for this Agreement to be the final, complete, and exclusive expression of the agreement between them, and to supersede any and all prior oral or written agreements, with respect to the subject matter hereof.

IN WITNESS WHEREOF, each Party has executed this Agreement as of the date first above written.

<p>“BENEFICIARY” Mediacap Finance LLC</p> <p>By: _____ Its: Authorized Signatory</p>	<p>“COMPLETION GUARANTOR” UniFi Completion Guaranty Insurance Solutions, Inc. d/b/a UniFi Completion Guarantors in the name of and on behalf of Atlantic Specialty Insurance Company</p> <p>By: _____ Its: Authorized Signatory</p>
--	---

LIST OF SCHEDULES AND EXHIBITS

Schedule 1	Schedule of Definitions
Exhibit "A-1"	Budget (top sheet only)
Exhibit "A-2"	Cash Flow Schedule
Exhibit "A-3"	Key Cast and Key Crew List including each Essential Element, if any
Exhibit "A-4"	Shooting Schedule (first and last page only)
Exhibit "A-5"	Post Calendar (first and last page only)
Exhibit "A-6"	Screenplay (cover and last page only)

Unifi SAMPLE FORM