

COMPLETION AGREEMENT

This Agreement (this "Agreement" or the "Completion Agreement") dated as of February 8, 2019, is entered into by Independent Films LLC, a Georgia limited liability company ("Producer") and UniFi Completion Guaranty Insurance Solutions, Inc. d/b/a UniFi Completion Guarantors, a California corporation ("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"). Producer and Completion Guarantor are each sometimes herein referred to as a "Party").

RECITALS

1. Mediacap Finance LLC, a California limited liability company ("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. Producer has requested Completion Guarantor to guaranty Production and Delivery in favor of Beneficiary subject to the terms, conditions, limitations, and exclusions of the Completion Guaranty.
3. This Agreement is a material inducement to Completion Guarantor, and Completion Guarantor has relied upon this Agreement, in entering into the Completion Guaranty.

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 1.

ARTICLE 2 - APPOINTMENTS

2.1 UniFi. Completion Guarantor acknowledges it has appointed Joseph Fitzgerald and UniFi, acting through any one of Steve Mangel, Steven Leib, Michael Levine or 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 been or will be furnished to Producer.

ARTICLE 3 - PRODUCTION ELEMENTS

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

3.1.1 The budget dated February 5, 2019, 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 February 5, 2019, a copy of which is attached hereto as Exhibit "A-2" (the "Cash Flow Schedule").

3.1.3 The key cast and crew listed in Exhibit "A-3" attached hereto (the "Key Cast and Crew List") 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, to the extent applicable, have been approved in accordance with the terms of the Interparty Agreement and the Distributor Assignments.

3.1.4 The location of Atlanta, Georgia and its environs for principal photography of the Film and Los Angeles, California and its environs for post-production of the Film (collectively, the "Location").

3.1.5 Each bank account listed in Exhibit "A-4" attached hereto (individually and collectively, the "Production Account").

3.1.6 The shooting schedule dated February 5, 2019, copies of the first and last page of which are attached hereto as Exhibit "A-5" with 31 days of first unit principal photography (the "Shooting Schedule"), and the post calendar dated February 5, 2019,

copies of the first and last page of which are attached hereto as Exhibit “A-6” 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-7” (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) a contingency allowance (regardless if there is a different or no amount therefor 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 if there is a different or no amount therefor 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 or related to (a) Interest or Charges (regardless if there is another or no amount therefor in the Budget); and (b) any item of cost designated below (collectively, the “Cost Exclusions”). 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.

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

4.3 **Funding the Strike Price.**

4.3.1 **Prior Funding.** As of February 8, 2019, Completion Guarantor has credited to the Strike Price prior advances totaling \$2,000,000 (the “Prior Funding”), which amount includes Presale Deposits totaling \$600,000. 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”).

4.3.2 **Subsequent Funding.** Unless Completion Guarantor shall agree otherwise in writing, the Minimum Remaining Funding Amount shall be funded by Beneficiary making Production Advances, in U.S. Dollars, in accordance with the Cash Flow Schedule (subject to possible acceleration as herein provided) by electronic funds transfer directly to the Production Account (except for the Guaranty Fee to the extent not previously paid, which will be paid directly to UniFi pursuant to UniFi’s instructions or as otherwise instructed or agreed in writing by UniFi as agent for Completion Guarantor).

4.3.3 **Accelerated Funding.** Producer (with Completion Guarantor’s prior written approval) or Completion Guarantor may, upon giving a notice to Beneficiary, accelerate Beneficiary’s making of any Production Advances that have yet to be funded subject to the restrictions of any applicable currency forward exchange rate agreements and/or interest rate protection agreements (if any) and also subject to the terms of the applicable Funding Agreement, at a rate faster than specified in the Cash Flow Schedule in terms of amount and/or the timing thereof. In such event, Producer (to the extent of proceeds of all Production Advances, including the Contingency, then-remaining available) or otherwise Completion Guarantor will promptly pay or cause to be paid the amount of any applicable Accelerated Interest and Charges to Beneficiary.

4.4 **Conditions Precedent.** Producer acknowledges and agrees that the effectiveness of this Agreement, the Completion Guaranty and the other Completion Documents is conditioned upon Completion Guarantor’s prior receipt of the Guaranty Fee and the full execution and delivery to Completion Guarantor of copies of the following agreements and documents to the satisfaction of Completion Guarantor in its sole discretion unless Completion Guarantor has in writing waived any such condition: this Agreement, the Director’s Undertaking, the Final Cut Holder’s Undertaking, if applicable, the Required Insurance Coverages, the Production Account Control Agreement (with respect to each Production Account), the Laboratory Control Agreement (with respect to each Laboratory), the Producer’s Power of Attorney, the Copyright Mortgage and Assignment and the Authentication for Financing Statement. The Guaranty Fee is fully earned upon the execution hereof and is non-refundable.

ARTICLE 5 - PRODUCTION

5.1 Production Defined. “Production” collectively means (a) 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; and (b) the payment of all items of cost (other than the Cost Exclusions, if any, and other costs to the extent not covered in full by the terms of the Completion Guaranty) included in the estimated negative cost statement of the Film (and all items or costs included on the final negative cost statement to the extent not included in the estimated negative cost) prepared in accordance with normal industry practices including, but not limited to, all third-party contracts entered into in writing by Producer in connection with the Film, or in the case of costs incurred but not yet paid, or costs being contested in good faith by appropriate proceedings or costs subject to payment by insurance, securing payment thereof in a manner reasonably satisfactory to Beneficiary.

5.2 No Material Changes. Producer shall, subject to such minor variations and/or minor alterations as may be necessitated by the exigencies of Production and Delivery, conform to and comply with the Production Elements, the Specifications, and the requirements of each Distributor Agreement. Producer shall not, without the prior consent of Completion Guarantor and each Distributor (to the extent such Distributor has a right of approval with respect thereto), make or agree to make any material change to or in any of the Production Elements, the Specifications, or any other details in connection with Production and Delivery; provided, however:

5.2.1 To the extent permitted by the Interparty Agreement and subject to the terms thereof and any Distributor Agreement (as may be modified by the relevant Distributor Assignment), Producer may make minor, non-material changes in the Production Elements that, in Completion Guarantor's reasonable judgment, individually and in the aggregate do not (a) materially affect the storyline or principal characters in the Screenplay, (b) result in either an increase in the cost of, or a delay in the completion of, Production and Delivery, or (c) prejudice the ability of the Film or certain costs of Production and Delivery to qualify for the contemplated Incentives or diminish the value of the contemplated Incentives. If Producer contracts for items in the Budget at a cost that is less than the allowance set forth therein, then Producer shall first apply such savings to the Contingency to the extent all or any portion of the Contingency shall have been expended at the time of applying the savings. Next, Producer may apply such savings remaining toward other items in the Budget provided that applying the savings shall not cause an extension of the Schedule or result in an increase in the Budget.

5.2.2 Producer may, subject to reasonable prior notice to Completion Guarantor, make changes which may result in an increase in the cost of Production and Delivery provided (a) Producer deposits or causes to be deposited into the Production Account funds, which in Completion Guarantor's reasonable judgment, are at least equal to such increased cost, (b) such changes do not result in any delay in the Schedule, and (c) such changes, in Completion Guarantor's reasonable judgment, are not subject to the approval of any third-party which approval has not been secured in writing. In regard to any proposed changes to the Screenplay (other than those changes expressly permitted pursuant to the Interparty Agreement and the Distributor Agreements), Producer shall submit all such changes and changed pages which require approval by any Distributor or other third-party in writing to Completion Guarantor at least three (3) Business Days in advance of their scheduled photography. Completion Guarantor shall then have two (2) Business Days after receipt to review and approve or reject any such proposed change. Producer will simultaneously give no less than two (2) Business Days' prior notice to each such Distributor (and any other third-party having approval rights in regard thereto) for their approval and upon the expiration of the two (2) Business Day period, Producer shall immediately notify the director and line producer or unit production manager and any other cast and crew members the extent to which the proposed changes have been approved or rejected. If any such Distributor or other third-party does not respond in writing to Producer and Completion Guarantor within said two (2) Business Day period, then the proposed changed pages shall be deemed rejected.

5.2.3 Except as otherwise provided in the Interparty Agreement, if any Key Cast or Key Crew member must be replaced for any reason, then Producer shall, within five (5) Business Days (two (2) Business Days, if such replacement becomes necessary during principal photography), designate a replacement who will (a) be of reasonably comparable commercial stature and, with respect to the replacement of any Key Cast member, suitable to play the applicable role in the Screenplay, (b) be available to render its services at all times required by the Schedule, (c) be engaged to render its services for compensation not exceeding the remaining allowance allocated in the Budget for the Key Cast or Key Crew member being replaced and without any non-standard restriction, exclusion, exemption or limitation nor any greater deductible or premium under the insurance obtained for the Film, and (d) not have a history of causing or permitting substantial cost overruns (collectively, the “Replacement Parameters”) Completion Guarantor shall have the right to designate any such replacement at the sole discretion of Completion Guarantor if Producer fails to designate such replacement consistent with the Replacement Parameters within the aforesaid applicable time periods or in the event of Takeover. To the extent the fixed compensation payable to any such replacement designated by Producer shall exceed the remaining allowance allocated in the Budget for the Key Cast or Key Crew member being replaced, Producer shall cause the funds needed to cover any such excess costs to be immediately deposited into the Production Account from sources other than Completion Guarantor.

5.2.4 Producer acknowledges and agrees that the foregoing provisions are of the essence of this Agreement; their purpose to enable Completion Guarantor to specify, fix and limit its obligations and liability under the terms of the Completion Guaranty to the scope of Production and Delivery as initially contemplated and described at the time the Parties enter into this Agreement.

5.3 Start Date. Principal photography shall begin no later than the start date designated therefor in the Schedule unless otherwise approved in writing by Completion Guarantor.

5.4 Contracting Rights. Producer shall obtain all rights, properties, and services for use in the Film by written contract within the resources of the Budget and, where applicable, in accordance with the other Production Elements, and Specifications.

5.5 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 shall cause the funds needed to cover any such excess costs to be immediately deposited into the Production Account from sources other than Completion Guarantor. 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.

5.6 Production Account Signatories. All disbursements from the Production Account shall require no less than two (2) signatures. Producer shall obtain Completion Guarantor's prior approval of each signatory to the Production Account. The Line Producer, Production Accountant (during principal photography), Post-Production Accountant (during post-production) and Producer's Chief Financial Officer are hereby preapproved for such purpose. Producer shall permit the proceeds of each Production Advance to be used solely to cover the cost of Production and Delivery. Producer will not permit the funds in the Production Account to be commingled with any other funds of Producer or others. Producer shall cause any bank holding a Production Account to execute and deliver to Completion Guarantor a Production Account Control Agreement in such form and substance satisfactory to Completion Guarantor. Completion Guarantor may, if it so elects in its sole discretion, require that its designee be a required joint signatory with respect to the Production Account and any borrowing certificate or drawdown request pursuant to the Funding Agreement. Copies of bank statements and access to check registers with respect to the Production Account shall be provided to Completion Guarantor when statements are issued and upon reasonable notice with respect to check registers.

5.7 Budget Allowances.

5.7.1 Producer hereby agrees that, except with Completion Guarantor's prior written approval, the following items shall be contracted within the respective aggregate allowance allocated therefor in the Budget and, where applicable, in accordance with the other Production Elements, and Specifications: (a) the cost of licensing or otherwise acquiring all rights to the story, scenario, Screenplay, including all drafts thereof and revisions thereto, and any other underlying rights in the Film legally required for Production and Delivery; (b) the compensation payable to each Key Cast and Key Crew member and all other personnel whatsoever engaged on the Film including any entertainment, travel, accommodation and subsistence expenses and other perquisites payable or reimbursable thereto; (c) the cost of licensing or otherwise acquiring all rights, licenses and clearances of any Pre-Existing Material for use in the Film; (d) the cost of producing or acquiring special effects, opticals, CGI effects and other visual effects services; (e) the cost of advertising, marketing, promotion and publicity including for previewing and research screenings; (f) insurance premiums; (g) the fees and expenses of attorneys, accountants, auditors and other professional advisors, consultants, representatives or agents of Producer (except in connection with an Arbitration); and (h) the fees, expenses and charges payable to any lender, investor or financier of the Film including any Beneficiary.

5.7.2 If Producer contracts, without Completion Guarantor's prior written approval, for any of the foregoing items in a manner not strictly within the respective aggregate allowance allocated therefor in the Budget (other than line item reallocations as permitted herein) or not in accordance with the other Production Elements or Specifications, then Producer shall cause the funds needed to cover any such excess costs to be immediately deposited into the Production Account from sources other than Completion Guarantor.

5.7.3 Unless directed to undertake such action or activity by Completion Guarantor, Producer shall be responsible to pay any cost, expense, loss, or damage due to any (a) strike, lockout, boycott, voluntary or forced unionization or attempted or threatened unionization or other labor disturbance affecting, hindering, impairing, delaying or preventing Production and Delivery, including, without limitation, any failure to recognize the authority or jurisdiction of any Guild or any withdrawal of cast or crew members in accordance with demands or work stoppages; (b) actions or demands of any Guild; (c) 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; (d) failure to satisfy the financial assurance requirements of any Guild prior to commencement of principal photography;

or (e) Guild levying additional payments, including fringes, surcharges or penalties 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. Without limiting its rights or remedies hereunder, Completion Guarantor shall have the right to withhold payment from Producer's fee to cover any such cost, expense, loss, or damage.

ARTICLE 6 - DELIVERY

6.1 Delivery Defined. "Delivery", and any initially 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:

6.1.1 Sales Agent in accordance with the terms of the Interparty Agreement and subject to the notice, inspection and cure procedures therein, if any; and

6.1.2 each Current Distributor (other than Sales Agent) in accordance with the terms of the applicable Distributor Assignment and subject to the notice, inspection and cure procedures therein, if any.

6.2 Delivery Date Defined. The "Delivery Date" means, as it applies to Sales Agent and each other Current Distributor, 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 thirty-five (135) days in the aggregate, by reason of (i) Events of Force Majeure, (ii) Events of Essential Element Force Majeure; and/or (iii) any other exigencies that result in any stoppage, postponement or interruption of Production and Delivery, as determined by Completion Guarantor in its sole discretion.

6.2.1 as it applies to Sales Agent, the Delivery Date is November 29, 2019; and

6.2.2 as it applies to each Current Distributor (other than Sales Agent), the Delivery Date is December 27, 2019.

6.3 Delivery. Producer shall Deliver the Film to all Distributors including Sales Agent by the applicable Delivery Date (as extended in accordance with the terms of this Agreement); time being of the essence. All Delivery costs, as and when due, will be paid by Producer. Notwithstanding the foregoing and without relieving Producer of its aforesaid obligation, Completion Guarantor shall have the right to Deliver the Film to any Distributor including Sales Agent pursuant to the terms of the Completion Guaranty and the Interparty Agreement. Each Current Distributor and the Distributor Territory and Minimum Guarantee corresponding to such Current Distributor is referenced in the List of Current Distributors.

6.4 Assignment of Rights.

6.4.1 If the Film is Abandoned (either as acknowledged by Completion Guarantor or as determined pursuant to an Arbitration) and Completion Guarantor makes full payment of the amounts thereby due to Beneficiary pursuant to the terms of the Completion Guaranty, then all of Producer's Rights shall automatically, irrevocably and forever be assigned to Completion Guarantor whereupon Producer agrees that Producer, together with any production services company directly or indirectly engaged or appointed by Producer to provide services in connection with the Film, no longer shall have any Rights with respect to the Film or the Collateral. In such event, Producer (and each such applicable production services company) shall immediately transfer to Completion Guarantor all Delivery Items and any other Film materials or duplicates thereof in its possession, custody or control. Producer represents, warrants and agrees that upon the assignment of Producer's Rights to Completion Guarantor as provided herein, all rights granted in relation to the Film or the Collateral or any portion thereof to Sales Agent and all other Distributors and Licensing Intermediaries shall also automatically divest and terminate.

6.4.2 Except if the Film is Abandoned,

(a) 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) and Completion Guarantor makes full payment of the amounts thereby due to Beneficiary pursuant to the terms of the Completion Guaranty, then, all of Producer's Rights excluding Producer's rights in and to each Distributor Agreement (and any related Distributor Assignment), shall be assigned to Completion Guarantor whereupon Producer agrees it, together with any production services company directly or indirectly engaged or appointed by Producer to provide services in connection with the Film, no longer shall have any Rights with respect to the Film or the Collateral other than Producer's rights in and to each Distributor Agreement (and any related Distributor Assignment). Producer represents, warrants and agrees that upon the

assignment of Producer's Rights to Completion Guarantor as provided herein, all rights granted in relation to the Film or the Collateral or any portion thereof to Sales Agent shall also automatically divest and terminate.

(b) 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) and Completion Guarantor makes full payment of the amounts thereby owed to Beneficiary pursuant to the terms of the Completion Guaranty, then Producer's Rights in and to (a) each Distributor Agreement (and any related Distributor Assignment) with respect to which there was a failure to Deliver shall automatically, irrevocably and forever be assigned to Completion Guarantor, whereupon Producer, together with any production services company directly or indirectly engaged or appointed by Producer to provide services in connection with the Film, shall no longer shall have any Rights with respect to each such Distributor Agreement (and any related Distributor Assignment). Producer represents, warrants and agrees that upon the assignment of Producer's Rights with respect to any Distributor Agreement (and any related Distributor Assignment) to Completion Guarantor as provided herein, all rights granted in relation to such Distributor Agreement (and any related Distributor Assignment) to the Distributor and, if applicable, the Sales Agent and Licensing Intermediary with respect thereto shall automatically, irrevocably and forever divest and terminate. Completion Guarantor has no obligation to refund any Presale Deposits to Distributors except as otherwise expressly agreed in a Distributor Assignment.

(c) In either such event, Producer shall immediately transfer to Completion Guarantor all Delivery Items and any other Film materials or duplicates thereof in its possession, custody or control except for any Delivery Items are needed by Producer to Deliver the Film to any other Distributor.

6.4.3 Any assignment of rights as herein provided is without prejudice to any other rights or remedies, at law or in equity, which Completion Guarantor may have against Producer for failing, refusing or being unable to complete Production and Delivery in accordance with the terms hereof.

6.5 35mm Delivery Items. Notwithstanding anything to the contrary contained in this Agreement or the other Completion Documents, Producer shall indemnify and hold harmless Completion Guarantor from and against any cost, expense, loss, or damage Completion Guarantor may incur or suffer as a result of 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 that in Completion Guarantor's opinion is capable 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.

6.6 Additional Documents. At Completion Guarantor's request, Producer shall execute and deliver all such further documents prepared by Completion Guarantor consistent herewith as Completion Guarantor may deem necessary or appropriate to effectuate or substantiate any such assignment of Producer's Rights. In the event Producer fails to do so within three (3) Business Days of Completion Guarantor's request, Completion Guarantor may execute such documents as Producer's attorney-in-fact pursuant to the Producer's Power of Attorney.

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

ARTICLE 7 - ENHANCEMENT

7.1 Enhancement. Completion Guarantor acknowledges that certain circumstances may arise in the course of Production and Delivery in which Producer may find it desirable and feasible to undertake an Enhancement. Producer may propose to make an Enhancement by any means consistent with professional standards of motion picture production. The proposed Enhancement may include removal of, replacement of, or adding to, any cast or crew members, an extension of the Schedule, the addition of cuts or previews, and any changes to the Film resulting therefrom except to the extent required to correct technical defects or to conform to the Specifications, an addition to or elaboration of sets, props, costumes, locations and other matters of production design, or an expansion of animal actors, stunts, special effects, opticals, visual effects, CGI, 3D conversion, titles, music, scoring or sound. However, Producer shall not make any material change to the Production Elements or Specifications incident to an Enhancement except as herein provided.

7.2 Proposal. Before commencing any Enhancement, Producer shall prepare and submit to Completion Guarantor, for Completion Guarantor's timely comment or approval, a written proposal for such Enhancement, stating all facts and particulars relevant

thereto including any changes in or additions to any Production Element. Such proposal shall also contain detailed budgeting, scheduling and financing information, sufficient for Completion Guarantor to reasonably conclude that Producer shall cause the funds needed to cover the budget, including any contingency allowance required by Completion Guarantor, for the Enhancement to be immediately deposited into the Production Account from sources other than Completion Guarantor, and that the proposed Enhancement and all changes in or additions to Production and Delivery, including changes to any Delivery Date, shall have been approved by Beneficiary and each Distributor (to the extent of their respective approval rights).

7.3 Review. Completion Guarantor shall be entitled to exercise its reasonable judgment as to all matters related to the Enhancement (except the commercial or artistic desirability of the proposed Enhancement), including the adequacy of the budgeting, scheduling and financing therefor and the extent to which the Enhancement poses a greater risk to Completion Guarantor under the Completion Documents. Completion Guarantor shall not be obligated to consider an Enhancement not supported by a proposal as set forth above or not submitted in sufficient time to permit Completion Guarantor to conduct an adequate evaluation.

7.4 Additional Fee. It shall be a condition precedent to Completion Guarantor's bonding any Enhancement that, prior to the commencement of the Enhancement, Completion Guarantor shall receive an additional fee, the amount of which Completion Guarantor agrees to negotiate in good faith, for the increased risk being assumed by, and/or the additional time, effort and services required of, Completion Guarantor in connection therewith.

7.5 Failure to Obtain Approval. The undertaking of any Enhancement without Completion Guarantor's prior written approval shall, in addition to being deemed to be a material breach by Producer hereof, be grounds for Completion Guarantor to, acting reasonably, invoke one, all, or any reasonable combination of Completion Guarantor's rights, remedies, powers and defenses hereunder or as a secured party, at law or equity.

7.6 Enhancement Notice. Completion Guarantor may, but shall be under no obligation to, send a notice ("Enhancement Notice") to Producer of Completion Guarantor's belief that certain costs of Production and Delivery (which shall be identified in such notice) were incurred by reason of an Enhancement. Within five (5) Business Days after its receipt of an Enhancement Notice, Producer shall give written notification to Completion Guarantor as to whether Producer accepts ("Enhancement Acceptance Notice") or objects to ("Enhancement Objection Notice") the claims in the Enhancement Notice. If Producer shall send an Enhancement Objection Notice to Completion Guarantor, Producer shall specify therein the extent to which Producer accepts or objects to each of the costs claimed in the Enhancement Notice to have been incurred by reason of an Enhancement. In the Enhancement Objection Notice, Producer shall provide explanations, with reasonable specificity, as to why Producer does not accept any such costs were incurred by reason of an Enhancement. If Producer fails to send an Enhancement Objection Notice, with such reasonably specific explanations, to Completion Guarantor within five (5) Business Days after Producer's receipt of an Enhancement Notice, then for all purposes hereunder Producer shall be deemed to have sent to Completion Guarantor an Enhancement Acceptance Notice with respect to all the costs stated in the Enhancement Notice. Any failure or neglect of Completion Guarantor to send to Producer an Enhancement Notice with respect to any particular Enhancement will not constitute a waiver of Producer's obligation to comply with the provisions hereof in connection with such Enhancement.

ARTICLE 8 - INSURANCE

8.1 Coverages. Producer represents and warrants that it has obtained and will maintain any insurance coverage Completion Guarantor may reasonably require (collectively, "Required Insurance Coverages") including the "Basic Insurance Coverages" as described in Exhibit "B" hereof. Each insurer and the terms and conditions of each policy shall be subject to Completion Guarantor's approval. Without limiting Completion Guarantor's right of approval and unless Completion Guarantor shall approve otherwise in writing, (a) the insurer must be an admitted carrier and have a financial rating of not less than "A-" by A.M. Best, (b) the minimum term, minimum limit and maximum deductible corresponding to each policy should be no less favorable than as provided in Exhibit "B" hereof. Prior to the execution hereof, Producer shall submit to Completion Guarantor, for Completion Guarantor's timely comment or approval, a true and complete copy of each such insurance policy (or certificate evidencing the same), receipts for the insurance premiums paid and, with respect to cast insurance, a cast log evidencing that all Key Cast members and the Director are fully insurable without any non-standard restriction, exclusion, exemption or limitation. Producer shall indemnify and hold harmless Completion Guarantor from and against any cost, expense, loss or damage Completion Guarantor may incur or suffer per occurrence as a result of any insured loss being subject to any non-standard restriction, exclusion, exemption or limitation that has not been approved in writing by Completion Guarantor. Subject to Section 8.2, if Producer shall fail to procure and maintain any Required Insurance Coverages, Completion Guarantor may, but shall be under no obligation to, procure and maintain the same and Producer will immediately reimburse Completion Guarantor for any premiums thereon advanced by Completion Guarantor.

8.2 Additional Insurance Coverages. If during Production and Delivery changes in conditions arise, which in Completion Guarantor's judgment, will increase exposures covered by the Completion Documents that may be covered by available insurance, then Producer shall comply with any request made by Completion Guarantor that additional or extended insurance be obtained and maintained. Producer shall obtain such further insurance for such amounts as Completion Guarantor may reasonably specify within budgetary parameters and shall at the request or with the prior written approval of Completion Guarantor modify or extend the policies in order to ensure that full insurance satisfactory to Completion Guarantor is maintained at all times until the Film is either Abandoned or Delivered. The premiums for such modified or extended insurance shall, first be paid from Budget funds (excluding the Contingency) to the extent possible, next from the Contingency to the extent remaining and not committed or allocated towards payment of any other costs itemized in the Budget at the time such premiums are incurred, and last by Completion Guarantor, in which event any such payments advanced by Completion Guarantor shall constitute Completion Sums. Producer shall inform Completion Guarantor of all further insurance or modifications or extensions obtained as aforesaid and furnish Completion Guarantor on demand a true and complete copy of each further policy of insurance (or certificate evidencing the same) or endorsement to earlier policies and the receipts for premiums paid by Producer. Completion Guarantor shall have the irrevocable right, but not the obligation, to purchase any such additional insurance, which shall be paid for in accordance herewith.

8.3 No Act Permitting Cancellation. Producer shall not commit or authorize (or fail to use all reasonable efforts to prevent) any act or thing whereby any insurance policy obtained pursuant hereto may be voided or canceled, in whole or in part, or the coverages under any such policy may be adversely affected. In addition, Producer shall immediately inform Completion Guarantor if Producer becomes aware of any such action that has been undertaken or created by any third-party.

8.4 Insured Costs. Producer shall promptly notify Completion Guarantor of the occurrence of any event which Producer believes in good-faith (in the exercise of reasonable prudence and diligence) would qualify for coverage pursuant to any insurance policy obtained pursuant hereto and, if instructed to do so by Completion Guarantor, Producer shall immediately file a claim with respect to such event as soon as practical. Producer shall be responsible for paying and shall immediately cause to be deposited into the Production Account the amount of any costs incurred as a result of PSC's failure to comply with the provisions hereof that otherwise would have been recovered by any insurance coverage if PSC had not failed to comply with the provisions hereof.

8.5 No Settlements. Subject to the provisions of the Interparty Agreement and the other Completion Documents, until Completion Guarantor shall, in writing, be irrevocably, fully and forever released and discharged from all of its obligations, liabilities, and debts under the Completion Documents, no insurance claim in respect of any insurance coverage obtained pursuant hereto shall be settled, other than claims of a minor nature (i.e., claims for one thousand dollars or less), unless Completion Guarantor shall give its specific written approval to such settlement in each instance. If there is a dispute between the insurer and Producer with regard to Producer's recovery under the coverage provided by any such insurance coverage, then the following provisions shall apply:

8.5.1 If either (a) Abandonment is threatened, or (b) the outcome of the dispute may (as determined by Completion Guarantor in its good-faith business judgment) increase the likelihood that Completion Guarantor will need to advance Completion Sums or Takeover (but Completion Guarantor has not already had to advance Completion Sums or Takeover), then Producer shall (i) discuss the reimbursement dispute with Completion Guarantor and otherwise comply with the explanation and meeting provisions set forth herein, (ii) give to Completion Guarantor copies of all proposed correspondence with the insurer for Completion Guarantor's timely comment or approval prior to giving the same to the insurer, and (iii) give full consideration to the views and proposals of Completion Guarantor in order to determine what steps need to be taken to resolve such dispute; and

8.5.2 If Completion Guarantor determines that Producer is putting Completion Guarantor at risk of having to advance Completion Sums or Takeover, or Completion Guarantor has already had to advance Completion Sums or Takeover, then Completion Guarantor shall have the right to solely and exclusively control all interaction with the insurer.

8.6 Recovery of Costs. Subject to the terms of the Interparty Agreement and the other Completion Documents, if Completion Guarantor shall advance Completion Sums in connection with any event or liability that is: (a) covered by any insurance obtained pursuant hereto, then Producer shall, whether or not formally demanded by Completion Guarantor, pay to Completion Guarantor any monies recovered by Producer thereunder (except monies payable to a third-party, such as with respect to a personal injury or property damage claim, unless Completion Guarantor has previously settled or satisfied such claim) as soon as the insurance claim has been settled up to the amount of such Completion Sums including Interest thereon from the date of payment by Completion Guarantor through the date such amounts are paid to or recovered by Completion Guarantor and shall, if required by Completion Guarantor, ensure that notice of Completion Guarantor's rights hereunder are endorsed upon each insurance policy; or (b) either not insured or underinsured, but which would have been further or fully covered had Producer procured the insurance coverages required hereunder, Producer shall immediately pay to Completion Guarantor such sums as would have been recovered thereunder if it had been obtained by Producer as herein required.

ARTICLE 9 - REPRESENTATIONS AND WARRANTIES

9.1 Representations and Warranties. Producer hereby represents and warrants that:

9.1.1 Pursuant to various agreements, Producer has acquired all right, title and interest in the Film and the Collateral (as hereinafter defined) and is ready, able and willing to fully perform all its obligations, representations, warranties, and agreements under this Agreement and the other Completion Documents.

9.1.2 The Film and the Collateral are not presently subject to any liens, security or encumbrances (nor will it be prior to Completion Guarantor's release of the Lien), other than any of the Permitted Liens including any security interest, mortgage of copyright or other liens or security in the Film, any item of the Collateral, and the products and proceeds thereof granted to (a) Beneficiary pursuant to the Funding Agreement or the other Funding Documents and (b) any Distributor pursuant to a Distributor Agreement (limited to the distribution rights that have been granted to such Distributor) (collectively, the "Priority Liens").

9.1.3 The Prior Funding has been contributed in full to cover Production and Delivery costs as herein provided.

9.1.4 If the Budget contemplates the expenditure of Production Advances in multiple currencies then to the extent any Production Advance that is received in one currency will need to be exchanged for a different currency according to the Budget, then the rate of each currency exchange will be no less favorable than the applicable currency exchange rate that is specified in the Budget or, in the event the rate of any currency exchange is less favorable, then Producer will promptly deposit or cause to be deposited into the Production Account the amount of any resulting currency exchange loss.

9.1.5 Each Current Distributor Agreement is in force and effect as of the date hereof. Producer has submitted (or will promptly submit as they are executed) fully executed copies of each Distributor Agreement and Distributor Assignment to Completion Guarantor.

9.1.6 The Production Elements and Specifications have been approved by Producer and each third-party having approval rights with respect thereto. Producer has entered contracts for the exclusive (or non-exclusive/first priority) services of each Essential Element, if any, has or will enter into such contracts for each other Key Cast and Key Crew member, and has or, prior to their execution, will provide Completion Guarantor with copies of the same for Completion Guarantor's timely comment and approval. Producer will not terminate or otherwise modify any such agreement in a manner which may adversely affect Completion Guarantor's rights and obligations hereunder or in connection with the Film or the Collateral. Except for compensation that is deferred and payable, if ever, after Delivery has been completed and Completion Guarantor has been irrevocably, fully and forever discharged from all of its obligations, liabilities, and debts under the Completion Documents, the Budget shall include the full amount of any cash compensation due to each Key Cast and Key Crew member. Production and Delivery shall not be conditioned upon the rendition of services by any Key Cast or Key Crew member or any other party except pursuant to the Specifications.

9.1.7 Subject to the terms of the Interparty Agreement or any Distributor Assignment, no Key Cast or Key Crew member or any other third-party has approval over the selection of any other Key Cast or Key Crew member, or any replacement thereof, except if (a) such right of approval becomes only a right of consultation at least four (4) weeks prior to the start of principal photography, or (b) such right of approval becomes a right of designation or replacement that is required to be exercised, if at all, within two (2) Business Days after the need therefor arises; provided, that in each such instance, Producer or Completion Guarantor must have a unilateral tie-breaking right in the case of any deadlock.

9.1.8 There shall be no firm "Start Date" or "Stop Date" (as such terms are customarily understood in the motion picture industry) with respect to any Key Cast or Key Crew member, venue or location except to the extent approved in writing by Completion Guarantor. Provided the insurer of the motion picture production package insurance obtained for the Film shall approve any such Start Date or Stop Date applicable to any Key Cast or Key Crew member, Completion Guarantor shall not withhold its approval thereof provided there is not less than ten (10) working days between such Start Date or Stop Date, as applicable, and such Key Cast or Key Crew member's first or last working day, as the case may be, as indicated in the Schedule.

9.1.9 The Budget sets forth a complete and accurate forecast of all costs that have been or will be paid or incurred for Production and Delivery that, as of the execution hereof, are known or reasonably foreseeable by Producer.

9.1.10 Prior to the start of principal photography, Producer will (a) satisfy all requirements, including the financial assurance requirements, of each applicable Guild; (b) to the extent required in the relevant jurisdiction, seek and obtain court approval of

agreements for the services of minors with material roles; (c) to the extent required in the relevant jurisdiction, seek and obtain any approvals and permits from government bodies or regulatory agencies or authorities; and (d) promptly provide Completion Guarantor with copies of such approvals upon Completion Guarantor's written request.

9.1.11 Producer shall cause the Director (and, if applicable, an authorized signatory of the Director's loan-out company) to execute and deliver to Completion Guarantor an agreement, in form and substance acceptable to Completion Guarantor, which, among other things, includes (a) the Director's approval of, and agreement to adhere to, the Budget, Schedule, Screenplay and Specifications subject to the terms and conditions thereof; and (b) the terms and conditions under which the Director may exercise or forfeit the Director's cutting and previewing rights ("Director's Undertaking"). Producer warrants, represents and agrees that the agreement pursuant to which Producer shall engage the services of the Director in respect of the Film ("Director's Agreement") shall be governed under the laws of California, New York and/or England except if Completion Guarantor shall approve otherwise in writing.

9.1.12 Subject to the terms of the Interparty Agreement, no third-party shall have a sole or shared right of "Final Cut" (as such term is customarily understood in the motion picture industry) unless, prior to the execution hereof, each such party ("Final Cut Holder") shall execute and deliver to Completion Guarantor an agreement, in form and substance acceptable to Completion Guarantor, which, among other things, sets forth the terms and conditions under which such party may exercise or forfeit the right of Final Cut ("Final Cut Holder's Undertaking"). If such right of Final Cut is shared between Producer and one or more other Final Cut Holders, then the execution and delivery of a Final Cut Holder's Undertaking will not be required if either Producer or Completion Guarantor shall have the sole, unilateral tie-breaking right in the case of deadlock.

9.1.13 Prior to the execution hereof, Producer shall deliver to Completion Guarantor a fully executed copy of the Director's Undertaking and, if applicable, the Final Cut Holder's Undertaking, the Laboratory Control Agreement (with respect to each Laboratory), the Production Account Control Agreement (with respect to each Production Account), the Producer's Power of Attorney, the Copyright Mortgage and Assignment and the Authentication for Financing Statement, each in form and substance acceptable to Completion Guarantor.

9.1.14 If any rights have been or will be granted by Producer to (a) any Distributor pursuant to a Distributor Agreement, or (b) any Licensing Intermediary pursuant to a Licensing Intermediary Agreement, as applicable, such rights shall be subject to automatic rescission and cancellation in the event of any failure, refusal or inability to Deliver the Film to such Distributor or Licensing Intermediary, as applicable.

9.1.15 As of the date the Film is Delivered, Producer shall have paid all costs of Production and Delivery or in the case of such costs incurred but not yet paid, or being contested in good faith by appropriate proceedings or subject to payment by insurance, Producer shall secure payment thereof in a manner reasonably satisfactory to Completion Guarantor.

9.1.16 Without the prior written consent of Completion Guarantor, Producer will not cause or permit the rightful or constructive dismissal, discharge, suspension or termination, or accept, approve of, or consent to the voluntary resignation, suspension or termination of, any person, firm, or entity that has been engaged or employed to provide rights or perform services of any kind or nature in connection with Production and Delivery if (a) such person is a member of the Key Cast or Key Crew, or (b) such action will likely result in (i) an increase in the cost of, or a delay in the completion of, Production and Delivery, (ii) the inability of the Film or certain costs of Production and Delivery to qualify for any contemplated Incentives or to diminish the value of any contemplated Incentives; or (iii) a claim, action, suit, or proceeding for wrongful termination or other legal liability being threatened, claimed, or brought against Producer.

9.2 Survival. The representations, warranties, and indemnities made by Producer herein shall survive the termination or release of Completion Guarantor's obligations under the Completion Guaranty or any of the other Completion Documents.

ARTICLE 10 - ADDITIONAL COVENANTS

10.1 Producer's Covenants. Until the Film is Delivered, Completion Guarantor has been irrevocably, fully and forever released and discharged from all of its obligations, liabilities, and debts under the Completion Documents, and Completion Guarantor shall have fully recouped all Completion Sums if any, Producer shall:

10.1.1 apply the proceeds of each Production Advance in accordance with this Agreement and the Budget, or otherwise as Completion Guarantor may approve in writing. Producer will not permit any Production Advances to be used to pay any Interest or Charges without Completion Guarantor's written consent. Producer acknowledges and agrees that the Contingency is intended to be used for unforeseen costs and expenses and Producer will not use or authorize the use of any portion of the Contingency

to pay Production or Delivery costs that are known, anticipated or reasonably foreseeable by Producer as of the execution hereof without Completion Guarantor's prior consent.

10.1.2 (a) keep Completion Guarantor fully informed as to the progress of Production and Delivery (including the occurrence of any events that could or might adversely affect the progress of Production and Delivery) and all plans for continuing and completing Production and Delivery; (b) cause to be prepared complete and accurate daily progress reports, weekly (during principal photography) and monthly (during post-production) cost reports, production reports, variance reports, "hot costs" reports and summary trial balances in accordance with the customs and practices in the U.S. motion picture industry and to submit copies thereof to Completion Guarantor within two (2) Business Days of the end of each week during principal photography and each month during post-production and otherwise upon Completion Guarantor's request; (c) supply UniFi on Completion Guarantor's behalf with copies of all bank statements when issued in connection with the Production Account and access to the check registers upon Completion Guarantor's request; (d) submit to Completion Guarantor for inspection all estimates of future expenditures or statements of cost incurred with respect to Production and Delivery that Completion Guarantor may request; and (e) ensure the Film will be capable of receiving a rating(s) not more restrictive than the rating(s), if any, required by the Specifications.

10.1.3 keep proper books and records at all times in which full, true, correct, and timely entries will be made of all of its dealings in connection with the Film in accordance with generally accepted accounting principles. Completion Guarantor (or its representative) shall have the right, upon reasonable prior notice, at the place where such books and records are customarily kept, to audit such books and records at reasonable times.

10.1.4 pay or legally contest when due all taxes, assessments, and charges imposed upon it or its properties, assets, operations or income related to the Film or the Collateral.

10.1.5 maintain its corporate existence and all rights and privileges necessary to the proper conduct of its business in full force and effect and duly comply with the requirements of all applicable laws, rules, regulations, and orders of any applicable government bodies or regulatory agencies or authorities.

10.1.6 promptly inform Completion Guarantor of all matters adversely affecting Producer's commercial or financial status, including any proceedings threatened or commenced against Producer (other than matters that will not affect the Film), and shall keep Completion Guarantor regularly advised of the progress of such proceedings and immediately notify Completion Guarantor of any judgment or settlement with respect thereto.

10.1.7 defend against all claims of any kind threatened or commenced against Producer affecting the Film subject to the Priority Liens.

10.1.8 subject to the terms of the Interparty Agreement, desist (except to the extent it has already done so or is permitted to do so under the Funding Agreement and the other Funding Documents, or to the extent Producer must do so in favor of any Secured Party, Guild or Laboratory, all of which have been previously disclosed to Completion Guarantor in writing) from permitting any sale, assignment, transfer, lease or other encumbrance of all or any portion of the Film, the Collateral, or any of Producer's rights or assets, without Completion Guarantor's prior written consent.

10.1.9 subject to the terms of the Interparty Agreement, desist from permitting any consent under any agreement, contract or right included in the Collateral, waiver of any default thereunder, or any release of any obligation of any other party obligated thereunder or to any modification or termination thereof that may adversely affect Completion Guarantor's rights, obligations or liabilities under this Agreement or any other the other Completion Document without Completion Guarantor's prior written consent.

10.2 Completion Guarantor's Covenants. Completion Guarantor shall keep proper books and records in which full, true, correct and timely entries will be made of all Completion Sums in accordance with generally accepted accounting principles. Upon Producer's request, Completion Guarantor shall inform Producer in writing as to the amount of Completion Sums and provide evidence of payment thereof.

ARTICLE 11 - PRODUCER'S DEFAULT

11.1 Events of Default. Producer shall be deemed to be in default hereunder ("Default") if any of the following events ("Event of Default") shall occur:

11.1.1 If any representation, warranty or agreement made by Producer herein or any statement or data submitted by Producer pursuant hereto shall prove to be inaccurate, incomplete or untrue in any material respect and shall materially adversely affect Completion Guarantor's rights, remedies, powers, defenses, obligations or liabilities under this Agreement, the Completion Guaranty or any of the other Completion Documents.

11.1.2 If Producer shall fail, refuse or be unable to (a) timely and properly Deliver the Film, (b) conform to and comply with the Production Elements and Specifications or, (c) timely, properly and lawfully perform and comply with any material term, covenant or condition contained in this Agreement, the Completion Documents or any other agreement with any party relating to the Film or the Collateral, which does or might, in Completion Guarantor's opinion, adversely affect Completion Guarantor's rights, remedies, powers, defenses, obligations or liabilities under the Completion Documents and, if curable, Producer does not cure such Default within two (2) Business Days after Producer's receipt of a notice of Default from Completion Guarantor. Producer shall be solely responsible for all costs that are incurred as a result of any act or omission related to a Default and Producer shall reimburse Completion Guarantor for any such costs incurred immediately upon receipt of Completion Guarantor's statement of any such costs.

11.1.3 If pursuant to any provision hereof, Completion Guarantor demands in writing any sum computed and due from Producer and payment thereof is not made by Producer within five (5) Business Days of the date of such written demand.

11.1.4 If any judgment is entered against Producer which in Completion Guarantor's good-faith judgment will or is likely to materially adversely affect Production and Delivery and is not discharged within ten (10) Business Days of such judgment being entered, unless Producer shall appeal against such judgment within the time allowed for appeal or a distress or execution is levied or issued upon or against any Collateral or any other property of Producer relating to the Film and the same is not removed within ten (10) Business Days of the levying of the same.

11.1.5 If a resolution is passed for the winding up of Producer or a petition for the liquidation of Producer is presented (except a winding up for purposes of reconstruction or amalgamation) or a receiver of Producer, its assets or any part thereof, any of which is related to or affects Production and Delivery, shall be appointed or a resolution is passed for such appointment.

11.1.6 If Producer shall cease or threaten to cease to carry on its business.

11.1.7 If Producer shall cease doing business as a going concern, make an assignment for the benefit of creditors, generally not pay its debts as they become due or admit in writing its inability to pay its debts as they become due, file a petition commencing a voluntary case under any insolvency, bankruptcy or similar law (the "Bankruptcy Code"), be adjudicated an insolvent, file a petition seeking for itself a reorganization, arrangement, composition, readjustment, rehabilitation, liquidation, dissolution or similar arrangement under the Bankruptcy Code or any other present or future statute, law, rule or regulation; or a case, proceeding or other action shall be instituted against Producer, seeking the entry of an order for relief against Producer as a debtor, to adjudicate Producer as a bankrupt or insolvent, or seeking reorganization, arrangement, readjustment, rehabilitation, liquidation, dissolution or similar relief against Producer under the Bankruptcy Code or other present or future statute, law, rule or regulation, which case, proceeding or other action either results in such entry, adjudication, relief or issuance or entry of any other order of judgment having a similar effect, is not dismissed within thirty (30) days.

ARTICLE 12 - COMPLETION GUARANTOR'S RIGHTS AND REMEDIES

12.1 Rights of a Secured Party. Subject to the Priority Rights, upon the occurrence of any Event of Default and at any time thereafter (such Default not having previously been cured or waived in writing), Completion Guarantor shall have, in any jurisdiction where the enforcement of this Agreement is sought and in addition to all other rights and remedies at law or equity, all rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law of a similar nature, including, without limitation, the right to take possession of the Collateral or any part or parts thereof, and for that purpose Completion Guarantor or its designee may enter upon any premises of or under the control of Producer on which any of the Collateral may be situated and remove the same therefrom. Completion Guarantor shall give to Producer prior notice of the time and place of any public sale of any of the Collateral or of the time after which any private sale or any other intended disposition of any of the Collateral is to be made by Completion Guarantor. Upon Default (such Default not having previously been cured or waived in writing), all Completion Sums and all other sums payable by Producer to Completion Guarantor under this Agreement shall become immediately due and payable including Interest thereon from the date of the payment by Completion Guarantor to the date of payment by Producer. Nothing herein shall be deemed to limit Completion Guarantor's recourse or remedies if there is an Event of Default.

12.2 Waivers. With the exception of notice to Producer as herein required, Producer hereby waives demand, protest, acceptance hereof, loans made, credit extended, any of the Collateral received or delivered or any action that is taken in reliance thereon

and all other demands and all suretyship defenses in the manner thereof undertaken or authorized by Completion Guarantor. With respect both to liabilities hereunder and the Collateral, Producer hereby accepts any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of the Collateral, to the addition or release of any party primarily or secondarily liable, to the acceptance of partial payments thereon and to the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as Completion Guarantor may deem advisable in its reasonable, good-faith business judgment. Completion Guarantor shall have no duty as to the Collateral or protection of the Collateral or any income derived with respect thereto, as to the preservation of rights against prior parties, or as to the preservation of any rights pertaining thereto beyond the safe custody thereof. Completion Guarantor may exercise its rights with respect to the Collateral without resorting or regard to other Collateral or sources of reimbursement for liability.

12.3 No Recourse. If Completion Guarantor shall release, endorse or assign any of the Collateral to Producer at any time, such release, endorsement or assignment shall be without recourse to Completion Guarantor in any event.

12.4 Preservation of Collateral. Completion Guarantor shall have the right at any time and from time to time to discharge any taxes, charges or encumbrances on the Collateral, and to take any other action that Completion Guarantor determines necessary to maintain, protect or preserve any of the Collateral. Producer shall immediately pay to Completion Guarantor on demand all amounts so paid or incurred.

12.5 Receiver. If, in Completion Guarantor's opinion, there is an Event of Default, then, in addition to all other rights, remedies, powers and defenses that Completion Guarantor may have under applicable law and subject to the Priority Liens, Completion Guarantor shall have the right to obtain appointment of a receiver of the Collateral (the "Receiver") upon such terms as to compensation and otherwise as Completion Guarantor shall see fit and may, from time to time, remove the Receiver so appointed and appoint another Receiver. Producer acknowledges that, due to the nature of the Collateral, the Collateral will be in danger of being removed or materially injured if there is an Event of Default. The Receiver shall be the agent of Producer and shall have all of the powers of a receiver under applicable law, subject to the Priority Liens. Any monies received by the Receiver shall be applied by Receiver after provision for any expense incurred by the Receiver in accordance with the terms hereof.

12.6 Producer's Indemnification. Producer shall hold harmless and indemnify Completion Guarantor and UniFi, and their respective officers, directors, shareholders, employees, attorneys, subcontractors, agents and other representatives from and against any and all claims, actions, suits, proceedings, judgments and demands, together with all losses, liabilities, damages, costs and expenses incident thereto (including Attorneys' Fees and Costs) and Interest thereon arising out of any Event of Default. Completion Guarantor shall control the litigation or resolution of any claim, action, suit or proceeding to which this indemnity applies. Completion Guarantor shall solely control the right to select counsel for itself, UniFi, and/or Producer to defend, compromise or settle any such claim, action, suit or proceeding. Producer shall have the right, at its cost, to appoint counsel and participate in the defense and resolution of any such claim, action, suit or proceeding.

ARTICLE 13 - PRODUCTION REPRESENTATIVE

13.1 Appointment. Completion Guarantor and UniFi (acting as the agent for Completion Guarantor) shall have the right from time to time to appoint one or more production representatives ("Production Representative") who shall, at all reasonable times be entitled to (a) observe and otherwise monitor the progress of Production and Delivery at any time and place provided, subject to Completion Guarantor's rights hereunder, such Production Representative shall not interfere with the progress of Production and Delivery, (b) see dailies, assemblies and rough cuts, (c) inspect the accounts, books, and records of Producer as they relate to the Film or the Collateral and to take extracts therefrom; and (d) request all information to which Completion Guarantor is entitled pursuant hereto.

13.2 Costs. If Completion Guarantor or UniFi (acting as the agent for Completion Guarantor) shall appoint a Production Representative, all fees, costs and expenses (including, without limitation, living, travel and accommodation costs, if applicable, but excluding any general overhead and administrative expenses of Completion Guarantor or UniFi if the Production Representative is a full-time employee of Completion Guarantor or UniFi) incurred in connection therewith ("Production Representative Costs") shall be paid first from Budget funds (excluding the Contingency) to the extent possible, next from the Contingency to the extent remaining and not committed or allocated towards payment of any other costs itemized in the Budget at the time such Production Representative Costs are incurred, and last by Completion Guarantor, in which event any such Production Representative Costs advanced by Completion Guarantor shall constitute Completion Sums.

13.3 Right to Explanations. Completion Guarantor, UniFi (acting as the agent for Completion Guarantor) or the Production Representative shall be entitled to reasonably require from Producer explanations of all matters relating to Production and Delivery.

Producer shall give any explanations to the best of its ability as may be required without delay and, if requested by Completion Guarantor, UniFi or the Production Representative, shall attend reasonably scheduled meetings or participate in telephone conference calls and shall use its best efforts to cause each Key Cast and Key Crew member and any other third-party materially involved with Production or Delivery whose presence Completion Guarantor, UniFi or the Production Representative shall reasonably request, to attend such meetings or participate in such calls, and at such meetings or on such calls to discuss any matter with the Completion Guarantor, UniFi or the Production Representative and give full consideration to each of their proposals in order to determine the steps to be taken to ameliorate each of their concerns.

ARTICLE 14 - TAKEOVER

14.1 Reason for Takeover. Completion Guarantor shall have the right (but not the obligation) to take over and administer all or any aspects of Production and Delivery ("Takeover") by giving notice to Producer if at any time (a) Completion Guarantor determines in its good-faith judgment, based upon cost reports, production reports, customary motion picture production measures of progress and cost projections, and any other information available that there is a likely risk of a claim against Completion Guarantor under the Completion Guaranty or any of the other Completion Documents; or (b) there is an Event of Default or Producer is in material uncured breach or fails at any time to comply with any of the terms hereof or under any other agreement which failure might, in Completion Guarantor's reasonable judgment, cause Completion Guarantor to incur liability under the Completion Guaranty or any of the other Completion Documents; or (c) Producer fails to carry out or to cause its employees, independent contractors and agents to timely carry out instructions which are given by Completion Guarantor, UniFi (acting as the agent for Completion Guarantor) or the Production Representative in accordance with this Agreement; or (d) there is any strike, lockout, boycott, voluntary or forced unionization or attempted or threatened unionization or other labor disturbance affecting, hindering, impairing, delaying or preventing the timely completion of Production and Delivery; or (e) Completion Guarantor shall have advanced or shall have committed or become obligated to advance Completion Sums or otherwise incurred liability under the Completion Guaranty or any of the other Completion Documents.

14.2 Takeover Rights.

14.2.1 In the event of a Takeover, (a) Completion Guarantor shall have the right to do all acts and take all steps necessary to advance and complete Production and Delivery and otherwise protect and enforce Completion Guarantor's rights, remedies, powers and defenses hereunder and to maintain, protect and preserve the Collateral, and (b) Producer shall comply, and cause Key Cast and Key Crew members and other third parties materially involved with Production and Delivery to comply, with all instructions given by Completion Guarantor, UniFi (acting as the agent for Completion Guarantor) or the Production Representative in order to progress and complete Production and Delivery and to remove, remedy or reduce any claim or the risk of there being any claim made against Completion Guarantor under the Completion Guaranty or any of the other Completion Documents including the suspension or dismissal of any person or persons engaged in Production and Delivery, provided that no such instruction shall conflict with the provisions of the Interparty Agreement, any Distributor Agreement or other contractual obligations of Producer with respect to the Film which has been previously approved by Completion Guarantor, except with the consent of all parties affected thereby. Producer acknowledges and agrees that, in the event of a Takeover, Completion Guarantor does not assume Producer's executory obligations, all of which Producer shall continue to be obligated to perform. Completion Guarantor agrees that it shall not knowingly interfere with Producer's rights or its ability to perform its services in relation to the Film; however, any reasonable actions taken by or at the direction of Completion Guarantor to advance and complete Production and Delivery during a Takeover shall be deemed not to be an interference with Producer's rights or its ability to perform its services in relation to the Film.

14.2.2 In the event of a Takeover, (a) Completion Guarantor shall be deemed to have been appointed Producer's attorney-in-fact to do all acts and take all steps necessary to advance and complete Production and Delivery and otherwise to protect and enforce Completion Guarantor's rights, remedies, powers, and defenses hereunder and to maintain, protect and preserve the Collateral; (b) 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; (c) Producer shall and hereby undertakes to place the Production Account (and each of them) and all persons, premises, and equipment used by Producer in connection with Production and Delivery at the disposal of and under the control and custody of Completion Guarantor; (d) Completion Guarantor shall have, and Producer shall provide, full access to and use of (including the right to remove) all materials, property or other assets used in connection with Production and Delivery; (e) Producer shall cooperate fully with Completion Guarantor, UniFi (acting as the agent for Completion Guarantor) and the Production Representative to enable a Takeover to occur with the minimum possible disruption to Production and Delivery, to furnish all information and render all reasonable and customary services in connection with Production and Delivery as Completion Guarantor, UniFi (acting as the agent for Completion Guarantor) or the Production Representative shall reasonably request, including, without limitation, facilitating the transfer of all Film assets, whether or not in Producer's possession, custody or control, to Completion Guarantor or any third-party designated by

Completion Guarantor; and (f) Producer shall not interfere with or obstruct Completion Guarantor's exercise of its rights, remedies, powers and defenses hereunder.

14.2.3 No Liability to Producer. Completion Guarantor shall have no liability to Producer resulting from a Takeover provided Completion Guarantor observes the contractual obligations of Producer with respect to the Film which have been previously approved by Completion Guarantor.

14.3 Producer's Power of Attorney. Except as herein provided, Completion Guarantor shall have no liability to Producer resulting from a Takeover provided Completion Guarantor observes the contractual obligations of Producer with respect to the Film which have been previously approved by Completion Guarantor.

14.4 Producer's Power of Attorney. Concurrently with the execution hereof, Producer shall deliver to Completion Guarantor a power of attorney ("Producer's Power of Attorney") in the form attached hereto as Exhibit "C", duly signed by an authorized signatory before a notary public, pursuant to which Completion Guarantor shall be appointed as Producer's attorney-in-fact, in the name of Producer or otherwise, to take any of the actions permitted thereby if, in Completion Guarantor's reasonable opinion, there is the occurrence of any default or an Event of Default, Completion Guarantor has advanced any Completion Sums or incurred any liability under any of the Completion Documents or there is a likelihood that Completion Guarantor will need to do so. Producer acknowledges and agrees that such appointment shall be coupled with an interest and is irrevocable but shall terminate upon completion of Production and Delivery in accordance with the terms of the Completion Guaranty and the full satisfaction of Completion Guarantor's obligations thereunder. Upon Producer's written request, Completion Guarantor shall provide Producer with copies of all documents executed in Producer's name pursuant to the Producer's Power of Attorney (provided that a failure to do so shall not be a breach hereof).

14.5 Terminating Takeover. A Takeover shall terminate if Producer shall provide, from sources other than Completion Guarantor, such additional funds (in excess of the Strike Price) in such amount and manner of payment acceptable to Completion Guarantor or shall take other steps that will in the reasonable opinion of Completion Guarantor, adequately protect Completion Guarantor from incurring any liability under any of the Completion Documents, without prejudice to the rights of Completion Guarantor subsequently to exercise any of its rights, remedies, powers and defenses contained herein, including its right to a Takeover. If a Takeover shall terminate prior to the completion of Production and Delivery, then upon Producer's written request Completion Guarantor will undertake to sign all documents necessary to permit Producer to regain management and control over Production and Delivery.

14.6 Completion Guarantor's Indemnification. In the event of a Takeover, Completion Guarantor shall defend, indemnify and hold harmless Producer, from and against any and all claims, actions, judgments and demands, together with all losses, liabilities, damages, costs and expenses incident thereto (including Attorneys' Fees and Costs) incurred by Producer arising out of any default by Completion Guarantor with respect to Producer's contractual obligations with respect to the Film to the extent the same were previously approved by Completion Guarantor, or as a result of Completion Guarantor's gross negligence or Completion Guarantor defaulting in the performance of its obligations under any agreement entered into by Completion Guarantor after taking control of Production and Delivery, if and only to the extent, if any, that Producer has been prejudiced by the occurrence of any such default. Additionally, Completion Guarantor shall indemnify and hold harmless Producer with respect to claims against Producer arising solely as a result of Completion Guarantor's use of Producer's Power of Attorney that causes a default in Producer's contractual obligations with respect to the Film in any agreement Completion Guarantor shall have previously approved. Completion Guarantor shall have no obligation to Producer or any other person to take any action to enforce any such agreement, contract or right or obligation to exercise any other right or power granted by this Agreement unless the following conditions have been satisfied: (a) such action shall have been requested of Completion Guarantor by Producer in writing, and (b) Completion Guarantor shall have received indemnity against costs and expenses which may be incurred in connection with such action in amounts and form satisfactory to Completion Guarantor. Notwithstanding anything herein to the contrary, Completion Guarantor's indemnity shall not extend to any claims for which Producer must indemnify Completion Guarantor pursuant hereto including any claims resulting from an Event of Default even if such claims shall arise after a Takeover. Completion Guarantor reserves all rights, remedies, powers and defenses against Producer, at law or in equity, in the event of any breach hereof by Producer.

ARTICLE 15 - SECURITY INTEREST AND LIEN

15.1 Lien. Producer has granted or will grant to Completion Guarantor a continuing security interest in, lien on, security over, and the right of set-off against, all of Producer's Rights, whether now owned or hereafter acquired or arising and regardless of where located or whether or not in possession of Producer, including all of Producer's right, title and interest in the "Collateral" (as defined and described in the Collateral Description attached hereto as Exhibit "D" and incorporated herein by its reference) as security

for the payment of all monies payable to Completion Guarantor hereunder and the performance of all other obligations of Producer to Completion Guarantor pursuant to the Completion Documents (collectively, "Lien").

15.2 Permitted Liens. Except for the Permitted Liens, Producer has not granted and will not grant any lien on or security over the Film or the Collateral to any other person without Completion Guarantor's prior written approval. Subject to the Interparty Agreement, the Lien shall be prior in rank to all Permitted Liens except for the Priority Liens as to which the Lien shall be subject to and subordinate in rank.

15.3 Additional Documents. At the request of Completion Guarantor, Producer shall execute and deliver all such further reasonable documents prepared by Completion Guarantor consistent herewith as Completion Guarantor may deem necessary or appropriate to perfect, maintain, protect and preserve the Lien and, in the event Producer fails to do so within three (3) Business Days of Completion Guarantor's request, Completion Guarantor may execute such documents as Producer's attorney-in-fact pursuant to Producer's Power of Attorney.

15.4 Financing Statements and Collateral Mortgages. Completion Guarantor or its designee 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 Lien. Concurrently with the execution hereof, Producer shall deliver to Completion Guarantor (a) a copyright mortgage and assignment ("Copyright Mortgage and Assignment") in the form attached hereto as Exhibit "E", duly signed by an authorized signatory of Producer before a notary public, which Completion Guarantor or its designee shall have the right to register with the U.S. Copyright Office; and (b) an authentication certificate for any financing statement or similar document or instrument that Completion Guarantor deems necessary or desirable to file in order to perfect any of Completion Guarantor's rights, liens or security in the Film or the Collateral ("Authentication for Financing Statement") in the form attached hereto as Exhibit "F", duly signed by an authorized signatory of Producer.

15.5 Release of Lien. Completion Guarantor shall release or terminate the Lien and provide documentary evidence thereof to Producer promptly following Producer's written request provided (a) each Beneficiary shall, in such form and substance satisfactory to Completion Guarantor, irrevocably and unconditionally release Completion Guarantor from any liability under the Completion Documents, and (b) Completion Guarantor shall acknowledge in writing that either it did not advance any, or it has fully recouped all, Completion Sums. Producer shall reimburse Completion Guarantor for any reasonable fees and expenses Completion Guarantor shall incur to effectuate or substantiate any release or termination of the Lien.

ARTICLE 16 - COMPLETION SUMS

16.1 Completion Sums. Completion Guarantor shall have the right at any time to incur, advance or expend Completion Sums in its sole discretion. Completion Sums will be irrevocably and fully recoupable as herein provided. The termination or release of Completion Guarantor's obligations under the Completion Documents shall not affect Completion Guarantor's right to recoup Completion Sums.

16.2 Recoupment. Producer acknowledges and agrees that Completion Guarantor shall be entitled, subject to the terms of the Interparty Agreement and the other Completion Documents and after Beneficiary's Obligations have been paid in full, to fully recoup and recover Completion Sums from all proceeds received by Producer (including any affiliate, parent or subsidiary of Producer) or payable (without offset and without double-counting) to Producer from any third-party, including any Distributor, in respect of the exploitation and disposition of the Film and the Collateral by any means and in any media, now known or hereinafter invented, throughout the world in perpetuity and all other revenues payable to Producer in relation to the Film including any production subsidy, benefit from a government-sponsored loan program, tax credit, rebate or other similar incentive (collectively, "Recoupment Proceeds"). Without limiting the foregoing, if Completion Guarantor has advanced any Completion Sums, then Producer further acknowledges and agrees that, as between Producer and Completion Guarantor, after the Repayment Date applicable to that Beneficiary that has monetized the Incentives, Completion Guarantor is solely entitled to any Excess Incentives until Completion Guarantor's full recoupment of all Completion Sums. Producer shall promptly and directly pay, or cause any applicable third-party that shall receive Excess Incentives to promptly and directly pay, any such Excess Incentives to Completion Guarantor until Completion Guarantor's full recoupment of all Completion Sums. Prior to Completion Guarantor's recoupment of Completion Sums, Producer or its designee shall be entitled to recoup from Recoupment Proceeds the funds advanced by or on behalf of Producer (a) for any Enhancement provided Completion Guarantor or its designee shall have received the additional fee pursuant to Section 7.4 and (b) that would otherwise have been advanced as Completion Sums including any funds advanced pursuant to Section 14.4. Subject to the immediately preceding sentence and to the extent of the Priority Liens, Producer shall pay or cause to be paid, and hereby assigns, to Completion Guarantor all of Producer's Rights in and to Recoupment Proceeds until Completion Guarantor has fully recouped all Completion Sums.

16.3 Direction to Pay. Completion Sums recoupable hereunder by Completion Guarantor shall be paid directly, without offset, to Completion Guarantor by Producer or, at the source by each third-party that is contractually obligated to pay Recoupment Proceeds to Producer (or to any Sales Agent, Licensing Intermediary, or any other party as directed by Producer). Producer shall execute a notice of irrevocable assignment in a form acceptable to Completion Guarantor directing payment of Recoupment Proceeds to Completion Guarantor after all Obligations have been repaid in full and until such time as Completion Guarantor shall have fully recouped all Completion Sums and Producer shall secure the applicable third-party payer's acceptance thereof. In the event Producer fails, refuses or is unable to do so within two (2) Business Days following Completion Guarantor's request, Completion Guarantor will do so as Producer's attorney-in-fact. Recoupment by Completion Guarantor shall be made prior to the payment of any deferred compensation (except to the extent any such deferred compensation is included in the Strike Price and covered by the Completion Guaranty without limitation or exclusion) and any profit participations (other than any so-called "Gross Profit" participation payable to any third-party approved in writing by Completion Guarantor) become payable to Producer or any third-party. Producer shall, promptly upon receipt thereof, furnish Completion Guarantor with copies of any statements of account received by Producer that pertain to proceeds derived from the exploitation of the Film. Notwithstanding the foregoing, if a Collection Agreement in connection with the Film has been fully executed and is in full force and effect amongst Producer, Completion Guarantor and any other parties thereto, then Completion Sums recoupable hereunder shall be paid to Completion Guarantor in accordance with the order of priority and terms thereof.

ARTICLE 17 - MISCELLANEOUS

17.1 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, 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 Producer:</p> <p>Independent Films LLC 4942 High Point Rd NE Atlanta, Georgia 30342 Attention: Harris Jones Email: harris.jones@indiefilmsllc.com</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 Email: steven@unifibonds.com</p>	<p>With a copy to:</p> <p>Atlantic Specialty Insurance Company c/o OneBeacon Entertainment 505 N Brand Blvd., Suite 1250 Glendale, CA 91203 USA Attention: Joe Fitzgerald, President Email: jfitzgerald@onebeacon.com</p>

17.2 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 subclauses, 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 this Agreement in its entirety and not to any particular paragraph, subparagraph, section or subsection, clause or subclause, (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.

17.3 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.

17.4 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.

17.5 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.

17.6 GOVERNING LAW. THIS AGREEMENT SHALL IN ALL RESPECTS BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK AND THE APPLICABLE FEDERAL LAWS OF THE UNITED STATES OF AMERICA, WITHOUT REGARD TO THE CONFLICT OR CHOICE OF LAW RULES OF SUCH STATE, AND THE FEDERAL LAWS OF THE UNITED STATES, AS APPLICABLE.

17.7 Submission to Jurisdiction; Service of Process. Except for disputes subject to arbitration in accordance with the terms hereof, 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. Each Party consents to service of process by any means authorized by New York law. Service of any process, summons, legal notice or other communication in any judicial or arbitration 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. 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.

17.8 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 PRODUCER 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.

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

17.10 Joint and Several Obligations. If two or more parties comprise Producer hereunder, then, except as may be specifically provided to the contrary herein, their respective undertakings, representations, and warranties made in this Agreement are joint and several. Notwithstanding the foregoing, Completion Guarantor may proceed against any or either of them without having foreclosed on the Collateral or first instituted proceedings or made demand upon or against any or all others.

17.11 Approvals. Wherever in this Agreement Completion Guarantor has the right to approve agreements, personnel or other production matters or otherwise make decisions with respect to Production and Delivery, such approval or decisions shall be made reasonably, in good faith, and without undue delay based upon Completion Guarantor's reasonable business judgment with respect to the likelihood of Completion Guarantor incurring liability under the Completion Documents as a result of such decision or approval. Wherever in this Agreement Producer has a right of approval, such approval shall not be unreasonably withheld or delayed.

17.12 Screen Credit. Producer shall cause Completion Guarantor to be accorded credit as the Completion Guarantor of the Film in the Film's end titles in all positive prints and reproductions thereof, all in a size and font equal to that most commonly utilized to accord other credits in the end credit crawl. Unless Completion Guarantor otherwise agrees in writing, the form of Completion Guarantor's credit in the Film's end titles shall be substantially as follows: "Completion Guaranty provided by UniFi Completion Guarantors." Producer's inadvertent failure to provide the foregoing credit shall not be a breach hereof, provided if not unduly expensive, Producer shall use all reasonable efforts to prospectively cure such failure with respect to positive prints and reproductions of the Film created after Producer's receipt of notice of such failure. Completion Guarantor shall not be entitled to injunctive or equitable relief in the event of a failure to accord the foregoing credit.

17.13 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.

17.14 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.

17.15 No Third-Party Beneficiary. No Party intends that any rights, obligations or restrictions contained herein shall inure to the benefit of any third person. Producer hereby waives any and all interest and benefit, which Producer may have, or in the future may be entitled to, in or under the Completion Guaranty and specifically acknowledges that it is not a third-party beneficiary of the Completion Guaranty.

17.16 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.

17.17 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.

[Remainder of page left intentionally blank/Signatures on the following page]

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

“PRODUCER”

Independent Films LLC

By: _____
Its: Authorized Signatory

“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

By: _____
Its: Authorized Signatory

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 Crew List (including each Essential Element, if any)
Exhibit "A-4"	Production Account
Exhibit "A-5"	Shooting Schedule (first and last page only)
Exhibit "A-6"	Post Calendar (first and last page only)
Exhibit "A-7"	Screenplay (cover and last page only)
Exhibit "B"	Basic Insurance Coverages
Exhibit "C"	Producer's Power of Attorney
Exhibit "D"	Collateral Description
Exhibit "E"	Copyright Mortgage and Assignment
Exhibit "F"	Authentication for Financing Statement